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File Folder

POLAND-SANCTIONS (IMF) 02/18/1987-02/19/1987

FOIA

F04-043/1

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ID Doc Type	Document Description	No of Pages	Doc Date	Restrictions
64800 CABLE	INFORMING POLAND OF DECISION TO LIFT SANCTIONS	3	2/18/1987	B1
64801 CABLE	WARSAW 01725	1	2/18/1987	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]

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NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

February 18, 1987

ACTION

MEMORANDUM FOR GRANT S. GREEN

FROM:

PAULA DOBRIANSKY ?')

SUBJECT:

Presidential Remarks re Lifting of US Sanctions

Against Poland

Attached at Tab I for your signature is a memorandum for Tony Dolan concurring with the draft recommended remarks, as amended, (Tab A) for the President's use at tomorrow's ceremony regarding the lifting of US economic sanctions against Poland.

Rodman and Danzansky concur.

RECOMMENDATION

That you sign the memorandum at Tab I.

Approve	Disapprove

Attachments

Tab I Green/Dolan Memo

Tab A Amended Remarks

Tab B Submitted Remarks

MEMORANDUM FOR ANTHONY R. DOLAN

FROM:

GRANT S. GREEN

SUBJECT:

Presidential Remarks re Lifting of US Sanctions

Against Poland

Attached at Tab A is copy of draft recommended remarks, as amended, for the President's use during tomorrow's ceremony regarding the lifting of US economic sanctions against Poland.

Attachment

Tab A Amended Draft
Tab B Submitted Draft

DRAFT PRESIDENTIAL STATEMENT

LIFTING OF U.S. SANCTIONS AGAINST POLAND

FIVE YEARS AGO I ASKED ALL AMERICANS TO LIGHT A CANDLE IN SUPPORT OF FREEDOM IN POLAND. DURING THAT CHRISTMAS SEASON OF 1981 CANDLES WERE LIT IN MILLIONS OF AMERICAN HOMES. WE HAD CONFIDENCE THAT THE SPIRIT OF FREEDOM WOULD CONTINUE TO SHINE IN THE DARKNESS THAT MARTIAL LAW HAD BROUGHT TO THAT BRAVE COUNTRY. AS AMERICANS, WE WERE SHOWING SOLIDARITY WITH SOLIDARITY.

SYMBOLIC GESTURES WERE NOT ENOUGH. ECONOMIC AND OTHER SANCTIONS
WERE IMPOSED ON POLAND IN RESPONSE TO THE REPRESSION THAT
DESCENDED ON THE POLISH PEOPLE AS A RESULT OF MARTIAL LAW. OUR
MESSAGE WAS THAT AMERICA WOULD NOT PASSIVELY STAND BY WHILE A
GRAND EXPERIMENT IN FREEDOM WAS BRUTALLY SMASHED IN POLAND. IF
THE POLISH GOVERNMENT WANTED A DECENT RELATIONSHIP WITH THE
UNITED STATES, WE MADE IT CLEAR THEY WOULD HAVE TO LIFT MARTIAL
LAW, RELEASE THE POLITICAL PRISONERS AND ENTER INTO A REAL
POLITICAL DIALOGUE WITH POLISH SOCIETY.

TODAY, MORE THAN FIVE YEARS LATER, THE LIGHT OF FREEDOM CONTINUES
TO SHINE IN POLAND. THE COMMITMENT AND SACRIFICE OF HUNDREDS OF
THOUSANDS OF POLISH MEN AND WOMEN HAVE KEPT THE FLAME ALIVE, EVEN
AMID THE GLOOM. HERE ARE THE WORDS OF LECH WALESA IN HIS MOST
RECENT MESSAGE TO ME, EXPRESSING SOLIDARITY'S HOPES AND PLANS FOR
POLAND . . . (TAPE)

MARTIAL LAW WAS LIFTED IN 1983 AND THOUSANDS OF POLITICAL PRISONERS HAVE BEEN FREED IN A SERIES OF AMNESTIES. SINCE THE FINAL AMNESTY LAST SEPTEMBER, NO ONE HAS BEEN ARRESTED ON POLITICAL CHARGES IN POLAND.

YET, THERE IS STILL FAR TO GO. THE THREAT OF ARREST STILL HANGS
OVER THOSE WHO SEEK THEIR FREEDOM. THE RIGHT TO GENUINELY
INDEPENDENT TRADE UNIONS IS STILL STIFLED. INDEPENDENT POLITICAL
ACTIVITY CONTINUES TO BE REPRESSED BY VARIOUS GOVERNMENTAL
MEASURES. NATIONAL RECONCILIATION REMAINS A DREAM, A GOAL FOR
THE FUTURE, RATHER THAN A REALITY OF TODAY.

I CONTINUE TO BELIEVE, AS DO THE POLISH PEOPLE, THAT IT IS A

POSSIBLE DREAM. THE CHURCH IN POLAND HAS GREETED THE MAJOR

AMNESTY OF POLITICAL PRISONERS LAST SEPTEMBER AS A "SIGNIFICANT

STEP" BY THE POLISH GOVERNMENT. IN RESPONSE TO THAT AMNESTY, WE

INITIATED A STEP-BY-STEP PROCESS OF EXPANDING OUR DIALOGUE WITH

THE GOVERNMENT OF POLAND. IN OUR DEALINGS WITH POLISH AUTHORITIES,

WE HAVE MADE ONE POINT CLEAR: THE CONTINUATION OF BETTER RELATIONS

BETWEEN OUR COUNTRIES, AND THEIR FURTHER IMPROVEMENT, WILL BE

POSSIBLE ONLY IF WE SEE MAINTAINED THE SPIRIT AND PRINCIPLE OF

THE AMNESTY AND A RELIANCE ON DIALOGUE AND RESPECT FOR HUMAN

RIGHTS. ONLY THROUGH GENUINE AND MEANINGFUL RECONCILIATION CAN

THE PLIGHT OF THE POLISH PEOPLE BE ALLEVIATED. WE WILL BE

WATCHING TO SEE THAT FURTHER STEPS ARE TAKEN TOWARD NATIONAL

RECONCILIATION IN POLAND, AND THAT THE PROGRESS MADE IS NOT REVERSED.

SIGNIFICANTLY, THE LEADERS OF SOLIDARITY AND OF THE CATHOLIC CHURCH IN POLAND AGREE THAT THIS IS THE RIGHT COURSE FOR US TO TAKE. THEY HAVE NOW URGED US TO LIFT OUR REMAINING ECONOMIC SANCTIONS IN ORDER TO ENCOURAGE FURTHER MOVEMENT IN THE RIGHT DIRECTION.

