

CONFIDENTIAL

NATIONAL SECURITY PLANNING GROUP MEETING

<u>DATE:</u>	<u>SUBJECT:</u>	<u>PARTICIPANTS:</u>
12/14/81 5:00 p.m. Sit Rm	Update on Poland	The Vice President - CHAIR <u>State</u> Secretary Alexander M. Haig, Jr. Deputy Secretary William P. Clark <u>Treasury</u> Secretary Donald T. Regan <u>OSD</u> Secretary Caspar W. Weinberger Deputy Secretary Frank C. Carlucci <u>CIA</u> Director William J. Casey <u>JCS</u> Admiral Thomas B. Hayward, Acting Chairman <u>White House</u> James A. Baker III Michael K. Deaver Admiral James W. Nance Admiral John Poindexter Ms. Janet Colson

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12/15/81
[Faint handwritten notes and stamps]

CENTRAL INTELLIGENCE AGENCY
NATIONAL FOREIGN ASSESSMENT CENTER

DECLASSIFIED IN PART

NLS EOO-003/1 #40

BY CWS, NARA, Date 7/22/02

14 December 1981
1630

BRIEFING NOTE: POLAND

We continue to receive little verified information from any source about strike activity in Poland; one well-informed Western journalist has commented that it is becoming virtually impossible to obtain information about developments outside Warsaw. (C)

According to press reports, nonetheless, a skeleton national Solidarity organization has been created in the Lenin Shipyards in Gdansk which is collecting information on strikes around the country. In its latest statement, these Solidarity leaders claimed that strikes were underway in several major Warsaw factories (Ursus Tractor Factory, Warsaw Fiat Car Factory, and a precision instrument works), that all major factors are at a standstill in Poznan and Wroclaw, and that miners were refusing to leave the mines in Silesia. (C)

[REDACTED]

Solidarity leaders could believe it in their interest to exaggerate strike activity. They know their reports will be picked up by Western media and then replayed back into Poland by Western radios; they probably hope that such reports will stimulate others to go on strike. (C)

The Solidarity statement speculated that troops were getting ready to evict strikers this evening. This will be much more difficult for the regime than the preventative actions taken so far and would increase the risks of bloodshed. (C)

Military Situation

US [REDACTED] Military Liaison Missions in East Germany have observed only normal training activity by Soviet and East German forces. [REDACTED]

Soviet Commentary

TASS has issued the first Soviet commentary on the implementation of martial law in Poland. While generally positive, the commentary stops short of explicitly endorsing Warsaw's action, except to note the "satisfaction" of the Soviet leaders over Jaruzelski's reaffirmation of Poland's allegiance to the Warsaw Pact. (C)

The commentary also stops short of predicting the outcome of the measures being taken, merely noting that the Soviet people "wish" the Poles success. While affirming that the steps underway are Poland's "internal affair," it asserts that the situation precipitating them concerned Poland's allies because Poland's ability to fulfill its Warsaw Pact commitments was threatened. (C)

A Soviet Central Committee member speaking with an Embassy officer this morning implied that he considered Warsaw's action a positive step, but also stopped short of endorsing it. He stressed the importance to Poland of outside aid and stated that the USSR would "do all possible" to assist the Poles economic ally. (C)

Polish Debts

Finance Minister Krzak informed representatives of sixteen major Western governments that Poland is unable to pay \$350 million of the interest due to Western banks today. Warsaw also notified all of its bank creditors of the shortfall and asked for a six-month loan of that amount so that an agreement on 1981 rescheduling can be signed later this month. The banks recently have rejected several other Polish requests for loans to cover interest payments, and the crackdown on Solidarity will probably make the banks even more reluctant. The Poles' only hope seems to be that the USSR, encouraged by Warsaw's tough stand, soon will provide the hard currency needed to repay banks. (C)