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Ronald Reagan Library

Collection Name DOBRIANSKY, PAULA: FILES

Withdrawer

RBW

1/4/2017

File Folder

POLAND - SANCTIONS (IMF) 08/17/1984-12/31/1986

FOIA

F1640/3

Box Number

HERSHBERG

DOX Number	7		32	COLLDE	rto.
ID Doc Type	Document Description	No of Pages	Doc Date	Restr	ictions
186752 NOTE	TO DOBRIANSKY REGARDING REPORT	1	ND	B1	В3
186755 PAPER	RE. POLAND	2	ND	B1	В3
186756 PAPER	[IN POLISH]	8	ND	В1	В3
186757 PAPER	RE. SANCTIONS	1	ND	B1	
186758 MEMO	ROBERT KIMMITT TO DONALD GREGG, NICHOLAS PLATT, ET AL, RE. U.S. CONTACT	1	3/11/1985	B1	В3
186759 MEMO	PAULA DOBRIANSKY TO ROBERT MCFARLANE RE. USG CONTACTS	1	3/5/1985	B1	

The above documents were not referred for declassification review at time of processing Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

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			32	
ID Doc Type	Document Description	No of Pages	Doc Date	Restrictions
186760 PAPER	RE. SANCTIONS IN EFFECT	2	ND	R1

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FACT SHEET ON SANCTIONS AGAINST THE POLISH GOVERNMENT

SANCTIONS	DATE	STATUS
Fishing Suspension of Polish fishing privileges in U.S. waters	December 1981	Lifted January 1984
Civil Aviation Suspension of LOT civil aviation	December 1981	Still in effect
Credits Suspension of all U.S. official and guaranteed credits for Poland. Suspension of Export-Import line of credit insurance	December 1981	Still in effect
Technology Transfer Implemented "No Exceptions" policy on restricting export licensing of high technology to Poland	December 1981	Still in effect
Agriculture Curtailment of shipments of non- humanitarian agricultural commodities	December 1981	Still in effect
Science Exchanges Suspension of U.S. participation in the Maria Sklodowska Curie Fund which finances joint scientific research projects	May 1982; in response to expulsion of Embassy Warsaw Science Attache	Still in effect
MFN Suspension of MFN status	October 1982; in response to the banning of Solidarity	Still in effect
IMF Opposition to Poland's entry into the IMF	November 1983; (mentioned publicly in WH Press Statement)	Still in effect
2)		

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ID	Document Type Document Description	No of pages	Doc Date	Restric- tions
18675	2 NOTE	1	ND	B1
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TO DOBRIANSKY REGARDING REPORT

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186755	PAPER	2	ND	B1					
	RE. POLAND			B3					

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186756	5 PAPER	8	ND	B1
	[IN POLISH]			B3

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Freedom of Information Act - [5 U.S.C. 552(b)]

RE. SANCTIONS

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THE WHITE HOUSE

WASHINGTON

August 17, 1984

MEMORANDUM FOR: Paula Dobriansky Geoff Kemp

FROM:

ROBERT M. KIMMITT

SUBJECT:

Secretary Shultz's Evening Report of: Aug. 14, 1984

The following excerpt is for your information only. Please do not refer to it in any discussions.

2. Armacost Call on AFL-CIO President Kirkland. During a meeting with Mike Armacost on August 14, Lane Kirkland's principal concern was Polish sanctions. He said he had no problem with resumption of LOT flights, but would be much tougher on IMF on the grounds that we should not ease up our pressure when sanctions are finally getting results. Irving Brown, who was with Kirkland, pointed out that amnesty is only a small part of the picture and argued that we will have to wait to see whether the workers released get their jobs back and are free from harrassment. Mike also asked Kirkland to give some thought to how he could help us in New Zealand. Kirkland said the situation there was tough since the labor unions have gone very far to the left; but he will see what he can do. Brown emphasized the need to pay special attention to developments in Algeria and suggested we find someone who might serve as an occasional, high-level contact. Mike assured them that Algeria is on our list of countries deserving special attention. (U)

MEMORANDUM



THE WHITE HOUSE

WASHINGTON

August 17, 1984

POLIAND SA-WCTIONS

17

MEMORANDUM FOR: Paula Dobriansky

FROM:

ROBERT M. KIMMITT

SUBJECT:

Secretary Shultz's Evening Report of: Aug. 16, 1984

The following excerpt is for your information only. Please do not refer to it in any discussions.