IN CONSIDERING THIS QUESTION, I HAVE DRAWN ON A BROAD CROSS-SECTION OF VIEWS. WE HAVE BEEN IN TOUCH AT THE HIGHEST LEVELS WITH THE POLISH GOVERNMENT, WITH THE CHURCH AND WITH SOLIDARITY. WE HAVE ALSO CONSULTED WITH OUR ALLIES.

AFTER CAREFUL REVIEW, I HAVE DECIDED THAT THE ECONOMIC SANCTIONS IMPOSED IN DECEMBER 1981 AND OCTOBER 1982 SHOULD BE RESCINDED, AND I AM ACCORDINGLY RESTORING "MOST-FAVORED-NATION" TARIFF TREATMENT FOR POLAND AND LIFTING THE BAN ON POLAND'S ELIGIBILITY FOR OFFICIAL U.S. CREDITS AND CREDIT GUARANTEES.

WE HAVE ALWAYS WORKED CLOSELY WITH OUR ALLIES ON ISSUES CONCERING POLAND, AND THEY HAVE SENT MESSAGES OF SUPPORT FOR THIS STEP FORWARD.

I AM ALSO HONORED BY THE PRESENCE HERE TODAY OF DISTINGUISHED
MEMBERS OF CONGRESS AND LEADERS OF THE POLISH-AMERICAN COMMUNITY
IN THIS COUNTRY. TOGETHER, WE UNDERSCORE THE HEARTFELT CONCERN
OF OUR CITIZENS ABOUT POLAND. LET NO ONE DOUBT OUR CARING FOR

OUR BROTHERS AND SISTERS WHO STRUGGLE TO BUILD A FREER AND MORE HUMANE POLAND, OR OUR RESOLVE TO STAND BY THEM.

AS IT WAS IN 1981: FREEDOM IS PRECIOUS TO US. THE SLOGAN OF THE POLISH INDEPENDENCE STRUGGLE OF THE LAST CENTURY WAS "FOR YOUR FREEDOM AND OURS." THAT IS OUR SLOGAN TOO, AND IT IS MORE THAN A SLOGAN. IT IS A PROGRAM OF ACTION.

TODAY IS A FIRST STEP, A BIG STEP. OUR RELATIONS WITH POLAND CAN ONLY DEVELOP IN WAYS THAT ENCOURAGE GENUINE PROGRESS TOWARD NATIONAL RECONCILIATION IN THAT COUNTRY. WE WILL BE STEADY. WE WILL BE COMMITTED. THE FLAME THAT BURNS IN THE HEARTS OF THE POLISH PEOPLE, A FLAME REPRESENTED BY THE CANDLES WE LIT IN 1981, THAT FLAME OF JUSTICE AND LIBERTY WILL NEVER BE EXTINGUISHED.

TIME STAMP

NATIONAL SECURITY COUNCIL EXECUTIVE SECRETARY REFERRAL

87 FEB 18 P1: 46

SYSTEM I LOG NUMBER: 1107

[FIRST DRAFT OF REMARKS]

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WHITE HOUSE STAFFING MEMORANDUM

DATE:	2/18/87	ACTION/CONCURRENCE/COMMENT DUE BY:			1:00 P.M. T	ODAY	
SUBJECT:	REMARKS:	STATEMENT	ON THE	LIFTING OF U.	S. SANCTION	S	
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Please give your comments/edits directly to Tony Dolan with an info copy to my office by 1:00 p.m. today. Thanks.							

RESPONSE:

PRESIDENTIAL REMARKS: STATEMENT ON THE LIFTING OF U.S. SANCTIONS AGAINST POLAND THURSDAY, FEBRUARY 19, 1987

Five years ago I asked all Americans to light a candle in support of freedom in Poland. During that Christmas season of 1981, candles were lit in millions of American homes. We had confidence that the spirit of freedom would continue to shine in the darkness that martial law had brought to that brave country. As Americans, we were showing solidarity with Solidarity.

Symbolic gestures were not enough. Economic and other sanctions were imposed on Poland in response to the repression inflicted on the Polish people by martial law. Our message was that America would not passively stand by while a grand experiment in freedom was brutally smashed in Poland. If the Polish government wanted a decent relationship with the United States, we made it clear they would have to lift martial law, release the political prisoners and enter into a real political dialogue with their own people.

Today, more than 5 years later, the light of freedom continues to shine in Poland. The commitment and sacrifice of hundreds of thousands of Polish men and women have kept the flame alive, even amid the gloom. Here are the words of Lech Walesa in his most recent message to me, expressing Solidarity's hopes and plans for Poland...(TAPE)

Martial law was lifted in 1983 and thousands of political prisoners have been freed in a series of amnesties. Since the

final amnesty last September, no one has been arrested on political charges in Poland.

Yet, there is still far to go. The threat of arrest continues to hang over those who seek their freedom. The right to genuinely independent trade unions is stifled. Independent political activity continues to be repressed by various governmental measures. National reconciliation remains a dream, a goal for the future, rather than a reality.

Bether Sequence

2

sentence sentence Break it possible dream. In response the major amnesty of political prisoners in September we initiated a step-by-step process of expanding our dialogue with the government of Poland. The Church in Poland has greeted the amnesty as a "significant step" by the Polish government. In our dealings with Polish authorities, we have insisted that the continuation of better relations between our countries, and their further improvement, will be possible only if we see maintained, the spirit and principle of the amnesty and a reliance on dialogue and respect for human rights.

(It remains our firm conviction that only through genuine and meaningful reconciliation can the plight of the Polish people be alleviated. We will be watching for indications in Poland, and that the progress made is not reversed.

Significantly, the leaders of solidarity and of the Catholic Church in Poland agree that this is the right course for us to take. They have now urged us to lift our remaining economic

sanctions in order to encourage further movement in the right direction.

In considering this question, I have drawn on a broad cross-section of views. in Polish society. We have been in touch at the highest levels with the Polish government, with the Church and with Solidarity. We have also consulted with our allies.

After careful review, I have decided that the economic sanctions imposed in December 1981 and October 1982 should be rescinded, and I am accordingly restoring "Most-Favored-Nation" tariff treatment for Poland and lifting the ban on Poland's eligibility for official U.S. credits and credit guarantees.

We have always worked closely with our allies on issues concerning Poland, and they have sent messages of support for this step forward.

I am also honored by the presence here today of distinguished Members of Congress and leaders of the Polish-American community in this country. Together, we underscore the heartfelt concern of our citizens about Poland. Let no one doubt our caring for our brothers and sisters who struggle to build a freer and more humane Poland, or our resolve to stand by them.

