



FCS/81/138

ALL MEMBERS OF CABINET AND ODPoland

My colleagues may welcome a note about Poland before the start of the Christmas holiday.

The action taken so far has been carried out by Polish security forces assisted by some 150,000 Polish troops or half the Polish Army. The Russians undoubtedly knew what was going to happen and approved of it. I assume that there is a contingency plan for the possibility of the situation getting out of control of the Polish authorities. In that event Soviet forces could not fail to be involved. But there is no sign of this at the moment. Jaruzelski and his colleagues in the Military Council may be at least partly sincere when they talk of Poland returning in due course to the path of reform and renewal. But I am very doubtful whether events are going to permit this, at least in the next few weeks and possibly months. A more sombre interpretation is that we are witnessing the start of the extinction of the process of renewal which began in August 1980. We are, and shall stay, closely in touch with allies and partners about the crisis and how to handle it.

All this has required and will continue to require difficult decisions, not least about the line to take in public. The statement issued by the Foreign Ministers of the Ten on 15 December was criticised in some quarters here as too weak, and a stronger line is certainly required now, to match the worsening situation and the tone of comment from other Western capitals, especially Washington. I added a

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stronger piece on Poland to my speech to the European Parliament in Strasbourg on 17 December.

Humphrey Atkins was asked in the House about the possibility of increasing the broadcasting hours of the BBC Polish Service. I find that for an annual cost of £53,000 it would be possible to add an extra 15 minutes three times a day, making five hours a week. More than that would require additional staff. I am not at the moment convinced that a small increase would be worth making.

There is a potential problem about immigration. Our usual practice has been to grant visas to Poles fairly freely. There are 2,000 outstanding applications from before 13 December, but it has not been possible to process these for communication and other reasons. But if the situation degenerates further we could see Britain becoming a country of refuge for Poles, as Austria is already. I have asked my officials to look at this urgently with their colleagues in the Home Office.

There may also be a problem with the voluntary agencies. There has been considerable pressure for the Government to play at least a coordinating role. The position should be clearer after a meeting of the various charities on 21 December which the Red Cross has called.

Lastly there are the complicated and difficult economic questions. The position at the moment is that economic assistance from Britain and the rest of the Community already "in the pipeline" is not being held back (this includes the 8,000 tonnes of beef which the Ten Governments agreed to supply to Poland free of charge in time for Christmas). There will shortly be a need to decide,

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for example, whether to proceed with the second stage of the third tranche of subsidised food from the Community; what policy ECGD should follow from now on; whether the rescheduling operation for 1981 should be suspended, and whether that envisaged for 1982 can take place as planned; and what to do about the URSUS tractor plant in Warsaw, to which £30 million of credit had been allocated for 1982. None of these matters requires to be decided before Christmas, but officials are meeting to consider the issues and set them out in a form which will facilitate decisions in case they are needed urgently.

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(CARRINGTON)