1. Poland. The Polish Charge late this afternoon delivered the official Polish Government response to your August 3 decision on Poland to Deputy Assistant Secretary of State Mark Palmer. The text, which the Polish Foreign Ministry formally presented to our Charge in Warsaw earlier in the day and then released to the Polish press, runs eleven pages. After repeating familiar Polish rhetoric about the unjust nature of our sanctions and detailing all we must do to normalize US-Polish relations, the note winds up accepting our offer to discuss new civil aviation and science exchange agreements. In response to press inquiries, we are saying we cannot comment until we have had time to study the eleven-page note. (C)

Ughranger

CONFIDENTIAL DECL: OADR

DECLASSIFIED

Authority NSL Waives 8/6/10

BY RW MARADATE 1/4/17

MEMORANDUM



SHWETTONS

THE WHITE HOUSE

WASHINGTON

aug 21, 1984

MEMORANDIM FOR-

Paula Dobiansky

FROM:

ROBERT M. KIMMITT

SUBJECT:

Secretary Shultz's Evening Report of: aug. 17, 1984

The following excerpt is for your information only. Please do not refer to it in any discussions.

we believe that the expressed willingness of the Poles to enter into negotiations on civil aviation and science and technology agreements is sufficient cause for us to proceed as appropriate in these two areas. Negotiations on a civil aviation agreement may be complicated by Polish stubborness regarding their ICAO claim but we will leave no doubt that we will not allow regularly-scheduled LOT flights to resume until their claim is dropped. Resumption of full-scale science exchanges will take time but no large obstacles loom. We think that a point-by-point rebuttal of the Polish note, much of which is churlish in tone, would be pointless and plan to ignore the propagandistic elements both in public and in private with the Poles.

CONFIDENTIAL

Authority 113C No ver 8/6/10
BY WW NARA DATE 11-117

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AR BERNSRUIN (SCHEDULED)

Paula pobrionsky CARDIGAL BAYS POLISH CHURCH TO ASK HEST FOR AGRICULTURE A

BY PHILLIP PULLELER

PAREN BURD 28: RELITER . THE HATMEISHOP OF CHICAGO.

PRELIMINE FROM A 10-DRY WISTTON POLANDA SAID TODAY HOST POLES WORT ECONOMIC SAMETIONS LIFTED AND THE PECTEN CHURCH WILL ASK FOR HESELVE MESTEEN RID TO RESIVE THE COUNTRY'S MORICULTURE.

THERE SEEMS TO BE ALBOST LINGUIDATY THAT THE SAMETIONS SHOULD SE LIFTED FOR MUMBRITHRIAD MERSONS! LARDINAL JOSEPH BERNARDIN TOLD A NEWS CONFERENCE THREE DAYS AFTER HE AND OTHER U.S. CLERICS ENDED A TRIP TO POLAND.

STITUE BUTCKER THE STITUETION RETURNS TO WORRAL THE BETTER OFF .

THE PROPLE MELL BEY "THE SHID."

DEPHARMAN SHAP POLICE BISHOPS VIEWED THE AMMESTY RECENTLY TRANTED TO TOUTE ERESONERS AS A ROSTTLUE FIRST STEP. "THEY FEEL THE WEST STEP HUST SHOPENE GREATER DIALOGUE SETHEEN THE SOUL ROWENT AND THE PEOPLE . THE SHIR.

BERNEROTH SAID THE POLISH CHURCH PLANS TO ASK ROMAN DATHOLIC CHURCHES AND SOMETHMENTS TO MESTERN NATIONS TO HELP FINANCE A HULTISMILLION DOLLAR FOUNDATION TO HELP POLISH ASRICULTURES ABOUT 60 PER CENT OF WHICH IS IN PRIVATE HANDS.

HE SAID THE GOVERNMENT HAD APPROVED THE FOUNDATION AND THE CHURCH HOULD HAVE THE BASIC RESPONSIBILITY FOR RUMHING IT. A IS HOWTH PIKOT PROJECT HOULD COST ABOUT \$20 HILLION AND A PERMANENT REGISCT SECUR \$160 HILLIGH.

BEEKERDIN ERID HE WAD NOT TOSK HITCHT THE BOULET UNION'S POTERED ON THE EQUIPATION, POTENDED. "THE SUCCESS OF THIS MYLE REPEND IN LEAGE MERSURE OF THE WESTERN HORLD."

THERE IS A SELET NEED FOR GEN ERUISHERT. FOR PARTS FOR MACHINERY, IN HE SHIDS ADDING THAT HE WAS WILLING TO MEET REAGAN ADMINISTRATION OFFICIALS TO DISCUSS HIS TALE.

THE UNITED STATES HAS COMMITTED \$10 MILLION FOR THE PILOT PROJECT HE SALD.

