

SITUATION REPORTS

POLAND

*The Polish regime gained another breathing spell as yesterday's demonstration in Gdansk passed without untoward incidents, and Solidarity leader Walesa appealed for calm and national reconciliation.*

Pope John Paul II also sent a telegram, broadcast by the regime, asking for calm and unity. The regime's spokesman, Gdansk party leader Fiszbach, emphasized that the party will continue efforts to avoid confrontation with the union and to renew the party.

Although the USSR was not mentioned directly, an underlying theme of the speakers was that Poland must not give the Soviets a justification for intervening. Walesa quoted from the statement issued by the Polish episcopate last Friday that Poles must not act in such a way that exposes the country to "dangers" or threatens "liberty and statehood." Fiszbach said that Poles must oppose anything that may "threaten the interests of the nation and state."

The regime, apparently heartened by Walesa's conciliatory remarks, broadcast them on the radio and reportedly televised them to the nation. This was the first time that a speech by Walesa was given national coverage.

According to a Western news service, several officials in Solidarity criticized Walesa for taking too soft a line toward the regime. Walesa, however, seems to be able to withstand such criticism, and he presumably will continue to emphasize that Solidarity must consolidate its gains, continue its efforts to organize, and avoid needless confrontations.

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The regime may now have several more weeks of quiet, for after the commemorative ceremonies scheduled for today in Gdynia, Szczecin, and several other cities most Poles will be mainly interested in finishing preparations for the Christmas holidays. Nevertheless, the Soviets are maintaining a high level of concern and are continuing military preparations.

### Economic Problems

The regime, however, still faces serious economic problems--notably food and coal shortages--that remain potential causes of unrest.

Polish Central Committee Secretary Stefan Olszowski recently announced that supplies of quality meat, fish, fruits, and confectionary items will be in short supply this holiday season. Supplies of lower quality items will be substituted to keep the volume of food at last year's level. The US Embassy, however, reports that many staple items as well as luxury goods were in short supply last week.

To ensure the better distribution of meat supplies, the regime recently introduced temporary meat rationing for the holidays in some provinces, including Warsaw and Szczecin. Rationed meat is supposed to supply a little more than half the populace's normal consumption--although reports of shortages make it uncertain that even this amount of meat will be available in official stores.

A lack of coal has led to power deficits that could intensify since some power plants are using their already-low reserve stocks. The power cuts have had particularly adverse effects on the production of steel, and the Polish press has reported that cement factories in Lublin will have to suspend work soon because of the shortage of coal.

The shortage is also causing problems for the regime with some of its allies.

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Military Situation

[REDACTED] one Soviet division garrisoned near the Polish border in the Baltic Military District was [REDACTED] at a high level of readiness. The readiness was apparent at two other Soviet divisions close to Poland in the Belorussian Military District. [REDACTED]

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Other information indicates that units of one Czechoslovak division which returned to garrison from exercises near the Polish border last week have [REDACTED] to remain combat ready for up to two weeks. [REDACTED]

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