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MEMORANDUM OF CONVERSATION

DATE: July 28, 1975  
TIME: 5:15-6:15 pm  
PLACE: Sejm, Warsaw

SUBJECT : US-Polish Relations

PARTICIPANTS :

Poland

Edward GIEREK	First Secretary of the Central Committee of the Polish United Workers Party
Henryk JABLONSKI	Chairman of the Council of State
Piotr JAROSZEWICZ	Chairman of the Council of Ministers
Stefan OLSZOWSKI	Minister of Foreign Affairs
Ryszard FRELEK	Member of the Secretariat and Director of the Foreign Department of the CC of the Polish United Workers Party
Jerzy WASZCZUK	Director of the Chancellery of the CC of the Polish United Workers Party
Kazimierz SECOMSKI	First Deputy Chairman of the Planning Commission of the Council of Ministers
Romuald SPASOWSKI	Undersecretary of State in the Ministry of Foreign Affairs
Wlodzimierz JANIUREK	Undersecretary of State in the Office of the Council of Ministers and Press Spokesman
Witold TRAMPCZYNSKI	Ambassador of the Polish People's Republic in Washington
Jan KINAST	Director of Department II in the Ministry of Foreign Affairs



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US

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The President: Is it permissible to smoke?

Gierek: Yes, I think so. This is a painting by Matejko. It depicts a meeting of the Polish parliament on May 3, 1791. That was the date on which the Constitution was adopted. This painting is the story of that event.

The President: That is about the same time our Congress first met.

(The press leaves.)

Gierek: There was a period when any Polish leader who wished to veto a proposal raised his hand and the proposal was finished. People speak of that period of Polish history as a period when true democracy flourished. But the question is: Was that really democracy or anarchy?

Mr. President, I would like once again on behalf of myself and the Polish Government and State to express my heartfelt satisfaction with your visit to Poland. I am convinced that you can feel the sympathy and respect which the Polish people have for the people of the United States and for you personally. Also, I would like to say again that my wife and I recall with great pleasure our visit to the United States. I recall my talks with you and your collaborators and I saw evidence in the United States of friendship for the Polish people. Your visit takes place at a time of particularly intensive development of United States-Polish relations and this makes me very happy. Our exchange of views will provide a new stimulus for the future development of relations as well as for peaceful cooperation on an international plane. For many important reasons, your visit, Mr. President, is of paramount importance. It seems to me that it comes about at the proper time. My colleagues and I regret that it is such a short visit. I would like to have acquainted you with more of our achievements and with all that the Polish people have accomplished. With your permission, Mr. President, I propose, before we discuss Soviet-Polish-American relations, that I inform you briefly about developments in Poland.

The President: I would be very glad to hear you make that presentation.

Gierek: Your visit, Mr. President, is taking place in a year in which we are finishing our five-year program of economic development. We are now preparing a new program, 1976-1980. The balance sheet of the five-year plan which we are finishing is tremendous. During this period, we are achieving production growth of 70%. Growth in agriculture is more than 20%. We are increasing national income by about 60%. We are making a great investment effort. We are making very great efforts for the expansion of modern branches of industry, including raw materials, electrical engineering, ship building, food industry and light industry. As a result of these accomplishments we are achieving important social results. The growth of employment in the national economy will be increased by 1,800,000 people. During the current five-year plan, we have as salaried employees more than 11 million people in industries and services. Real wages will have grown by 40%. Equally high is the growth of the incomes of the rural population. I want to tell you that along with these achievements, during this five-year plan we are maintaining the same prices for basic foodstuffs. This is not easy for us. There are some problems, in the first place, concerning meat supplies. Consumption during this five-year plan has grown by 17 kilograms (more than 34 pounds) per capita. In other words, we are reaching our target of 70 kilograms per capita. Naturally, this is not the American standard, but if we consider that we have achieved in one five-year plan a growth of 17 kilograms, this points to the great effort which our State has taken and is still taking. On the subject of difficulties, the growth of wages and other incomes accounts for much greater demands for all kinds of market products. This we are trying to solve. These efforts of ours are not without difficulties. Our people have had a long period of hard work and sacrifices. They have had to build Poland up after tremendous war damage. Naturally, there are possibilities for us to improve the situation. We do it and strive for it but not without difficulties.