PERMANDING WHO DISCUSSED THE TRIP WITH POPE JOHN PAUL RODAYS THIS ROLLER BISHOSS BRE NOT HOTHER AS MOLITICIANS BUT AS PRINTERS SECRETAR THE WELL BEING OF THEIR PEOPLES

FAT THE SAME THE THEY HAVE STATED THAT THE GOVERNMENT MUST DO ITS PRETE IT MUST RESPECT THE FLORTS OF THE PROPERTY IT MUST KEEP THE PROMISES THAT IT HERES! " HE SAID. DEUTER 1849



TO

MCFARLANE

FROM PLATT, N

DOCDATE 28 FEB 85

KEYWORDS. POLAND

SUBJECT. USG CONTACTS W/ POLISH OFFICIALS

ACTION: PREPARE MEMO FOR MCFARLANE DUE: 05 MAR 85 STATUS S FILES PA

FOR ACTION

FOR CONCURRENCE

FOR INFO

DOBRIANSKY MATLOCK

SESTANOVICH

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COMMENTS

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186758	MEMO	1	3/11/1985	B1
	ROBERT KIMMITT TO DONALD GREGG, NICHOLAS PLATT, ET AL, RE. U.S. CONTACT			В3

Freedom of Information Act - [5 U.S.C. 552(b)]

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USUN, Jes

HIP, ACPA N VOITA Pla genelherd (8 16ms John Poindexter **Paul Thompson** 3 Wilma Hall A **Bud McFarlane Bob Kimmitt NSC Secretariat Situation Room** I = Information A = ActionRegan Deaver, Othe Should be seen by COMMENTS Denna Milano (Date/Time)

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Ronald Reagan Library

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ID	Document Type
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No of Doc Date pages

Restrictions

186759 MEMO

1 3/5/1985

B1

PAULA DOBRIANSKY TO ROBERT MCFARLANE RE. USG CONTACTS

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United States Department of State

Washington, D.C. 20520

26

CONFIDENTIAL

February 28, 1985

MEMORANDUM FOR ROBERT C. MCFARLANE THE WHITE HOUSE

SUBJECT:

USG Contacts with Polish Officials

Diplomatic relations between the United States and Poland remain abnormal. As a consequence, the Department believes it would be appropriate to reduce the USG access accorded to Polish diplomats in this country. The Department of State would appreciate the NSC's assistance in communicating this policy to appropriate government agencies. A suggested circular is attached.

Muller Place
Nicholas Platt
Executive Secretary

Attachment:
Suggested Circular

CONFIDENTIAL DECL: OADR

DECLASSIFIED

ALTONITY State Warver 11/10/15

BY RN NARA DATE 114/17

Department of State Suggested Circular



TO:

All USG Foreign Affairs Agencies

FROM:

The NSC

SUBJECT:

USG Contacts with Polish Officials

Bilateral relations between the United States and Poland remain abnormal. Consequently, until further notice all agencies are requested to limit official contacts with officers of Polish diplomatic missions in the United States to the office-director level. Similarly, no one above the level of office director should attend official Polish functions, such as national day, hosted by Polish diplomatic and consular missions in the United States.



DECLASSIFIED

Authority State Waiver 11/9/15

BY LW MARADATE 1/4/17

RESTRICTION	DATE	STATUS
Fishing Suspension of Polish fishing privileges in U.S. waters	December 1981	Lifted January 1984
Civil Aviation Suspension of LOT civil aviation privileges in the U.S.	December 1981	Modified January 1984 to permit 88 charter flights on a reciprocal basis, lifted August 1984
Credits Suspension of all U.S. official and guaranteed credits for Poland. Suspension of export-import credit line.	December 1981	Still in effect
Technology Transfer "No exceptions" policy on export licenses to Poland within COCOM	December 1981	Still in effect but never accepted by Allies
Science Exchanges Suspension of U.S. participation in joint Maria Sklodowska Curie fund for travel of Polish scientists in response to expulsion of Embassy Warsaw Science Attache	May 1982	Lifted August 1984
MFN Suspension of MFN status	October 1982 in response to delegalization of solidarity	Still in effect
IMF Opposition to Poland's entry into the IMF	Common knowledge after imposition of martial law, publicly mentioned in November 1983	Lifted December 1984

SANCTION	DATE	STATUS
Credits Suspension of official credits except for food	January 1982	Still in effect, although some NATO creditors have told Poles new credits are possible under certain conditions
Contacts Discouragement of high-level contacts with counterparts in Polish Government	January 1982	Still in effect, but British, Italian, and German foreign ministers have visited Warsaw since December 1984
Debt Rescheduling Suspended rescheduling of Poland's debt "for time-being",	January 1982	Modified October 1983, lifted March 1984

NATO RESTRICTIONS

Revised: June 1985

Ronald Reagan Library

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186760	PAPER	2	ND	B1

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THE WHITE HOUSE

WASHINGTON

Sin Amidain 31

August 1, 1986

Dear Congressman Hamilton:

Many thanks for your letter of July 9 regarding U.S. economic sanctions against Poland.