As it was in 1981: Freedom is precious to us. The slogan of the Polish independence struggle of the last century was "For Your Freedom and Ours." That is our slogan too, and it is more than a slogan. It is a program of action.

Today is a first step, a big step. Our relations with Poland can only develop in ways that encourage genuine progress

toward national reconciliation in that country. We will be steady. We will be committed. The flame that burns in the hearts of the Polish people, a flame represented by the candles we lit in 1981, that flame of justice and liberty will never be extinguished.

Thank you and God bless you.

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INFORMING POLAND OF DECISION TO LIFT **SANCTIONS**

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- B-1 National security classified information [(b)(1) of the FOIA]
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Carol William (Justice)
633-3865

CT Cooper

RESTORATION OF THE APPLICATION OF COLUMN 1 RATES OF DUTY OF THE TARIFF SCHEDULES OF THE UNITED STATES TO THE PRODUCTS OF POLAND

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA A PROCLAMATION

- 1. On October 27, 1982, by Proclamation No. 4991, I suspended the application of column 1 rates of duty of the Tariff Schedules of the United States (TSUS) to the products of Poland. This followed from my determination that the Government of the Polish People's Republic had failed to meet certain import commitments under its Protocol of Accession to the General Agreement of Tariffs and Trade (19 UST 4331), and that the Polish martial law government had increased its repression of the Polish people, leaving the United States without any reason to continue withholding action on its trade complaints against Poland.
- 2. Since issuance of that Proclamation, the Polish government has taken steps that lead me to believe that Poland should be given a renewed opportunity to address its trade obligations with the benefit of most-favored-nation tariff treatment.
- 3. The President may, pursuant to his constitutional and statutory authority, including Section 125(b) of the Trade Act of 1974, as amended, terminate in whole or in part Proclamation No. 4991.
- 4. I have determined in this case that the national interest requires expeditious action.

NOW, THEREFORE, 1, RONALD REAGAN, President of the United States of America, by the authority vested in me by the Constitution and the statutes of the United States, including, but not limited to, the Trade Expansion Act of 1962, as amended, and the Trade Act of 1974, as amended, do hereby proclaim as follows:

- 1. Proclamation No. 4991 of October 27, 1982 is hereby revoked.
 - 2. General Headnote 3(d) of the TSUS is modified:
 - (a) by deleting "or pursuant to Presidential Proclamation No. 4991, dated October 27, 1982:" and
 - (b) by deleting "Polish People's Republic" from the list of countries therein.
- 3. This Proclamation shall take effect with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of publication of this Proclamation in the Federal Register.

IN WITNESS WHEREOF, I have hereunto set my hand this

day of February, in the year of our Lord

nineteen hundred and eighty-seven, and of the Independence of the

United States of America the two hundred and eleventh.

POLAND
(Prosst)
SANCTIONS

Congress) and after our talks

with Pocish officials.

REMOVAL OF SANCTIONS - POLAND

PRESS THEMES

PRESIDENT'S DECISION

-- The President has decided to lift U.S. economic sanctions against Poland. This decision was announced at a White House ceremony February 19.

-- The White House event was attended by members of the Polish American Community, Congressmen, Church leaders and personalities concerned with U.S.-Polish relations.

- -- The President's actions restored Most-Favored-Nation treatment for Polish exports and Polish eligibility for official credits and credit guarantees.
- -- The President took this decision in the context of a step-by-step process of reengaging dialogue with Poland, and taking into account a broad range of authoritative views. including those of key Polish leaders.

 (Polish Church, Social Polish)

RESPONSE TO SOLIDARITY

- -- In particular, the President responded to the views of Lech Walesa, the leader of Solidarity, and Cardinal Glemp, the Primate of the Roman Catholic Church in Poland. Solidarity and the Church believe that the sanctions have outlived their usefulness and that their removal is an appropriate way for the United States to help the Polish people.
- -- This view is shared by leaders of the Polish American Community, which has expressed concern for Poland's economic plight.

CONCERN FOR HUMAN RIGHTS

-- The President's policy has been to encourage the Polish authorities to lift martial law, release the political prisoners and pursue genuine national reconciliation. It is based on our concern for human rights in Poland. Our policy has not changed; rather, the situation in Poland has changed to the point where those forces advocating respect for human rights, greater pluralism and more freedom have joined in urging us to reinforce our ties with Poland and the Polish people.

- -- We have made clear to the Polish Government that future progress in our relations will depend on its willingness to pursue national reconciliation and to rely upon dialogue rather than arrests and harassment in dealing with dissent, and on our evaluation of the overall human rights situation in Poland.
- -- We remain concerned about the continued detention of a limited number of individuals on criminal charges which appear to us to have a political component. Release of these individuals would improve the environment in which progress in developing bilateral relations could take place.
- -- We also remain concerned about the regime's new system of fines and confiscation of property designed to disrupt the activities of Poles trying to give real meaning to the concept of national reconciliation.
- -- Removal of sanctions is a natural next step in this policy at this time. Martial law was lifted in 1983, and a series of amnesties have set free those legally defined as political prisoners. All the key Polish leaders now agree that lifting sanctions as part of a step-by-step process is a useful way for us to encourage toleration, dialogue and movement toward national reconciliation.
- -- We are concerned that Solidarity remains illegal under Polish law. We note, however, that it continues to exist as a force within Polish society. We believe that the Polish Government should live up to the obligations it undertook in the Madrid CSCE Final Document regarding the rights of trade unionists to freely organize.

SANCTIONS

- -- We imposed economic sanctions on Poland in December, 1981, and October, 1982, to express the outrage felt by the American people at the represssion of Solidarity by a martial law regime.
- -- Certain sanctions, such as a ban on Polish vessels fishing in U.S. waters and suspension of Polish airlines landing rights, were lifted in response to political prisoner releases in 1983 and 1984.
- -- The two remaining sanctions are the suspension of Most-Favored-Nation (MFN) tariff treatment for Poland and a ban on all official credits and credit guarantees.

-- We have often indicated that we would be in a position to lift sanctions once the Polish Government released political prisoners and took concrete steps towards genuine national reconciliation.

U.S.-POLISH RELATIONS

- -- In acknowledgement of the GOP's September amnesty of political prisoners, the United States began a step-by-step process aimed at expanding U.S.-Polish relations in the areas of science, commerce and high level exchanges. This policy was explained to the Polish Government at a meeting between Assistant Secretary Ridgway and Vice Foreign Minister Kinast in Vienna on November 6, 1986.
- -- On January 28-31, the Deputy Secretary of State visited Warsaw to expand our high level contacts. The Deputy Secretary met with General Jaruzelski, Prime Minister Messner and Foreign Minister Orzechowski, as well as Cardinal Glemp and the leaders of Solidarity.
- -- In his meeting with Polish officials, the Deputy Secretary stressed the importance we attach to human rights and urged that the GOP pursue its stated commitment to increased pluralism and national reconciliaton in Poland.