Our present speedy development is linked with the dynamic growth of foreign trade. This is true of all directions of our foreign trade. It is true of trade with the Soviet Union, the socialist countries, and economic exchanges with the West. The growth of oil prices, chemical semi-production and other raw materials, machinery and other equipment, result in quite definite difficulties faced by our economy. We can also feel the effects of increases in prices in the West which accounts for nearly half of our foreign trade. I believe the situation will improve due to some advances in the relationships of certain goods which we export. We are now working on the main directions of our new five-year plan which in the fall we will present to all our people for a national discussion. Then, we will present the draft to the Seventh Session of the Party Congress in November.

In social policy, we are building during this five-year plan more than 100,000 apartments per year. During the next five-year plan, we estimate we shall build 1,500,000 apartments. These figures are not too high at all given our housing needs. The housing problem in Poland is extremely important, if you know what Poland was like after World War II. The first World War also resulted in certain damages and some of those damages have been preserved to this day. We try to devote much attention to housing. It is linked to the dynamic growth of the country in general and linked to a considerable birth rate. Poland has over 34,000,000 population and this trend still continues to be quite high. But houses have to be given to the people.

In the economy we now put much stress on the full utilization of raw materials including energy, the modernization of other branches of industry, and the acceleration of growth of food production. We have prepared a special program which we are now implementing. Poland has conditions for even more rapid development. We are one of the ten most highly industrialized countries in the world. We have an energy base, including not only coal (deposits of which are sufficient for 200 years), but also big deposits

of copper, sulphur, salt and other raw materials. Naturally, we have a strong excavating industry and a scientific base. There are good natural conditions for an increase in food production which in a short period of time should make us self-sufficient. Our optimism and accelerated production make this possible. Poland has an exceptionally good structure of population. In 1971-80 about 6,500,000 young people start their work and they represent an active and very well educated cadre. I could mention also the conditions which assure us supplies of iron ore from the Soviet Union as well as conditions which provide opportunities for sale of our products in the Soviet Union. The most important factor on which we base ourselves is the active support of our people for a rapid socio-economic development of the country. The present development strategy should bring Poland a two-fold growth in income per capita. We shall, therefore, bring about a new quality in the living standards of our people. Naturally, Mr. President, the successful implementation of our strategy is based on the process of development of international detente. This favors the development of relations between the East and West and favors the easing of defense burdens which the country has to bear. Let me not say anything more about social development. I shall pass to relations between our respective countries.

Poland is a socialist country linked by an unbreakable alliance with the Soviet Union. We are linked by the convergence of the basic interests of the socialist states. All our alliances strengthen the development of national identity and broad relations with our partners. This is true for reasons of development and it is particularly true with the United States. There are a number of objective factors which favor cooperation between Poland and the United States. They pertain to the role of the United States in the world, in Europe, and relations between our nations. The multi-million group of Americans of Polish descent, we consider, enrich and consolidate our relations. Today this is what detente means for the development of our cooperation. The key element in detente is cooperation between the United States and the Soviet Union. As a result of our contacts in the economic, scientific,

cultural and political areas and the contacts between our peoples, we can say that our relations have become less sensitive to inadvisable moments in the international session. This allows us to hope for further lasting cooperation between our two countries. We note with great satisfaction that we have made considerable progress both in the content of our relations and in the strengthening of the political climate. These are our feelings. It is your contribution and the contribution of your close collaborators whose support we very highly value. At this juncture let me thank Ambassador Davies for his personal share in the contribution to the development of our relations. He reminds us both of many issues from the position he occupies, and I should say that the process is reciprocal.