In devising our policy toward Poland, we have consistently taken into consideration its evolving domestic situation. We have also sought the advice and views of Lech Walesa and the Church. In 1984, we lifted most of our economic sanctions partially in response to their recommendations.

Our fundamental goal, however, remains unchanged -- to encourage economic reform and political moderation in Warsaw. Unfortunately, our partial lifting of sanctions has failed to elicit further positive Polish responses. The current government continues to deny the legitimate aspirations of its people. Thus, we feel that lifting the remaining sanctions at this time would send the wrong signal to Warsaw and would be counterproductive.

Again, many thanks for sharing your views with me.

Sincerely,

John M. Poindexter

P.A.

We are watching the situation closely and will be about for the proper time.

The Honorable Lee H. Hamilton Chairman Subcommittee on Europe and the Middle East U.S. House of Representatives Washington, D.C. 20515

NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

July 29, 1986

ACTION

MEMORANDUM FOR JOHN M. POINDEXTER

FROM:

PAULA DOBRIANSKY

SUBJECT:

Letter from Congressman Hamilton

Congressman Lee H. Hamilton (D-Ind) sent you a letter (Tab A) as a follow-up to your discussion on US economic sanctions vis-a-vis Poland. Specifically, his letter notes that Lech Walesa believes that US sanctions should be lifted. At Tab I is your reply to Hamilton.,

Matlock Danzansky and Sable concur.

RECOMMENDATION

That you sign the letter to Congressman Hamilton at Tab I.

Approve Approve

Disapprove ____

Attachments

Tab I Ltr to Hamilton
Tab A Incoming

LEE M. MAMILTON. INDIAMA
GUS YATRON, PIRMSYLVANIA
STEPMEN J. SOLARZ. NEW YORK
DON BONKER WASHINGTON
GERRY E. STUDDS. MASSACHUSET'S
DAN MICA FLORIDA
MICHAEL D. BARNES. MARVLAND
MOWARD WOLPE MICHIGAN
GEO. W. CROCKETT. JR. MICHIGAN
SAM GEJDENSON. CONNECTICUT
MERVYN M. DYMALLY CALIFORNIA
TOM LANTOS. CALIFORNIA
TOM LANTOS. CALIFORNIA
ROBERT G. TORRICCELLI, NEW JERSEY
LAWRENCE. J. SMITH, FLORIDA
MOWARD L. BERMAN, CALIFORNIA
HARRY REID, NEVADA
MEL LEVINE. CALIFORNIA
EDWARD F. FEIGHAN. OHIO
TED WEISS. NEW YORK
BUDDY MACKAY, FLORIDA
MORRIS K. UDALL ARIZONA
MORRIS K. UDALL ARIZONA
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Congress of the United States
Committee on Foreign Affairs
House of Representatives
Washington, DC 20515

July 9, 1986

JOHN J. BRADY, JR. CHIEF OF STAFF

The Honorable John Poindexter National Security Advisor to the President The White House Washington, D.C. 20500

Dear John:

I wanted to follow up on one issue discussed during your useful meeting with some House members three weeks ago.

I attach for your consideration several items indicating that Lech Walesa does want the United States sanctions against Poland removed. My understanding also is that the Central Intelligence Agency believes that Walesa is opposed to continued sanctions.

It was good to meet with you and I hope this information is helpful. I trust that you will stay in touch on issues of mutual interest.

With best regards.

/_

ncerely

Lee H. Hamilton

Chairman

Subcommittee on Europe and the Middle East

yours,

LHH: MVddn

JN For Poland

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NEW YORK TIMES A8
DEC 6 1983 P.

THE NEW YORK TIMES, TUESDAY, DECEMBER 6, 1983

Warsaw Arrests 2 as U.S. Spies; Walesa Wants Sanctions Ended

WARSAW, Dec. 5 (Reuters) — The Polish authorities today disclosed the arrest of two men who were said to be spies for the United States, and they accused the Warsaw embassies of some North Atlantic Treaty Organization countries of conducting intelligence activities and subversion in Poland.

In a speech before Parliament, the Interior Minister, Gen. Czeslaw Kiszczak, identified the two men as Jacek Jurzak, a Polish scientist in Bielsko-Biala near the Czechoslovak border, and Norbert Adamachek, a West German visiting Poland on business.

General Kiszczak said the activities of the two, who were arrested last month, were "dangerous and extremely harmful" and involved gathering military, defense and political information for the United States. The two will be tried for espionage and risk the death penalty if convicted.