NEXT STEPS

- -- We seek an expanding relationship with Poland based upon our historic ties and our interest in prompting respect for human rights and a genuine dialogue between Poland's government and its people.
- -- We look forward to the February 28-March 10 visit of Politburo Foreign Affairs Specialist Jozef Czyrek. He will be accompanied by a delegation of Polish parliamentarians and will meet with members of Congress and senior Administration officials.
- -- We also look forward to the opening of negotiations on a new U.S.-Poland Science and Technology Agreement in Washington on February 23. Conclusion of such an agreement would strengthen the already important ties between the U.S. and Polish scientific communities.

-- This spring a working group will meet to consider topics for the first meeting of the U.S.-Poland Joint Trade Commission since 1981. This June, the United States will return to the Poznan International Trade Fair.

CONTINGENCY RESPONSE (If Asked)

- Q. Will removal of sanctions be followed by new arrests of political activists?
- A. -- Five months have now passed since the GOP amnesty of political prisoners. We have since been assured authoritatively that it was not Polish Government policy to arrest anybody for political activities, that they do not want political prisoners. They will not provide guarantees of immunity from arrest for lawbreakers, and we understand that.

 However, We think that they understand that they would lose their credibility not only with us but with the West Europeans if they reversed their cur- rent stance.
 - Q. Are there still political prisoners in Poland?
 - A. -- We have raised this issue and will continue to press for leniency toward those still in jail for politically-motivated activities. There appear to be one or two dozen people in this category, although some of them may have committed acts with criminal implications, whatever their political motivation. Church leaders have told us they consider all political prisoners have been released. Solidarity leaders agreed that all their colleagues were free and their activities were tolerated, although they are subject to punitive fines and property confiscations. We have raised and will continue to raise this issue, too.
 - Q. How do you propose to restore MFN tariff treatment?

X

- A. -- MFN was suspended by Presidential Proclamation on October 27, 1982. That suspension has now been rescinded, also by a Presidential Proclamation the effect is to restore full MFN.
- Q. Why shouldn't MFN be subject to annual Congressional review of Poland's human rights performance?
- A. -- A formal review would entail undue political and legal risks:

- It would reduce the President's flexibility to affect Polish Government behavior at opportune moments, by setting a rigid schedule for review.
- Poland's GATT Protocol of Accession does not specifically authorize the attachment of conditions, particularly non-trade conditions. Conditional grant of MFN status to Poland based on human rights considerations could be badly received in the GATT - which has unconditional MFN treatment as a fundamental norm. New Cognitation

- Q. What legal procedures are required to lift the ban on eligibility for official credits and credit guarantees?
- -- The so-called credit sanction was imposed by Presidential Statement in December 1981. The Export-Import Bank (EXIM) never formally revoked the Presidential Determination which made Poland eligible for EXIM financing, and it still stands. The Commodity Credit Corporation (CCC) requires no formal legal procedure to restore eligibility for CCC quarantees.
- Q. Will eligibility for official credits and credit quarantees mean new loans for Poland?
- -- Making Poland eligible does not guarantee it will qualify for credits or credit guarantees. In the future, the case-by-case review process for loan applications will give us leverage over how Poland proposes to use official credits, so we may ensure that the projects meet economic criteria and benefit the Polish people. Given Poland's difficult economic situation, it is doubtful new loans would be forthcoming.
- What is the status of trade unions in Poland? 0.
- -- We encourage the Polish Government to take steps towards greater scope for pluralism in Poland, including trade union pluralism, in accordance with the Final Document of the CSCE Madrid Review Conference in 1983.
- -- Although the Government has declared Solidarity illegal, Solidarity leaders are active since the amnesty in publicly working for Solidarity's trade union goals.

DRAFT:EUR/EEY:RMPerito 02/18/87 7-1070

CLEAR: EUR: TWSimons, Jr. EUR/EEY: MAWenick

HA:RRackmales EB:WMilam S/P:BLowenkrow

C:QKrosby

NSC:PDobriansky

WHITE HOUSE STAFFING MEMORANDUM

2/18/87

DATE:	2/18/87	ACTION/CONCURR	ENCE/CO	OMMENT DUE BY:	C.O.B. TO	DAY	
SUBJECT:	PRESIDENTIAL	PROCLAMATIO	N RES	TORING MFN ST	ATUS TO PO	LAND	
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EMARKS: Please provide your recommendation/comments directly to my office by close of business today. Thank you.							

RESPONSE:

no objection Grant S. Green, Jr.

Executive Secretary 18 FEB 1987

David L. Chew Staff Secretary Ext. 2702



U.S. Department of Justice

Office of Legal Counsel

Office of the Assistant Attorney General

Washington, D.C. 20530

FEB | 8 1987

MEMORANDUM

Re: Proposed Proclamation Restoring Most-Favored-Nation Status to Poland

The attached proposed Proclamation has been submitted by the Department of State with the approval of the United States Trade Representative to this Department for review of its form and legality.

The proposed Proclamation will terminate Proc. 4991, 3 C.F.R. 100 (1983), which barred Poland from using tariff rates available to those countries which are in what is referred to as most-favored-nation (MFN) status with the United States. The proposed Proclamation will also amend the Tariff Schedules of the United States to delete Poland from the list of nations which are ineligible for MFN status.

The proposed Proclamation is acceptable with respect to

form and legality.

Charles J. Cooper

Assistant Attorney General Office of Legal Counsel



U.S. Department of Justice

Office of Legal Counsel

Office of the Assistant Attorney General Washington, D.C. 20530

FEB | 8 1987

The President,

The White House.

My dear Mr. President:

I am herewith transmitting a proposed Proclamation entitled "Restoration of the Application of Column 1 Rates of Duty of the Tariff Schedules of the United States to the Products of Poland." This proposed Proclamation has been submitted by the Department of State with the approval of the United States Trade Representative to this Department for review of its form and legality.

The proposed Proclamation is approved with respect to form and legality.

Respectfully

Assistant Attorney General

Office of Legal Counsel

RESTORATION OF THE APPLICATION OF COLUMN 1 RATES OF DUTY OF THE TARIFF SCHEDULES OF THE UNITED STATES TO THE PRODUCTS OF POLAND

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA A PROCLAMATION ...