Before you came, we reviewed the implementation of all the agreements and decisions reached in the United States. We noted that they were being favorably implemented. We are convinced that these decisions and agreements will be implemented in the same way as thus far. It is our intention to expand Polish-American cooperation. We would like to ask you to sponsor this as you have done so far. During my visit to the United States, we concentrated on economic cooperation. I would like to call on the Prime Minister, but before I do so, let me touch upon some other questions. The present developments call for more frequent political contacts on different levels. I believe these contacts have proved useful and there is nothing against having topics developed, discussed and agreed in separate conversations.

As far as cultural cooperation and exchanges of information are concerned, we are aware of the position of the United States in CSCE on cultural exchanges and exchanges of persons, seeing in them a contribution to rapprochement among nations. Our people are eager to learn about the achievements of other peoples including the United States. The achievements of the United States in science and culture are very widely known in Poland. We would like greater reciprocity. We see progress in that field. As for humanitarian relations, they do not have the character of a serious problem. Most cases are individual ones and we generally take care of them in a positive way.

We know that the United States is approaching its 200th anniversary. This was symbolized by the exhibit "The World of Franklin and Jefferson" which you were kind enough to speak about. The Bicentennial in the United States will be noted in a dignified way in Poland. We have been getting ready for a long time in Poland and will show all that which testifies to the greatness of the United States, the greatness of the American people.

Finally, Mr. President, we want to assure you that the people of Poland wish the great American people further development and further progress. Allow me to introduce the Chairman of the Council of Ministers, who would like to talk to you of specific economic problems.

Jaroszewicz: Mr. President, as we look at Polish-American economic relations, let me touch upon five questions. In 1974 trade exceeded \$770 million, an increase of 55 percent above 1973. In the balance sheet, this is accounted for by the growth of both imports and exports with an increase in Poland's disfavor from \$150 to \$250 million. This negative balance of trade was also affected by the growth in prices of agricultural products which we import.

First, in 1975 we have fixed a target of \$900 million. There are certain difficulties--passing difficulties--and we are taking a number of courses of action. What is particularly disquieting is the lack of new co-production agreements, as for instance the good cooperation with International Harvester.

Second, in agriculture, we note considerable possibilities for further exchanges, for agricultural exchanges. Poland is interested in long-term purchases of grain and fodder on the American market at a level of 1-1 $\frac{1}{2}$  million tons annually within the framework of CCC credits. We are also interested in concluding a long-term agreement for the importation of grain and fodder. After the Soviet Union, the United States is the biggest partner for the improvement of the standard of living of the Polish people. We have had



difficulties because the meteorological conditions have not been too satisfactory. We are able to count on the favorable attitude of the Soviet Union in this important question for us. We can offer long-term deliveries of our sugar to the United States. Deliveries of sugar would stabilize our trade and allow us to expand our sugar industry accordingly.

Third, concerning technology, present conversations which give hope for successful conclusion concern purchases of big investment projects. These negotiations in many cases are nearing conclusion. They include installation of coal gasification technology by Koppers; an agreement on cooperation with General Motors on a plant to produce delivery trucks of 1-1/2-2-1/2 ton capacity at the rate of 100,000 per year; the purchase of technology and know-how from RCA for the production of TV screens for color TV; equipment for the production of glass and other parts for TV screens from Corning Glass; the purchase of forges from Swindell-Dressler; and the expansion of cooperation in construction machinery with International Harvester. What is significant is that these contracts would amount to \$1 billion and some are of particular importance, for example, the purchase of production and technology for TV screens to produce color TV.

Gierek: It would be great propoganda because of the number of pieces involved.

Jaroszewicz: And the motor car industry. These transactions also provide for co-production and for export, including to the U.S. market. All of this would depend on the availability of favorable credits to finance them. This means that we ask for the support of all those transactions by the U.S. Government and the greatest possible support from Ex-Im Bank.

Fourth, cooperation by means of the facilities of the mixed commission on trade (Joint U.S.-Polish Trade Commission). We would like to request you to agree that at the next meeting we would discuss ways and means to accelerate the dynamic growth of mutual

cooperation by implementing the decisions taken during the talks in Washington. We should also take up the question of certain limitations in new agreements. We would be grateful to you, Mr. President, if you could lend these questions favorable consideration and if you could accept the conclusions of the Commission following its meeting next October.