Their capture followed the arrest in August at Bytom in southern Poland of a woman, also said to be working for the United States, who was caught handing instructions and money to a Soviet citizen.

General Kiszczak also accused Western intelligence of stepping up efforts to recruit Poles in Poland and abroad as part of a campaign to disrupt relations between the Communist authorities and the Roman Catholic Church and to foment civil unrest by sabotaging the economy.

Walesa Worried About Economy

At a news conference in Gdansk, meanwhile, Lech Walesa, the head of the banned Solidarity trade union, urged Western countries to lift economic sanctions that the Polish leaders have said are crippling the economy.

Mr. Walesa said the sanctions, imposed after the Polish Government declared martial law in 1981, had been a propaganda success but could now cause the country serious economic damage.

"Sanctions should be ended," he said, "because what Poland needs at the moment is not losses of millions of dollars but aid of billions of dollars."

Mr. Walesa, this year's Nobel Peace Prize laureate, said he was eager to negotiate with the Prime Minister, Gen. Wojciech Jaruzelski, adding, "I expect talks will take place."

He said if the Government could convince him that Solidarity's challenge to Communist rule, which prompted martial law, was wrong he would admit it and apologize. September 27, 1985, Friday, SC cycle

SECTION: Financial

LENGTH: 387 words

BYLINE: By BOGDAN TUREK

DATELINE: GDANSK, Poland

KEYWORD: Walesa

BODY:

Lech Walesa, the founder of Solidarity, Friday urged the United States lift the economic sanctions it imposed on Poland after the imposition of mart law four years ago.

Opponents of the government have accused Poland's communist party of blamithe sanctions for every case of economic mismanagement and inefficiency.

Proprietary to the United Press International, September 27, 1985

'The sanctions as such fulfilled their role and on the whole they are bringing more harm from the propaganda point of view than good,' Walesa to. UPI during an interview in his Gdansk apartment.

He said Poland needed economic aid and loans but they should be given on condition that the donors were sure the funds would not be misspent.

''Poland should be helped as quickly as possible when such a certainty exists,'' he said.

The United States and other Western nations imposed sanctions after the government declared martial law and crushed the Solidarity union in 1981.

The measures included a withdrawal of credits and a limiting of trade as we as other punitive moves, aggravating economic problems for the country which h foreign debts of some \$28 billion.

Most of the measures were removed after the government freed hundreds of political prisoners under an amnesty in 1984. However, the denial of credits a the loss of the most favored nation status in trade remained in place.

Proprietary to the United Press International, September 27, 1985

''Everyone who is friend of Poland should help Poland but also have a warranty that he is helping Poland in the right way'' said. Walesa, in an apparent reference to allegations that huge credits granted by the West in the 1970s were squandered by the communist government.

Solida ity monitored government spending when it operated legally, but

Walesa said there was no way to guarantee that future credits would not be ''misused'' because there was ''no social control over them.''

'/I want to say categorically that there is no possibility of social contover any aid given to Poland now,'' he said.

Walesa's call to lift sanctions came a few days after the Roman Catholic Primate of Poland, Cardinal Jozef Glemp, called on the United States to phase out sanctions.

During a visit to America earlier this month, Glemp said sanctions were ''painful for the Polish people.''

 $^{\prime\prime}I$ think that the statement by Primate Glemp is fully in line with my vie on the problem, $^{\prime\prime}$ said Walesa.

LEVEL 1 - 25 OF 68 STORIES

Proprietary to the United Press International 1985 September 27, 1985, Friday, AM cycle

SECTION: International

LENGTH: 97 words

HEADLINE: Foreign News Briefs

DATELINE: GDANSK, Poland

KEYWORD: Fornbriefs

BODY .

Solidarity founder Lech Walesa urged the United States Friday to lift economic sanctions imposed on Poland four years ago in response to the commun government's crackdown on the trade union.

''The sanctions as such fulfilled their role and on the whole they are causing more harm than good from the propaganda point of view,'' Walesa tol United Press International in an interview at his apartment in the

Proprietary to the United Press International, September 27, 1985 seaport of Gdansk.

Poland needs economic aid and loans, but the funding should only be approve if the lenders are assured the money will not be misused, Walesa said.

Proprietary to the United Press International, September 27, 1985

The measures included a withdrawal of credits and limits on trade and oth punitive moves, aggravating economic problems for the country, which has a foreign debt of some \$28 billion.

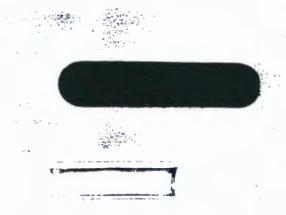
Most of the measures were removed after the government freed hundreds of political prisoners under an amnesty in 1984. But the denial of credits and loss of most-favored-nation status in U.S. trade remain in place.