- 1. On October 27, 1982, by Proclamation No. 4991, I suspended the application of column 1 rates of duty of the Tariff Schedules of the United States (TSUS) to the products of Poland. This followed from my determination that the Government of the Polish People's Republic had failed to meet certain import commitments under its Protocol of Accession to the General Agreement of Tariffs and Trade (19 UST 4331), and that the Polish martial law government had increased its repression of the Polish people, leaving the United States without any reason to continue withholding action on its trade complaints against Poland.
- 2. Since issuance of that Proclamation, the Polish government has taken steps that lead me to believe that Poland should be given a renewed opportunity to address its trade obligations with the benefit of most-favored-nation tariff treatment.
- 3. The President may, pursuant to his constitutional and statutory authority, including Section 125(b) of the Trade Act of 1974, as amended, terminate in whole or in part Proclamation No. 4991.
- 4. I have determined in this case that the national interest requires expeditious action.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, by the authority vested in me by the Constitution and the statutes of the United States, including, but not limited to, the Trade Expansion Act of 1962, as amended, and the Trade Act of 1974, as amended, do hereby proclaim as follows:

- Proclamation No. 4991 of October 27, 1982 is hereby revoked.
 - 2. General Headnote 3(d) of the TSUS is modified:
 - (a) by deleting "or pursuant to Presidential Proclamation No. 4991, dated October 27, 1982:" and
 - (b) by deleting "Polish People's Republic" from the list of countries therein.
- 3. This Proclamation shall take effect with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of publication of this Proclamation in the Federal Register.

IN WITNESS WHEREOF, I have hereunto set my hand this

day of February, in the year of our Lord

nineteen hundred and eighty-seven, and of the Independence of the

United States of America the two hundred and eleventh.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February 19, 1987

STATEMENT BY THE PRESIDENT

Five years ago, I asked all Americans to light a candle in support of freedom in Poland. During that Christmas season of 1981, candles were lit in millions of American homes. We had confidence that the spirit of freedom would continue to shine in the darkness that martial law had brought to that brave country. As Americans, we were showing solidarity with Solidarity.

Symbolic gestures were not enough. Economic and other sanctions were imposed on Poland in response to the repression that descended on the Polish people as a result of martial law. Our message was that America would not passively stand by while a grand experiment in freedom was brutally smashed in Poland. If the Polish government wanted a decent relationship with the United States, we made it clear they would have to lift martial law, release the political prisoners and enter into a real political dialogue with Polish society.

Today, more than five years later, the light of freedom continues to shine in Poland. The commitment and sacrifice of hundreds of thousands of Polish men and women have kept the flame alive, even amid the gloom.

In 1983, martial law was lifted and thousands of political prisoners have been freed in a series of amnesties. Since the final amnesty last September, no one has been arrested on political charges in Poland.

Yet, there is still far to go. The threat of arrest still hangs over those who seek their freedom. The right to genuinely independent trade unions is still stifled. Independent political activity continues to be repressed by various governmental measures. National reconciliation remains a dream, a goal for the future, rather than a reality of today.

I continue to believe, as do the Polish people, that it is a possible dream. The church in Poland has greeted the major amnesty of political prisoners last September as a "significant step" by the Polish government. In response to that amnesty, we initiated a step-by-step process of expanding our dialogue with the government of Poland. In our dealings with Polish authorities, we have made one point clear: the continuation of better relations between our countries, and their further improvement, will be possible only if we see maintained the spirit and principle of the amnesty and a reliance on dialogue and respect for human rights. Only through genuine and meaningful reconciliation can the plight of the Polish people be alleviated. We will be watching to see that further steps are taken toward national reconciliation in Poland, and that the progress made is not reversed.

Significantly, the leaders of solidarity and of the Catholic church in Poland agree that this is the right course for us to take. They have now urged us to lift our remaining economic sanctions in order to encourage further movement in the right direction.

Bla 4

In considering this question, I have drawn on a broad cross-section of views. We have been in touch at the highest levels with the Polish government, with the church and with solidarity. We have also consulted with our allies.

After careful review, I have decided that the economic sanctions imposed in December 1981 and October 1982 should be rescinded, and I am accordingly restoring "most-favored-nation" tariff treatment for Poland and lifting the ban on Poland's eligibility for official U.S. credits and credit guarantees.

We have always worked closely with our allies on issues concerning Poland, and they have sent messages of support for this step forward.

I am honored by the expression of concern from distinguished members of Congress, leaders of the Polish-American community in this country, and Solidarity. Together, we underscore the heartfelt concern of our citizens about Poland. Let no one doubt our brothers and sisters who struggle to build a freer and more humane Poland, or our resolve to stand by them.

As it was in 1981: freedom is precious to us. The slogan of the Polish independence struggle of the last century was "For Your Freedom And Ours." That is our slogan, too, and it is more than a slogan. It is a program of action.

Today is a first step, a big step. Our relations with Poland can only develop in ways that encourage genuine progress toward national reconciliation in that country. We will be steady. We will be committed. The flame that burns in the hearts of the Polish people, a flame represented by the candles we lit in 1981, that flame of justice and liberty will never be extinguished.

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Office of the Press Secretary

For Immediate Release

February 19, 1987

RESTORATION OF THE APPLICATION OF COLUMN 1 RATES OF DUTY OF THE TARIFF SCHEDULES OF THE UNITED STATES

TO THE PRODUCTS OF POLAND

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

- 1. On October 27, 1982, by Proclamation No. 4991, I suspended the application of column 1 rates of duty of the Tariff Schedules of the United States (TSUS) to the products of Poland. This followed from my determination that the Government of the Polish People's Republic had failed to meet certain import commitments under its Protocol of Accession to the General Agreement on Tariffs and Trade (19 UST 4331), and that the Polish martial law government had increased its repression of the Polish people, leaving the United States without any reason to continue withholding action on its trade complaints against Poland.
- 2. Since issuance of that Proclamation, the Polish Government has taken steps that lead me to believe that Poland should be given a renewed opportunity to address its trade obligations with the benefit of most-favored-nation tariff treatment.
- 3. The President may, pursuant to his constitutional and statutory authority, including Section 125(b) of the Trade Act of 1974, as amended, terminate in whole or in part Proclamation No. 4991.
- 4. I have determined in this case that the national interest requires expeditious action.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, by the authority vested in me by the Constitution and the statutes of the United States, including, but not limited to, the Trade Expansion Act of 1962, as amended, and the Trade Act of 1974, as amended, do hereby proclaim as follows:

- 1. Proclamation No. 4991 of October 27, 1982, is hereby revoked.
 - 2. General Headnote 3(d) of the TSUS is modified:
 - (a) by deleting "or pursuant to Presidential Proclamation No. 4991, dated October 27, 1982" and
 - (b) by deleting "Polish People's Republic" from the list of countries therein.
- 3. This Proclamation shall take effect with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of publication of this Proclamation in the Federal Register.

