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Authority NLE 2014-18 #2
By MMK NLDDE Date 6/19/15

EO 13526 3.3(b)(1)>25Yrs



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CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D. C.
OFFICE OF THE DIRECTOR

Poland

18 February 1959

The Honorable Karl G. Harr
Special Assistant to the President
The White House

Dear Karl:

Attached is an interesting memorandum
which John Richardson brought down to Washington
last Saturday.

The Mr. "X" of this memorandum is



I have passed on a copy to Doug Dillon.

Sincerely,

Allen W. Dulles
Director



Enclosure

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Memorandum Regarding Conversation with "X" on February 10, 1959

"X" was anxious to talk to me. We first discussed various matters of mutual interest, primarily the problem of securing Polio vaccine to give a third shot to the 2,450,000 Polish children who received their first two shots in the past six months. Then he came to what was clearly the main point: he is extremely concerned about the failure of the United States to reopen negotiations on the third U. S. loan and is fearful that for various reasons it has not been possible for the Poles to express the gravity of the situation clearly enough through official channels.

In a nutshell, in his opinion there is a strong probability that, if negotiations are not opened and pushed rapidly prior to the Party Congress in Warsaw in March, the whole effort the United States has made in Poland to date will go down the drain.

Here is his reasoning:

1.) The result of Gomulka's trip to Moscow last fall was looked on by the Party faction which wants to preserve the October gains as a victory, not a defeat as it was considered by many Americans. Some of the matters on which these insiders expected Gomulka to be hard pressed in Moscow, and what actually transpired, were as follows:

A.) They expected that he would be hard pressed on the Polish agricultural policy. He was. But Gomulka won the argument by insisting that any reversion to forced collectivization was impossible because it would critically impair agricultural production.

B.) They expected that Gomulka would be severely pressed on the relationship with the Church. He was not, although the issue was discussed at length. The Russians were very critical of the number of Jews in high party posts in Poland and they dropped the Church question when Gomulka asked if they really expected him to attack both problems at the same time.*

C.) They expected that Gomulka would be severely pressed on the question of the Hungarian executions. I am not clear as to what the outcome was, except that it is felt that Gomulka did not capitulate.

D.) They expected that he would be pressed to disavow the November 1956 U.S.S.R. - Polish Agreement. Instead, they feel that the communique at the end of Gomulka's visit, in effect (if indirectly), actually reaffirmed the 1956 Agreement and that this was an extremely important success.

* I am not clear whether or not the inference is proper that Gomulka indicated he would do something about the Jewish problem.

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E.) They expected that Gomulka would be severely pressed on the question of Yugoslavia. He was in fact strongly pressed to go all-out in a denunciation but the communique did not even mention Yugoslavia and his later statements were moderate.

F.) They expected that a serious attempt would be made to make Gomulka recant his heresies publicly. Apparently no such attempt was made, or if made it was not pressed.

2.) In view of their own favorable reaction to Gomulka's performance, the Party group referred to above has been increasingly dismayed and discouraged by the failure of the United States to open negotiations. "X" and they feel we are playing into the hands of the Stalinists who are expected to make an all-out attack on the U. S. and on the Polish - U. S. relationship at the coming Party Congress as they already are doing in the important preparatory phase. As "X" puts it: 'After all, there are the two extreme groups, at either end of the Party spectrum. In between, there are largely politicians who will be swayed mostly by their evaluation of which side is coming out on top. Who is going to answer the Stalinists? Can Gomulka and Cyrankiewicz do it?' "X" thinks they obviously cannot, since there is, in the absence of negotiations, no argument they can make which would be acceptable in Party terms.*

3.) "X" made the following points, among others, in support of his thesis that negotiations initiated immediately and carried through to a swift conclusion are vital:

A.) The import of rough grains, some \$70. million worth, to be used primarily for feed for hogs, is essential this year to free Polish rye and other crops to meet what will otherwise be an equivalent national deficit in bread grains. The government has already had to resort to interim purchases of Canadian grain. They have done so at serious cost in hard currency, even though the grain will not arrive until June, much later than it is needed because they are not yet willing to give in to the growing agitation within the Party to get the grains from the U.S.S.R. 'Even Mao has told us he will be happy to supply the grain we need from China's surplus (!). He has told us in effect to stop being damn fools by playing around with the West.' **

* Incidentally, "X" evidently looks on Cyrankiewicz as a potent member of the group favoring an open door to the West.