In an interview Thursday, Walesa said Poland's ''electoral rules do no permit independent candidates to run'' and ''this fact makes the elections unauthentic.''

''The authorities themselves admitted that the nation would make a differe choice if conditions were normal,'' he said.

Walesa, who is closely watched by government authorities, initially remained silent about a boycott of the election called by the underground leadership of the banned trade union.

An independent observer said Thursday's statement was his most forthright four years and that it exposed the former Nobel peace Prize winner to the dar of court action.



LEVEL 1 - 26 OF 68 STORIES

Proprietary to the United Press International 1985

September 27, 1985, Friday, PM cycle

SECTION: International

LENGTH: 419 words

BYLINE: By BOGDAN TUREK

DATELINE: GDANSK, Poland

KEYWORD: Poland

EODY:

Lech Walesa, the founder of Solidarity, today urged the United States 1 the economic sanctions it imposed on Poland after the imposition of martial 1 four years ago.

On Thursay, Walesa broke a long silence on planned parliamentary election next month by saying he will boycott the voting because the results will not 'reflect the true views of the people.''

Proprietary to the United Press International, September 27, 1985

Walesa, in an interview in his Gdansk apartment, said today that economic sanctions against Poland have fulfilled their purpose and now are 'bringing more harm from the propaganda point of view than good.''

Other opponents of the government charge Poland's Communist party is simple using the sanctions as an excuse for every case of economic mismanagement and inefficiency.

Walesa said Poland needs economic aid and loans but they should be contingent on the donors' knowledge the money will not be misspent. ''Poland should be helped as quickly as possible when such a certainty exists,'' he sai

Walesa endorsed a similar appeal for a lifting of sanctions by Cardinal Jozef Glemp, the Roman Catholic primate of Poland, who called the action ''painful for the Polish people'' during a recent visit to the United States.

''I think that the statement by Primate Glemp is fully in line with my view on the problem,'' Walesa said.

The United States and other Western nations imposed sanctions after the government banned the independent Solidarity union and declared martial law in 1981.

INTERNATIONAL

agan Vows termination **Terrorism**

Will Work With Allies o Consider Options. Ailitary and Otherwise'

By ROBERT W. MERRY SUFFER OF THE WALL STREET JUNEAU HINGTON-President Reagan ana series of actions designed to

termination to thwart terrorism and to appear on top of the politilatile issue at home.

hmits have been reached," the at declared in a statement yestere cannot allow our people to be at risk simply because they are in being citizens" of the U.S. president instructed Vice President

Bush "to take the lead with the

vernment and with our allies" to r other major international please see:

lcoa says it will file an unfair complaint against Japan if talks with the Japanese don't improved terms, page 6.

occidental Petroleum agrees to 5% of its Libyan production in-'s to Austria's state oil company,

ys of combating "this increasingly and indiscriminate but purposeful to humanity." He said the options plored would be "military and oth-

president's actions seem aimed in diminishing political fallout from at hijacking crisis, as well as from ing of six Americans in El Salvador dnesday

nen believed to be leftist guerrillas machine-gun fire into a crowd at oor San Salvador cafe, killing four Marines from the U.S. Embassy nd two U.S. businessmen. Seven

tied in the attack. ity White House press secretary peakes said U.S. officials "strongly

the guerrillas' primary target ve been the Marines, who reportk the "first-fire." In his statement. agan said he directed officials at te and Defense departments to e whatever assistance is neces-El Salvador's President Napolean "in order to find and punish the

ts who perpetrated this act." aid he would expedite the delivery ecified "security assistance" alrdered by the Duarte government is prepared to use emergency to furnish additional military aid

Walesa Says Warsaw's Toughening Policies To Church, Intellectuals Indicate Weakness

By Francick Kempe

SIGIT REPORTER OF THE WALL STREET JOURNAL GDANSK, Poland-Lech Walesa speaks with curious confidence about the Polish government's toughening policies toward intellectuals and the Roman Catholic Church, singling out each new repressive law and political imprisonment as evidence of the regime's weakness.

"I call it political perversion," he says, leaning far forward on the table and staring his interviewer directly in the eye. "When you are losing, you become vicious and spiteful. The government sees the economy, everything as a failure. It acts just like the psychopath who is ready to do everything to satisfy his desires. The government is floundering (after power) like the drunkard after alcohol."

The metaphors roll forth in vintage succession. Lech Walesa takes a last, long drag

on a Salem clearette and snuffs it out in an ashtray. "It is the last stage of development." he smiles, playfully avoiding an explanation of development toward what. "Of course. I can't tell you all of my concepts, because then they would be finished."