IN WITNESS WHEREOF, I have hereunto set my hand this nineteenth day of February, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

RONALD REAGAN

THE WHITE HOUSE

Office of the Press Secretary

BACKGROUND BRIEFING BY SENIOR ADMINISTRATION OFFICIAL

February 19, 1987

The Briefing Room

11:48 A.M. EST

MR. HOWARD: We're going to begin our BACKGROUND BRIEFING now on the lifting of Polish sanctions. For your information and not for publication, our briefer is the Deputy Assistant Secretary of State for European Affairs, Mr. Thomas Simons. Mr. Simons covers the Soviet Union and Eastern Europe.

Q The future Ambassador to Moscow, following the footsteps of Arthur Hartman.

MR. HOWARD: Marlin Fitzwater's briefing will follow right on this.

SENIOR ADMINISTRATION OFFICIAL: Yes. I'd like to make a few points before questions. The President decided to lift the remaining economic sanctions against Poland and announced this decision in a ceremony that's just taken place.

Q No coverage of that ceremony?

SENIOR ADMINISTRATION OFFICIAL: There was --

MR. HOWARD: I think there will be a photo release.

SENIOR ADMINISTRATION OFFICIAL: There will be a photo release, yes.

- Q You can't ask a photo a question.
- Q That's the idea. (Laughter.)
- Q Why did you change your story --

SENIOR ADMINISTRATION OFFICIAL: The event was attended by members of the Polish-American community, by Congressmen, by personalities concerned with U.S.-Polish relations.

The President's actions restored Most Favored Nation tariff treatment for Polish exports to the United States and Polish eligibility for official credits and credit guarantees from the United States.

The President took this decision in the context of a step-by-step process of reengaging dialogue with Poland and taking into account a broad range of authoritative views, including those of key Polish leaders. In particular, the President responded to the views of Lech Walesa, the leader of Solidarity, speaking for Solidarity; and Cardinal Josef Glemp, the Primate of the Roman Catholic Church in Poland. Solidarity and the Church believe that the sanctions have outlived their usefulness and that their removal is an appropriate way for the United States to help the Polish people. This view is shared by leaders of the Polish-American community which, through them, has expressed its concern over Poland's economic plight.

The President's policy all along has been to encourage

the Polish authorities to lift martial law, to release the political prisoners, and to pursue genuine national reconciliation. It is based on our concern for human rights in Poland. The policy has not changed. Rather the situation in Poland has changed to the point where those forces in Poland which advocate respect for human rights, greater pluralism, and more freedom have joined in urging us to reenforce our ties with Poland and with the Polish people.

We have made clear to the Polish government that future progress in our relations will depend on its willingness to pursue national reconciliation, its willingness to rely on dialogue rather than on arrests and harrassment in dealing with dissent, and on our evaluation of the overall human rights situation in Poland.

We have a number of concerns out on the table, serious concerns.

We're concerned about the continued detention of a limited number of individuals on criminal charges for acts which appear to us to have a political component. Release of these individuals would improve the environment in which progress in developing bilateral relations could take place.

We're also concerned about the regime's new system of punitive fines and confiscation of property designed to disrupt the activities of Poles who are trying to give real meaning to the concept of national reconciliation.

We are concerned that Solidarity remains illegal under Polish law. We note, however, that it continues to exist as a force and an important force within Polish society. We believe that the Polish government should live up to the obligations it undertook in the Madrid CSCE final document in 1983 regarding the rights of trade unionists to freely organize.

So, those are concerns that remain outstanding. Nevertheless, it seemed to the President that removal of sanctions is a natural next step in his policy at this time.

Martial law was lifted in 1983. A series of amnesties have set free those legally defined as political prisoners. And all the key Polish leaders now agree that lifting sanctions as part of a step-by-step process is a useful way for us to encourage toleration, dialogue and movement toward genuine and meaningful national reconciliation.

So, why don't I leave it there and take your questions.

O How effective were the sanctions?

SENIOR ADMINISTRATION OFFICIAL: Well, it's hard to tell, as is usually the case with sanctions. I'm not a sanctions theorist.

Q Well, is there a dollar figure or some kind of impact on the Polish economy that can be measured?

SENIOR ADMINSITRATION OFFICIAL: The Poles themselves set a very high figure -- \$15 billion. That's the figure that they use. We don't -- we can't quantify it. Suspension of Most Favored Nation tariff treatment -- in the wake of that, Polish exports to this country have fallen from something like \$427 million in 1978 or '79 -- I don't remember exactly -- to something in the neighborhood of \$250 million now.

Q What was that figure?

SENIOR ADMINISTRATION OFFICIAL: Excuse me?

Q What was that figure?

SENIOR ADMINISTRATION OFFICIAL: Polish exports to the United States. So, there has been a penalty. We would like to think that the sanctions did have an effect in encouraging the Polish government to take our concerns into account to the extent that they wanted to have a decent relationship with us, which was the purpose of applying them in the first place.

Q What will your expectation be of the effect of the lifting of the sanctions on the Polish economy? Anything -- any immediate effect or what's the near-term --

SENIOR ADMINISTRATION OFFICIAL: Well, they will now have Most Favored Nation tariff treatment, which the tariffs will be considerably lower on their exports to the United States and they will have a chance

to compete in our market on the basis of MFN tariffs, so probably there will be some effect. On the other hand, it is a very competitive market and probably some of the traditional markets they have lost in the meantime.

On financial issues, we will be approaching financial issues -- loan applications and the like -- on a case-by-case basis, on their economic and financial merits. And Polish credit worthiness, at this point, as we understand it appears to be fairly low. So, I wouldn't expect any rapid increase in terms of credits. There will be no manna from heaven flowing from this decision.

Q You mentioned a series of events over the last couple of years that prompted the change in the President's policy. What accounts for the timing now and have there been any particular assurances or changes from the Polish government that prompted the move at this time?

SENIOR ADMINISTRATION OFFICIAL: The main events, which I mentioned were the lift of martial law in 1983 and a series of amnesty. We recognize the significance of those steps. On the other hand, we were very cautious because — and we actually responded to some of those amnesties by lifting some of the lesser sanctions. We were cautious, however, because there were rearrests in the wake of those amnesties and we felt it important to be very careful and prudent in responding to this one. Our response to the final amnesty in September was to engage in this process of step-by-step dialogue. Five months have now gone by since that amnesty was declared and there have been no new arrests for political motives.