Fifth, scientific and technical cooperation. We link our great expectation for progress on coal research which we have discussed many times. We would like to expand our relations in agriculture by exchanges of experience and by means of the conversations which our Minister of Agriculture will have next fall in Washington. We are willing to consider a long-term contract which would open up good prospects. Among other questions, it is important for the development of tourist and personal traffic to have further air connections. These are a few of the things which we believe offer great possibilities for the development of economic relations. As I said, there is great significance to these fields and we would like to have your favorable support. Thank you.

The President: Mr. Secretary, let me thank you and your colleague for this very broad and detailed presentation of our relations. But I should at the outset say that this visit and this occasion brings back three memories. The first is the memory of meeting in Washington last October. The establishment of personal relations gave us the opportunity to discuss in detail the relations between our countries and how to broaden and improve these relations. The second came 16 years ago in Warsaw--my first experience in public life to meet with the Parliamentarians from many, many countries. And we met for ten days in this building with 100 Parliamentarians. The third memory is the warmth of that reception by the Polish people today which is a symbol of the close relations we have with Poland. It is not only based on the feelings of millions of Americans of Polish background but also the feelings we have for many, many reasons.

If I might, let me say a few words about relations between Poland and the United States. We feel that in a number of areas considerable progress has been made. In the cultural field, artists who have come from Poland to America make a magnificent impression. They are loved in the United States and we would like to see more of them. And ours who have come here know how warmly they have been received here.

In trade, the figures cited indicate a great increase in the purchases by Poland of commodities. We hope trade can increase on a reciprocal basis. The companies cited by your colleague--General Motors, Corning Glass--I know would like to expand trade with Poland. I know the commission working on such matters will work out details and Eximbank will be as helpful as possible. Private banking can also help. My understanding is that David Rockefeller and his bank are interested in expanding trade through the private sector.

In the area of agricultural sales, let me say that the United States is very fortunate that, with only 6% of our people involved in agriculture out of a total of 214 million people, they do a tremendous job. They have tremendous productive capacity and make it possible not only to feed our people but provide food to people in Europe, in other countries and throughout the world. As you know, agriculture is not the most consistent industry and we cannot be sure of a certain harvest. Last year, the harvest in grains and corn was not at the level anticipated. It was big but not as big as expected. This year, we anticipate a favorable wheat harvest, the largest in our history. If the weather is good during the next month, we will have the largest corn crop in the history of the United States. We have noticed that other areas of the world have far less favorable conditions for agricultural production. The United States to the maximum degree possible will seek to help countries in need. We have had good relations with Poland in the past in feedgrains. This year, too, I would hope to have good relations in feedgrains.

We are interested in your suggestion that your sugar production capability might help us. Last year, we had a shortage and prices were very high throughout the world. The situation has been mitigated to some

extent but we are interested. If your Minister of Agriculture is coming to the United States in the near future, he might discuss this with Mr. Butz, the Secretary of Agriculture.

I was very interested in your comments on energy and coal. The United States and Poland have ample supplies of coal. You said you have anticipated supplies for 365 years. The United States has anticipated supplies for 300 years. Both of us have a mutual interest in the production of coal. You have mining techniques, first-hand, and we have technology and equipment which can be used on a reciprocal basis.

In the field of science and technology in certain areas, we have made great progress. In space we have done extremely well. The many byproducts of space technology can be made available to peoples throughout the world. In medicine, we feel benefits can be made available. These benefits can be exchanged with the advances made in your country.

There are, of course, a number of cases of people with relatives who want to be reunited with their families. I was very interested in your statement that most cases can and will be resolved. That would be beneficial to our relations.

I met with Congressman Rostenkowski, my representative at the Poznan Fair. He met with you. He gave me a full report. He was very complimentary about how he had been treated and explained how you wanted to establish close relations with the United States.