Mr. Walesa is in rare form for a man

Lech Walesa whose social movement was crushed by martial law 34 years ago. His hair is cropped short and flecked with new specks of gray. His frame is trimmer and his appearance healthier than at any time since his release from internment.

In a wide-ranging one-hour conversation, he spoke with energy, optimism and confidence. He praised President Reagan's policies as "great" and warned the West against repeating "the mistakes of the 1970s" and giving Poland money it would

Nobel Prace Prize winner he is, he outlined his own strategy of working toward evolutionary, rather than revolutionary, change. He termed martial law a highly regrettable, but not surprising, event-a natural second stage of a three-stage scenario whose conclusion has yet to be de-

He defended his often-criticized policies of the Solidarity era as justified and proper, and spoke of "being at peace about the future." His language was more careful and less spontaneous than during the heady days of 1980, but his statements were seasoned with the same colorful wisdom of the working-class philosopher.

The Mood in Gdansk

"What do you know about potatoes," he said at one point. "If the potato is good, it will bear fruit even on a very bad ground. It is similar with social movements."

Mr. Walesa concedes that the public mood in Gdansk and the rest of Poland wouldn't support the wave of general strikes that gave birth to Solidarity. He says 60% to 80% of society "takes a conservative approach and is afraid of change.

He laments that many Poles are discouraged by fear of repression and that others make such decisions as joining official trade unions "just to be left in peace." However, he warns the West and the Warsaw government against interpreting this as apathy.

As time goes on, he becomes more encouraged by the flourishing of several hundred underground newspapers, unofficial culture, an increase in church membership, an almost complete alienation of the young from official life and an inability of the government to come to grips with the economy, "Never in the past have so many people been in favor of our ideas as now. Even those people who were our opponents in August admit that we are right," he says. "They may say we don't have policies, that we can't give them victory, but almost 100% of the people signed up to our

He says that there currently are two in-Talking often like the violence-avoiding compatible forms of struggle in Poland-

"ours, which is the peaceful one, and the other, which is force. As for now, those peaceful ways don't bring any effects. there aren't any spectacular victories. Reaching victory takes a longer time, but today it is undoubted that the victory is ours, because this system above all must be much more efficient economically."

He acknowledges that the government can rely only on the power of the police and army, but that official policy itself has become more difficult to combat because its methods of control have grown more "unscrupulous" and "sneaky." Although he doesn't refer to the Soviet Union directly, he addresses many of his comments indirectly to Moscow, accepting the limitations the Soviet leadership might set.

'A Kind of Understanding'

"We know where we live, we know about threats of all kinds," he says, "We can reach a kind of understanding as far as the possibilities are concerned

One of his most spontaneous and enthusiastic answers came when asked whether President Reagan should follow his current policy of refusing to lift the most important economic sanctions that remain in place against Poland.

"We understand each other perfectly." says Mr. Walesa. "Reagan's global policies are great. Of course, there are objections to some things he does. But everybody who does a lot commits mistakes." Indeed, the biggest criticism that one hears among Solidarity officials toward Mr. Reagan's policies is that he doesn't apply the same or tougher sanctions to the Soviets, who they consider the root of their

Mr. Walesa said Solidarity's strategy now that it doesn't have any official power is to promote the historical and economic education of Poles so they will be better prepared when the time for a transition comes. He said his aim is to provide a structure that could ensure that social upheaval is directed, rather than allowing it to explode uncontrollably.

"In our situation, where there is only one owner, when a revolution would only bring damages, when we unlearned democracy and managerial skills, we have to reach transitory solutions," he says. "We choose evolution because in evolutions you can foresee many things. The effects of revolutions are incalculable."

Mr. Walesa spoke expansively and often almost poetically, painting a picture of how he sees today's Poland as well as providing insights into the development of his own thinking.

On the economic situation: "We are going from crisis to a catastrophe. . . . People aren't dying on the street or starving, but we are threatened with going backward. It is hard for someone who is used to a car to switch back to a children's scooter. A farmer who is used to a tractor now has to go back to a scythe. We call it Mongoliazation."

On public attitudes toward the government: "I am convinced that if today somebody created a Polish Communist Party, in opposition to the present party, then despite the fact that 90% of the people are Christians, they would join it immedi-

On economic sanctions and Poland's application for International Monetary Fund membership: "What if they use the money to buy better radio stations and truncheons for police? I am of course for the lifting of sanctions, but I am not for drowning in

credits after 10 more years. This. he is you, the West, too. The proper conditions in society must be created before the money can be properly used. The aid 1 just be to the whole society and not to the authorities. Don't repeat the same mistakes you committed in the 1970s. Don't drown us again."