** Incidentally, "X" says Gomulka was warned in Moscow to be careful in his dealings with China because Moscow has no control over what China does.

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B.) Party people in Warsaw, a growing number of them, are convinced that the U. S. has made a decision in principle not to continue the Polish aid program. This conviction arises primarily, I gathered, from their own analysis of our self-interest, which was, as they see it, to begin negotiations well before now if we intended to begin them at all.* At the same time, "X" pictures all factions of the Party in Warsaw as being entirely perplexed at what the U. S. motivation could be. In the eyes of Warsaw, the margin of difference between Poland and the other satellites is still highly significant from their own, as well as from our point of view. It is difficult for them to believe that, because of pique at things said primarily for the sake of appearances, we would seriously risk the loss of the impact of this margin of difference on the other Party leaders of the block (an impact achieved both indirectly and through Gomulka)

C.) As the Berlin crisis deepens, it will become more and more difficult for the Polish government, and probably for the United States government as well, to open and carry on constructive negotiations.

4.) As illustrations of the value of the U. S. aid program "X" mentioned the following:

A.) After experience with U. S. cotton in Poland, Polish textile mill managements would do anything to get it in preference to the Russian variety, primarily because of superior uniformity of quality.

B.) The Director of Nova Heuta, when in the U.S.S.R. negotiating for equipment, found that he always won his point, and won it easily, when he suggested that, if necessary, he could always arrange to get it from America.

C.) There has been considerable envy among Party people in other satellites of the economic and other help received by Poland from the U. S., as well as jealousy of the relatively large area of freedom for debate, travel, etc. within and outside the Polish Party.

5.) American relief programs, "X" inferred, would probably go down the drain if the aid programs ceased. In this connection, while without specific information on the problem at the moment (he will get it if I wish), "X" was not at all surprised when I advised him of a strong hint which Dick Reuter, of

* "X" himself does not think the United States has changed its policy. He thinks that it is more likely simply a failure on our part to face and make the decision to go ahead again, after postponing negotiations last fall. Incidentally, he seemed seriously upset by the illness of Secretary Dulles, announced yesterday, apparently fearing that it would be even more difficult to get a decision in his absence. Also, he thinks that it probably was the White House and not State which decided to postpone the negotiations last fall.

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CARE, received about two months ago in Warsaw, to the effect that the prospects for continuing CARE's program (especially the drug program) were not too bright. Incidentally, one unexpected result of the Polio vaccine program in recent months was the use of the Polish radio to stress the American source of the vaccine so as to persuade mothers to bring their children to the vaccination centers.

"X" also indicated that while Warsaw would have to find a solution for the problem of the third Polio vaccine shot somehow soon, even if it means dollars, he would not advocate separate negotiations with the United States on this point alone now, as this would simply add fuel to the fire in Warsaw.

"X" seems to think that there should be no difficulty about meeting the American request to discuss the claims question concurrently with the aid negotiations, except that he foresees the claims question requiring many months to complete and he thinks it essential as outlined above, to conclude the aid negotiations rapidly. He suggests that the United States propose completing negotiations on the farm surplus aid, the most vital part, quickly, and that signing of the other part (Export-Import Bank credit) be deferred until agreement is achieved on the claims.

The above is a necessarily hurried and probably not fully accurate summary of the highlights of a two and one-half hour talk at lunch with "X" today. He said he had considered telling the story to a Polish-American Catholic leader in New York today, whom he thought was well connected in Washington, but decided to talk to me instead. He has already talked to Senator Humphrey, in how much detail I do not know, nor do I know whether he has talked to anyone else as he did to me.

"X" talked most of the time during our meeting. I asked practically no questions and made few comments, except to indicate sympathy for his concern. These notes were jotted down in spare moments between 3:00 P. M. and 2:00 A. M. of the balance of a very busy afternoon and evening. I have made no attempt in these notes to evaluate the information or the significance of the conversation, if any.

I told "X" I would be happy to pass on the substance of our conversation to someone at a high level in Washington this week without revealing the source. He appeared to be very grateful.

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