



Foreign and Commonwealth Office

London SW1A 2AH

25 October 1985

Dear Charles,

Visit of Mr Kadar : 31 October - 2 November

The Hungarians see Kadar's visit to London as the most significant event in Anglo-Hungarian relations since the War. His main interest will be the talk he is to have with the Prime Minister. I enclose a copy of the programme.

The Prime Minister will find Kadar sprightly but rather frailer than when she saw him on his own ground in 1984. His workload has been reduced this summer through the appointment of a deputy, and he is likely to approach discussions with a broad brush. We are told he spent part of his summer holiday reading books about Britain.

His main domestic concern is with the stagnant Hungarian economy and the social strains and grumblings this has produced. Hungary shares the unease of other East European countries about the effects of Gorbachev's new broom, but is probably sufficiently successful, small and loyal to survive with its interests intact. Kadar visited Moscow in September and appears to have obtained Soviet agreement to continued economic reform and to Hungary's qualified liberalism.

Kadar will have attended the Warsaw Pact Summit in Sofia on 22/23 October. He should therefore be well versed in current Soviet thinking. But he will not wish to be seen as a spokesman for the Warsaw Pact or as a message carrier. We hope that he will leave London encouraged in the belief that it is possible for Hungary to develop both its domestic reform and its relations with the West.

I enclose a despatch from our Ambassador in Budapest which describes Kadar's character and achievements. I also enclose a draft speech for the dinner on 31 October. Briefing will follow, under separate cover.

Yours ever,
Lee Appleyard
 (L V Appleyard)
 Private Secretary

C D Powell Esq
 10 Downing Street

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MEETING WITH MR. KADAR

1. Our commitment to playing a full part in East/West political dialogue.
2. Our support for US position on arms control.
3. His assessment of Gorbachev and his likely economic policies in the Soviet Union.
4. Who are the other Soviet leaders to watch?
5. Gorbachev's intentions at the US/Soviet Summit.
6. Hungarian Economy.
7. Hungary/EEC.



PRIME MINISTER'S MEETING WITH THE HUNGARIAN PARTY
GENERAL-SECRETARY, JANOS KÁDÁR, 31 OCTOBER 1985

Our Objectives

- a) To convince Mr Kadar that Hungary can develop its relations with Britain (and the West) without prejudicing its position with Moscow;
- b) To present the British case on arms control, underlining also President Reagan's sincerity in his search for peace;
- c) To encourage Hungary to continue its distinctive course - economic reform, domestic liberalism, openness to the West - as a nation with pride in its European traditions and history;
- d) To assess political and economic strains between the Soviet Union and Eastern Europe; and to probe Kadar on Gorbachev.

Arguments

- a) UK committed to playing full part in developing East/West political dialogue. No intention of undermining Hungary's socialist loyalties. Wish to build on active bilateral relationship with Hungary. Scope for development of trade and culture between two European nations.
- b) UK also committed to arms control process. Fully support US at Geneva. Now Russians have finally made own proposals (US tabled theirs months ago), certain US response will be flexible and constructive. Some elements in Soviet position could be built on. Others clearly unacceptable eg INF. No question of inclusion of third country systems. Reagan/Gorbachev meeting could give significant impetus to process.



c) (Gorbachev offer of direct talks). Position on UK strategic force well known. No basis for formal bilateral discussion with Soviet Union of British nuclear forces. Naturally prepared to continue regular exchanges on whole range of arms control questions.

d) Developments in Hungary followed with attention and sympathy in UK. CSCE commitments important part of overall picture. Recognise economic difficulties, but hope Hungary able to continue distinctive course.

e) New leadership in Moscow facing wide range of problems. Hungarian assessment of Gorbachev? Results of Kadar/Gorbachev meeting on 25-26 September and of Warsaw Pact summit in Sofia (October)?

Tactical Arguments

Hungarians cautious in pursuing distinctive line. Prudent; but over-caution looks like indecision. Economic reform has slowed down, but it is the key to higher output. Hungary could contribute more to East/West understanding on basis of privileged relationship with both sides.

Their Objectives

- a) To put across an orthodox Warsaw Pact line, tempered with genuine concern for an improved East/West atmosphere;
- b) To demonstrate that small countries like Hungary are significant and have a role to play in East/West relations;
- c) To probe for differences in the Western Alliance, eg over SDI;



d) To complain about Western discrimination in trade (EC reluctance to phase out quotas, COCOM, etc.), and to press for continued British support for Hungary's approach to the EC;

e) To request the return of the remains of General Meszaros;

f) To ask for help with English language teaching in Hungary.

Our Response

a) Recognise Hungarian role in East/West relations. Believe all European countries have role to play. UK close to US; share much thinking, interests; but also expect to speak for ourselves. Like you, think diversity of lines of communication makes useful contribution.

b) Though they deny it, transparent Soviet efforts to split Britain from rest of Western alliance, British Government from own people. This wedge-driving has proved fruitless. Wastes time and opportunities.

c) Share disappointment at lack of progress towards trade agreement with EC. Hungarians will know that UK approach constructive. Real problems. Need to work for agreement with broad balance of economic advantage to both sides. Maximalist Hungarian demands will make it more difficult for EC Member States to show necessary flexibility. COCOM necessary. Existed for many years. Affects only small percentage of trade.



d) Meszaros. UK position unchanged. Closest living relative wishes remains to stay in UK. Must respect this.

e) British Council happy to discuss and participate in plans for increased English teaching.