We have raised the issue with the Polish government. Their response is that it is not their policy to have political prisoners. They don't want to have political prisoners, although as a sovereign state, they're not going to give immunity from arrest to lawbreakers. We understand that. We hope that they also understand that if there were a crackdown or if they did fail to pursue what they declare to be their own policy, they would lose a lot of credibility -- not only with us, but with West European countries who are also interested.

Q Does this mean that we have now revised our estimate of General Jaruzelski and his government? The President initially was quite harsh about him; his rhetoric almost approaching his rhethoric on Gadhafi -- not quite. Are we now putting our imprint on the Jaruzelski government and saying that we think that he and his government are good for Poland?

SENIOR ADMINISTRATION OFFICIAL: No. We are saying that it is his government with whom we're dealing in Poland and his government has itself said that it prefers to deal with dissent through dialogue rather than through arrests. His government has itself said that it wishes to pursue national reconciliation with all forces in Polish society. His government has itself said that they're in favor of a form of pluralism. We take those commitments seriously and on that basis we propose to work with that government.

Q But, his government originally, many people thought, was the thing that stood between Soviet occupation at a time when the Soviet Union was pressing very hard. But instead of supporting him, we denounced him thoroughly. Do we now wish to revise our estimate of whether he was, in fact, perhaps a patriot in those times?

SENIOR ADMINISTRATION OFFICIAL: No, but I won't address that one way or another. What we're

going on is what his government is doing and what his government is saying now and in the recent past.

Q Well, you made a point a couple of times of saying that one of the main reasons that we were doing this is because we were asked by Walesa and Glemp. Would this had happened had those requests not come through?

SENIOR ADMINISTRATION OFFICIAL: I think it's very hard to tell. I think certainly those requests were very important to us — the unanimity of the major forces in Poland in favor of lifting these sanctions at this point. I can't answer the question.

 $\ensuremath{\mathtt{Q}}$ The major change is that, not what the Polish government is doing.

SENIOR ADMINISTRATION OFFICIAL: Well, but I think it's probably also true that the Solidarity, and the other independent social forces, and the church want to give the government the benefit of the doubt when it makes these statements about pluralism and national reconciliation.

Q Do we still have controls on exports to Poland?

SENIOR ADMINISTRATION OFFICIAL: We no longer have foreign policy controls, in other words exports to Poland, licensing for Poland --

Q When were those lifted?

SENIOR ADMINISTRATION OFFICIAL: Excuse me.

Q When were those lifted?

SENIOR ADMINISTRATION OFFICIAL: Last fall -- in the course of the fall. In terms of the political negative, that doesn't mean an economic positive when it comes to license applications. And the strategic controls remain in place -- I mean, national defense controls.

Q -- influence -- Soviet -- do they?

SENIOR ADMINISTRATION OFFICIAL: No.

Q Sir, what kind of next steps do you envision and do you include also a possibility of exchanging ambassadors with Poland?

SENIOR ADMINISTRATION OFFICIAL: Well, the kinds of next steps -- we do want to expand our relationship on the basis -- with Poland, on the basis that I've described. I think the next step will be the beginning of next week, here in Washington, of negotiations on a new U.S.-Polish agreement for cooperation in the field of science and technology. Those negotiations will open February 23rd. You can't predict the outcome of negotiations, but conclusion of such an agreement would strengthen the already important ties between the U.S. and Polish scientific communities.

We are also looking forward to the visit here, between March 2nd and March 10th, of a parliamentary delegation headed by the head of the Polish Sejm, Foreign Affairs Commission, Usef Czyrek. He will be accompanied by other Polish parliamentarians and he will be meeting with members of Congress and administration officials. So, those are two steps that are out there.

Q Do you see any practical affect that this will have on the Polish populous? It was said that the sanctions were hurting the Polish people more than the government? What affect will it have?

that Poland is competitive -- becomes more competitive in U.S. markets, it could have an affect -- some limited economic effect. I think as a political signal, that we recognize the kinds of steps that have been taken in the direction of toleration, pluralism and national reconciliation. Hopefully, that signal will be heard by the Polish populus, and of our desire to keep our contacts with Polish society, to take into account the views of solidariaty in the church, because it is being taken partly in response to those views.

MR. HOWARD: I'm sorry, but Marlin's so anxious to get out here, I just can't hold him back any longer.

Q How many more political prisoners are there still in Polish jails? You say you think --

SENIOR ADMINISTRATION OFFICIAL: Estimates vary. There are people in jail on criminal charges which may have some political motivations — bewteen one and two dozen, the various estimates. When you talk to the church, they say that they consider that all strictly defined, bona fide political prisoners have been released, and there have been no new arrests. The Solidariaty leaders tell us that all of their major people are out and their activities, even though the organization is illegal, are tolerated. Although they are worried about these punative fines and property confiscations that I mentioned before. We are too.

Q What about the ambassadors? Is there going to be an exchange?

SENIOR ADMINISTRATION OFFICIAL: Raising the level of the diplomatic representation to the level of ambassadors would be a natural step in this step-by-step process. But there are currently no plans on that.

Q Do you have information on the impact of sanctions on employment in Poland?

SENIOR ADMINISTRATION OFFICIAL: We don't have any estimates.

THE PRESS: Thank you.

MR. HOWARD: Let me remind everybody -- several came in late -- this is on BACKGROUND.

- Q Too late. Sorry. The awful things this man has said -- (laughter.)
 - Q I already filed.

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Q Come again, sir. You're always welcome here.

END

12:05 P.M. EST

REMOVAL OF SANCTIONS - POLAND

PRESS THEMES

PRESIDENT'S DECISION

- -- The President has decided to lift U.S. economic sanctions against Poland. This decision was announced at a White House ceremony February 19.
- -- The White House event was attended by members of the Polish American Community, Congressmen, Church leaders and personalities concerned with U.S.-Polish relations.
- -- The President's actions restored Most-Favored-Nation treatment for Polish exports and Polish eligibility for official credits and credit guarantees.
- -- The President took this decision in the context of a step-by-step process of reengaging dialogue with Poland, and taking into account a broad range of authoritative views, including those of key Polish leaders.

RESPONSE TO SOLIDARITY

- -- In particular, the President responded to the views of Lech Walesa, the leader of Solidarity, and Cardinal Glemp, the Primate of the Roman Catholic Church in Poland. Solidarity and the Church believe that the sanctions have outlived their usefulness and that their removal is an appropriate way for the United States to help the Polish people.
- -- This view is shared by leaders of the Polish American Community, which has expressed concern for Poland's economic plight.