On last week's sentencing of three for mer Solidarity leaders and advisers: "The (more than 150) political prisoners are the most obvious example that this system hasn't become more efficient. If those people were given the possibility to work in other areas, they would be outside

On how new Soviet leader Mikhail Gor bachev might affect Poland: "This is all so hard to decipher that the answer can only be one. Let's do what we have to do. Let us not pursue matters that might be danger ous for us or try to reach that highest goal Let's learn to call black white, as they do When the time comes, we'll say that we knew it was black all along."

On charges that Solidarity either dida's go far enough or went too far: "It was a perfect thing. It was impossible to play that period in a different way. We could have lost it in a worse way. If I were to repeat everything, it would be exactly the



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U.S. to Boost Tariffs on European Pasta In Response to EC Citrus Discrimination

By ART PINE

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON-The U.S. announced it will sharply raise tariffs on European pasta in retaliation for the Common Market's refusal to stop discriminating against

American citrus products. The move is certain to heighten trade

Separately, the administration faunched an emergency lobbying effort to try to head off legislation being pushed by the textile industry that would slash imparts of cloth and apparel. In an unusual sten, the White House sent Congress a letter signed by five cabinet officers warning that the bill would cost consumers \$2 billion in

Canada Ready to Seek Trade Pact With U.S.

By a WALL STREET JOURNAL Staff Reporter WASHINGTON-Canada signaled it has decided to ask the U.S. to negotiate a comprehensive free-trade agreement to eliminate most remaining trade barriers between the two countries.

Canadian Trade Minister James Kel-Jeher told U.S. officials he will formally

Fear Paule. I was upset to learn that you came lech sich. a lat of wings trappened while you were grown good I wented to share ma information and vais all you 3815 FOREST GROVE DRIVE 40 ANNANDALE, VA 22003 354-0747

but, I falt, I should not alisting you by calling you at home. I hope you were intere to the maching will Shuth on Saturday. Jam contesting with love ferrous and his people today. Please, friend published my talking powh sucuely ton

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MEMORANDUM

DATE: September 26, 1986

TO: Thomas W. Simons, Jr.

Deputy Assistant Secretary of State for Eastern Europe

FROM: Jan Nowak

Consultant, National Security Council

A full amnesty and negotiations presently being conducted under a cloak of "police negotiations" with Walesa, Geremek and others represent unilateral moves undertaken by Jaruselski in the hope that this will bring the remaining sanctions to an end and may win a more supportive US attitude in the IMF and the World Bank.

It is likely that if such hopes are frustrated, retrogression may follow. Whether the present process will continue or will be reversed depends largely upon the action of Washington. This is the opinion of several responsible individuals in Poland, which I was asked to convey to the Administration.

It would not be realistic to expect iron-clad guarantees against arrests in the future of people engaged in underground activities. Any such assurances of impunity would be tantamount to a legal recognition of the opposition, which would not be tolerated by Moscow.

US policy should rather aim at obtaining de facto tolerance of independent overground activities. This in itself would be a considerable achievement. The existence of the strong and independent Church (without recognition of the Church's legal status) seems to indicate that such a toleration is possible.

In response to the unconditional release of political prisoners and attempts to initiate a genuine dialogue with the opposition, the US should:

Simons Memorandum September 26 page 2

- Lift the remaining sanctions;
- 2) Request a meeting and discussion at a high level;
- 3) Make any support for loans from the IMF and World Bank conditional upon continued progress towards national reconciliation.

With reference to (1), lifting of sanctions would be nothing more than a declaration of intention. The MFN clause can be restored only by the Congress and not earlier than February 1987. Granting of CCC or Export-Import Bank credits is highly unlikely. By elimination of sanctions, the Polish regime would simply obtain a certificate of good conduct, which Jaruselski is most anxious to get.

<u>Partial</u> lifting of the remaining sanctions would be rejected in anger by Warsaw and could only lead to further deterioration of bilateral relations.

The opposition demands the lifting of sanctions for the following two reasons:

- The regime's propaganda has been successful in blaming the deterioration of economic conditions on US policy.
- 2) The US should not contribute to the impoverishment of the Polish people.

With reference to (2), it is important that high level discussion should follow rather than precede the lifting of sanctions. Otherwise, the US will not be able to avoid the appearance of public pressure, which makes any concessions more difficult for the other side.

The formal lifting of sanctions would place US negotiators in an advantageous position. They could point out that the Polish Government should help the US Government in obtaining the consent of the Congress for measures which would change the climate in America in favor of the Polish Government.

cc: Ms. Dobriansky, Director, East European Affairs, NSC