Press Line

a) First visit to UK by East European leader in Party capacity. Step forward in relations. Chance for him to see something of Britain.

b) Valuable exchange on East/West relations. Both sides underlined commitment to political dialogue, contacts. Welcomed prospect of Reagan/Gorbachev meeting in Geneva.

c) Agreement on good state of bilateral relations, and scope for expanding trade and other exchanges

d) (Defensive) Kádár will not meet HM The Queen. Inappropriate for reasons of Royal protocol. In any case, Her Majesty out of UK.



Background

1. Prime Minister visited Hungary, and met Kádár, in February 1984.
2. Recent visits to UK by Central Committee Secretary for International Affairs, Szuros, October 1984; and by Hungarian Foreign Minister, Varkonyi, March 1985. Both called on Prime Minister.
3. Trade, 1984. UK exports, £100 million; imports £75 million.
4. Parliamentary Under Secretary for Energy, David Hunt, visited Hungary in October 1985 and signed memorandum of understanding on developing cooperation in energy sector.
5. Hungarians hosting CSCE Cultural Forum in Budapest in October/November.
6. Kádár visited Moscow on 25-26 September for talks with Gorbachev. Stress in Soviet media on importance of strengthening cooperation. But also favourable reference to "national peculiarities".
7. Honecker (GDR) likely to visit Budapest just before or after Kádár's visit to UK.
8. General Lazar Meszaros was a hero of the 1848 Hungarian revolt against Austria. Died and buried in England. Hungarians have pressed for return of remains. Closest living relative Mrs Szabo (resident in USA) refused in 1979, citing presence of Soviet troops and absence of human rights in Hungary.



MR JANOS KADAR



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JÁNOS KÁDÁR (KAA-DAA-R)

General Secretary of the Central Committee of the Hungarian Socialist Workers' Party. Member of the Political Committee: Member of the Presidential Council: Member of the National Assembly.

Born 1912. Apprenticed as a toolmaker and imprisoned several times for Communist activities. In 1942 he became a member of the Central Committee. Arrested by the Germans in 1944, but escaped. In 1945 he organized the Budapest Party and became its Deputy First Secretary. In 1948 he was elected to the Politburo and subsequently became Minister of the Interior. In this capacity he was responsible for the trial of Mindszenty and the trial and execution of his close friend, Foreign Minister Rajk. In 1950 he gave up his Ministerial post to concentrate on Party work but in April 1951 he was arrested, and charged with espionage, treason and Titoism. After being brutally treated in prison, he was released in 1954 and although not completely rehabilitated filled various minor Party posts.

After the fall of Rakosi in July 1956, Kádár was re-elected to the Politburo and gave his support to the Nagy Government. At first he appeared to support the Hungarian Revolution. He is reported to have at first defied the Russians, at one point threatening to fight their tanks with his bare hands, but then broke with Nagy, apparently over the question of Hungarian neutrality and withdrawal from the Warsaw Pact, and fled to the Soviet Embassy. Soon after he set up a Soviet-backed Government, at first on Soviet territory.

By early 1957 he was indisputably head of the new regime as First Secretary, and Prime Minister and universally hated and reviled by the population as a traitor. By 1958, when he resigned the Premiership, he had been responsible for the



brutal liquidation or suppression of those who had been prominent in the Revolution (including many young people) although it is not clear what his role was in the subsequent execution of Nagy. A visit by Khrushchev in April 1958 confirmed his position. He resumed the post of Prime Minister from 1961 to 1964. In 1972 he presided over a compromise between the reformist and conservative groups in the Party. There are frequent rumours that he wishes to retire, but the power struggle over the succession and popular pressure have prevented him from standing down.

In September 1974 he led a high level Party and Government delegation to Moscow. In July 1975 he met the Foreign Secretary, Mr James Callaghan, and in December 1976 he made a highly successful visit to Austria. In 1977 he made further successful and well-publicised visits to West Germany, Italy (and the Vatican). He visited France in 1978 and revisited West Germany in 1982. He received Lord Carrington in 1980 and Sir Geoffrey Howe in September 1983. In July 1983, he made an important visit to Moscow, where Mr Andropov (who had been Ambassador for the USSR to Hungary in 1955-57 and was instrumental in installing Kádár in his present position after the 1956 Revolution) appears to have given his endorsement of current Hungarian policies. He also visited Warsaw, Prague and East Berlin in quick succession in the autumn/winter of 1983 - an unusually taxing programme for a man of his age.

Kadar is a formidable man who has been in charge of Hungary for nearly thirty years. Memories of his lurid past and the crimes and betrayals of the fifties have, in Hungary, been overlaid by the conciliatory policies of the last 20 years. He is now generally identified with the gradual improvement of conditions for Hungarians and respected for his ability to handle the Russians. He is a good orator but his usual style is quiet and there is no trace of any "cult of



personality" in Hungary. He has not groomed a successor - a matter of concern to many Hungarians.

He is a keen football supporter and chess player, and enjoys shooting and the cinema, especially Westerns. To meet he is impressive, alert and vigorous, and handles discussions in a businesslike way. He seems in reasonable health, though he is not very robust and may be beginning to tire. He is a chain smoker. Married, but no children. His wife worked in the Government Information office but has now retired. He does not speak English.



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London SW1A 2AH

25 October 1985

Dear Charles,

Visit of Mr Kadar: 31 October to 2 November

/ I enclose a brief for the Prime Minister's talks with Mr Kadar at 4.30 pm on Thursday 31 October. I have already sent you a scene-setting letter and a despatch and there will be two further telegrams from Budapest after the Ambassador's pre-visit call on Kadar today.

Yours ever,

Colin Budd

(C R Budd)

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