CONCERN FOR HUMAN RIGHTS

-- The President's policy has been to encourage the Polish authorities to lift martial law, release the political prisoners and pursue genuine national reconciliation. It is based on our concern for human rights in Poland. Our policy has not changed; rather, the situation in Poland has changed to the point where those forces advocating respect for human rights, greater pluralism and more freedom have joined in urging us to reinforce our ties with Poland and the Polish people.

- -- We have made clear to the Polish Government that future progress in our relations will depend on its willingness to pursue national reconciliation and to rely upon dialogue rather than arrests and harassment in dealing with dissent, and on our evaluation of the overall human rights situation in Poland.
- -- We remain concerned about the continued detention of a limited number of individuals on criminal charges which appear to us to have a political component. Release of these individuals would improve the environment in which progress in developing bilateral relations could take place.
- -- We also remain concerned about the regime's new system of fines and confiscation of property designed to disrupt the activities of Poles trying to give real meaning to the concept of national reconciliation.
- -- Removal of sanctions is a natural next step in this policy at this time. Martial law was lifted in 1983, and a series of amnesties have set free those legally defined as political prisoners. All the key Polish leaders now agree that lifting sanctions as part of a step-by-step process is a useful way for us to encourage toleration, dialogue and movement toward national reconciliation.
- -- We are concerned that Solidarity remains illegal under Polish law. We note, however, that it continues to exist as a force within Polish society. We believe that the Polish Government should live up to the obligations it undertook in the Madrid CSCE Final Document regarding the rights of trade unionists to freely organize.

SANCTIONS

- -- We imposed economic sanctions on Poland in December, 1981, and October, 1982, to express the outrage felt by the American people at the repression of Solidarity by a martial law regime.
- -- Certain sanctions, such as a ban on Polish vessels fishing in U.S. waters and suspension of Polish airlines landing rights, were lifted in response to political prisoner releases in 1983 and 1984.
- -- The two remaining sanctions are the suspension of Most-Favored-Nation (MFN) tariff treatment for Poland and a ban on all official credits and credit guarantees.

-- We have often indicated that we would be in a position to lift sanctions once the Polish Government released political prisoners and took concrete steps towards genuine national reconciliation.

U.S.-POLISH RELATIONS

- -- In acknowledgement of the GOP's September amnesty of political prisoners, the United States began a step-by-step process aimed at expanding U.S.-Polish relations in the areas of science, commerce and high level exchanges. This policy was explained to the Polish Government at a meeting between Assistant Secretary Ridgway and Vice Foreign Minister Kinast in Vienna on November 6, 1986.
- -- On January 28-31, the Deputy Secretary of State visited Warsaw to expand our high level contacts. The Deputy Secretary met with General Jaruzelski, Prime Minister Messner and Foreign Minister Orzechowski, as well as Cardinal Glemp and the leaders of Solidarity.
- -- In his meeting with Polish officials, the Deputy Secretary stressed the importance we attach to human rights and urged that the GOP pursue its stated commitment to increased pluralism and national reconciliaton in Poland.

NEXT STEPS

- -- We seek an expanding relationship with Poland based upon our historic ties and our interest in prompting respect for human rights and a genuine dialogue between Poland's government and its people.
- -- We look forward to the February 28-March 10 visit of Politburo Foreign Affairs Specialist Jozef Czyrek. He will be accompanied by a delegation of Polish parliamentarians and will meet with members of Congress and senior Administration officials.
- -- We also look forward to the opening of negotiations on a new U.S.-Poland Science and Technology Agreement in Washington on February 23. Conclusion of such an agreement would strengthen the already important ties between the U.S. and Polish scientific communities.

-- This spring a working group will meet to consider topics for the first meeting of the U.S.-Poland Joint Trade Commission since 1981. This June, the United States will return to the Poznan International Trade Fair.

CONTINGENCY RESPONSE (If Asked)

- Q. Will removal of sanctions be followed by new arrests of political activists?
- A. -- Five months have now passed since the GOP amnesty of political prisoners. We have since been assured authoritatively that it was not Polish Government policy to arrest anybody for political activities, that they do not want political prisoners. They will not provide guarantees of immunity from arrest for lawbreakers and we understand that. We think that they understand that they would lose their credibility not only with us but with the West Europeans if they reversed their cur- rent stance.
- Q. Are there still political prisoners in Poland?
- A. -- We have raised this issue and will continue to press for leniency toward those still in jail for politically-motivated activities. There appear to be one or two dozen people in this category, although some of them may have committed acts with criminal implications, whatever their political motivation. Church leaders have told us they consider all political prisoners have been released. Solidarity leaders agreed that all their colleagues were free and their activities were tolerated, although they are subject to punitive fines and property confiscations. We have raised and will continue to raise this issue, too.
- Q. How do you propose to restore MFN tariff treatment?
- A. -- MFN was suspended by Presidential Proclamation on October 27, 1982. That suspension has now been rescinded, also by a Presidential Proclamation the effect is to restore full MFN.
- Q. Why shouldn't MFN be subject to annual Congressional review of Poland's human rights performance?
- A. -- A formal review would entail undue political and legal risks:

- It would reduce the President's flexibility to affect Polish Government behavior at opportune moments, by setting a rigid schedule for review.
- Poland's GATT Protocol of Accession does not specifically authorize the attachment of conditions, particularly non-trade conditions. Conditional grant of MFN status to Poland based on human rights considerations could be badly received in the GATT which has unconditional MFN treatment as a fundamental norm.
- Q. What legal procedures are required to lift the ban on eligibility for official credits and credit guarantees?
- A. -- The so-called credit sanction was imposed by Presidential Statement in December 1981. The Export-Import Bank (EXIM) never formally revoked the Presidential Determination which made Poland eligible for EXIM financing, and it still stands. The Commodity Credit Corporation (CCC) requires no formal legal procedure to restore eligibility for CCC guarantees.
- Q. Will eligibility for official credits and credit guarantees mean new loans for Poland?
- A. -- Making Poland eligible does not guarantee it will qualify for credits or credit guarantees. In the future, the case-by-case review process for loan applications will give us leverage over how Poland proposes to use official credits, so we may ensure that the projects meet economic criteria and benefit the Polish people. Given Poland's difficult economic situation, it is doubtful new loans would be forthcoming.
- O. What is the status of trade unions in Poland?
- A. -- We encourage the Polish Government to take steps towards greater scope for pluralism in Poland, including trade union pluralism, in accordance with the Final Document of the CSCE Madrid Review Conference in 1983.
- -- Although the Government has declared Solidarity illegal, Solidarity leaders are active since the amnesty in publicly working for Solidarity's trade union goals.

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