Let me turn now to detente and the many ramifications which come from it. I have long been, am now, and continue to expect to be an advocate of detente. I am aware that detente cannot solve all problems, but that concept is and has been very useful in relieving tensions. Detente in the future will be a useful tool for the betterment of relations between the Soviet Union and the United States as well as the associates of the Soviet Union and the allies of the United States.

There are people in the United States who raise questions about the advisability of detente. Some raise questions on the basis that the United States got less than the Soviet Union. Others have a strong dislike of the political system in the Soviet Union and believe that somehow detente perpetuates that system. My feeling is that we have our system and the Soviets have their system. Detente is not aimed at changing the system but at problems which can be resolved. On the other hand, it has to be understood, particularly in our system, that in order to maintain detente and in order to defuse political criticism in the United States certain statements both oral as well as written have to be made to soften the criticisms of some of our people. Otherwise, some people in authority face internal political problems. There must be a sophisticated understanding of our political system. Those in the Soviet Union must understand that our system works differently, that a person must be judged by his actions, not his words. As I meet with Brezhnev in Helsinki and, hopefully, in the United States, I can assure you, as I will him, that detente has been of great benefit to the United States, the Soviet Union, and the world as a whole. And we must continue detente for the benefits which we have had in the past and which we hope to achieve in the future. It requires understanding and sophistication. We very sincerely want to build better cooperation and a bridge for better relations between us and the world. You, I and Dr. Kissinger are going to Helsinki. There has been some criticism in the United States that I should not go--criticism from the extreme right and some liberals and left-inclined. I believe Helsinki is a step in the right direction. Much will depend on execution and implementation. It is our obligation to see to it that it is implemented in the right fashion. If it achieves what I think, criticism in the United States will be eliminated and I am optimistic enough to believe that it will be accomplished.

With the USSR, we have made significant progress in SALT I. While in Helsinki, we expect to discuss the outgrowth of very successful talks in Vladivostok. If the talks bring us closer, then it will be another giant step forward in limiting strategic arms and lifting the arms burden and increasing opportunities for peace throughout the world.

In closing, I feel our discussion this afternoon and earlier today broadened the foundations for much better relations between both our peoples. I pledge to you, we will make a maximum effort so that Poland and the United States have an opportunity to feel closer in the years ahead.

Gierek: Thank you heartily, Mr. President, for what you said. (Looks up and down the table.)

I don't know if anyone wants to say anything. Mr. President, let me refer to one subject. This is our attitude to matters of detente and all that is linked to Helsinki. I want to speak here not as a Pole alone because if I were to approach this as a Pole from a narrow point of view, I would have to emphasize the need for understanding. I would like to speak as one whose country ranks second in our socialist group after the Soviet Union, both in economic and in military terms. We are grown up. We are a country which is a member of the Warsaw Treaty with all the consequences which ensue from that fact. As the second largest in the Warsaw Treaty, we, like the Soviets, are not interested in Helsinki only for the merely spectacular phenomenon but in all that will follow from it. We realize there are some forces in the world against detente. You speak of a very narrow group in the United States. We would note there are broader groups. We should make no less effort after Helsinki than the effort that we have made up to now. I say this for Poland, the second socialist country. I am not aware of what Brezhnev is going to talk to you about--I am not curious but one day I will learn. But I am convinced that Leonid Brezhnev will say what he feels, and he feels the need for consistent consolidation of the process of detente. This is not only his feeling but the feeling of Soviet leaders, of the Soviet people. I base all this on something--the willingness and readiness to strengthen detente is because of the means of destruction which are sufficient to destroy everything many, many times. The problem is to seek ways and means to freeze the situation and bring about such a degree of mutual trust that we could rest assured that the world would not be changed into a place of danger. Naturally, the world has all kinds of dangerous situations. But all these are not as

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dangerous as if you and the Russians enter the path to war. We shall use all our possibilities--and we have quite a lot of them--not only to smoke a peace pipe but also to see that all the consequences of the peace pipe are implemented. We are going to Helsinki to sign the documents and to implement them.

The President: This has been a very fruitful and beneficial discussion. Thank you and your colleagues for the opportunity to be with you this afternoon. We shall see you this evening.

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