

Article 30

Dr Andrzej Chmielarz, THE ECONOMIC EXPLOITATION OF POLISH TERRITORIES IN THE YEARS 1939-1945

The consequence of defeat in September 1939 was the occupation of Polish lands by the invaders. On the basis of the German-Soviet Boundary and Friendship Treaty of 28 September 1939 Germany occupied 188,700 km² (48,4%) of Poland's pre-war territory with 22.14 m (62.7%) of the pre-war population, whereas the Soviets took 201,000 km² (51.6%) of the land and 13.19 m (37,3%) of the pre-war population. Contrary to the Hague Convention, which prohibited enemy exploitation of an occupied country for the purposes of war, both Germany and the Soviet Union intended to maximally utilize Polish resources for their military needs.

The Germans not only took over Polish state owned property and confiscated the entire property of persons recognised by German law as Jews, but they also plundered the industrial and agricultural property of Poles. By 1942 in the territories that had been incorporated into the Reich the Germans confiscated almost 900 farms with a total area of 9,220,000 hectares. By 1943 the total area of confiscated farmland in the General Government was approximately 800,000 hectares.

The new managers of sequestered property were predominantly Germans. Original Polish owners sometimes remained as managers, but this was in the relatively rare cases of small workshops or peasant farms. In territories annexed by the Reich Poles were evicted from better houses and flats, which together with the furniture were next given to German families.

The German policy with regard to the property of Western companies, particularly those from neutral countries, was different. Here German concerns usually managed to negotiate voluntary agreements allowing them to buy up a controlling amount of the shares.

The policies of the Soviet and Lithuanian authorities in occupied territories was similar to that of the Germans. The USSR deprived Polish landowners of their estates and nationalised formerly Polish industrial plants and banks. The Soviet authorities also took over trade, residential buildings, the real estate of most associations as well as cultural and scientific institutions.

The Germans gradually adapted production in Polish factories to meet the needs of the German war effort and integrated it with the whole German economy. Industrial plants not considered necessary for the war economy were mostly liquidated. Globally, production fell but the extraction of raw materials rose. In the years 1939-1945 the total amounts of raw materials extracted in the General Government were as follows: over 158,000 tons of coal, 194,000 tons of lignite, 1,747 tons of crude oil, 3,865 million m³ of natural gas, 873,000 tons of potassium salt and 803,000 tons of iron ore. Munitions production, which in 1940 was valued at 52 million marks, rose to a value of almost 420 million marks in the first half of 1944.

The robber economy applied to Polish industry (the plunder of machines and raw materials) led to a rapid draining of capital from the factories and means of transport. After 1941, the urgent need to supply troops on the Eastern Front and the effects of Allied bombing missions meant that only the munitions industry was encouraged to develop. On account of an ever greater materials shortage, other factories simply had to close down.

Successive defeats on the Eastern Front led to a further deterioration of the country's industry. The lack of raw materials limited production in many factories and forced yet more to close, while their Polish workforce was instead employed fortifying defences. In the final stages of the war the Germans began destroying factories and transporting production machinery out of Poland on a massive scale. From June to December 1944 alone Army Group Centre shipped as many as 150,000 tons of factory machinery and apparatus out of the General Government as well the Białystok and Ciechanów districts.

The Germans executed a similar policy with regard to Polish agriculture. By various means (the imposition of quotas, forced purchases and confiscations) they tried to acquire as much of the crops and livestock as possible without providing conditions for an increase in production. Penal expeditions were sent to villages that had failed to submit the forced contributions. In the years 1939 – 1942 as many as 1,716,000 tons of corn and 1,945,000 tons of potatoes were shipped out of territories annexed by the Reich. From the General Government in the years 1940-1945 the Germans took 1,441,200 tons of corn and 1,163,100 tons of potatoes. An integral part of the German policy towards Poles living in the countryside was a fixed system of prices and equivalents for farming products. The prices were fixed in 1939 and many times lower than the farming products' actual value. In the second half of 1944 the Wehrmacht began a mass removal of agricultural products and livestock. By 20th December they took 208,662 tons of crops and over 780,000 heads of cattle, pigs and horses.

This unprecedented economic exploitation of Polish lands was accompanied by millions of Poles being forced to do slave labour and their mass deportation to work in Germany. After the war, these deportations were recognised as war crimes and crimes against humanity.

All Poles aged from 14 to 60 were obliged to work for very low pay and limited food rations. In 1941 the average daily food ration for a German was over 2,300 calories, whereas for a Pole it was 700, and for a Jew only 400. Poles employed in industrial plants were inhumanly exploited: they worked 12 hours a day, were unable to have any vacations and on average were paid only a third of what German workers got. In all, in the years 1939-1945 almost three million civilians were deported (many after being rounded up and taken from the street) to work in Germany. A total of 2,460,000 Polish civilians were deported to do forced labour and a total of 2,478,000 were evicted from their homes. The total Polish forced labour input in the Third Reich has been estimated at 32,600 years.

Millions of Poles remaining in the General Government or territories annexed by the Third Reich were also forced to work for Germany. They, too, were subjected to ruthless exploitation and negative discrimination. In workforce allocation priority was given to the munitions industry and farming. In the years 1940-1943 in the General Government alone employment offices sent 3,300,000 people to do forced labour. Military setbacks naturally reduced the possibilities of exploiting the Poles and towards the end of the war the German authorities were forced to carefully plan how they used the workforce they still had at their disposal.

In the years 1939-1941 in Polish territories occupied by the USSR the Soviet authorities forced approximately 140,000 inhabitants to work in factories and mines. The greatest tragedy, however, resulted from four major deportations which included in total at least 320,000 inhabitants. There were several categories of deportee. Some were so-called free settlers; people considered to be of little value as workers (women, children, the elderly). These were sent to various regions, particularly Central Asia (Kazakhstan), where they were employed in kolkhozes and local industrial plants. The second category were those forced to work in factories, mines and labour camps. The third category were prisoners sent to high security camps, the most notorious of which were in Kolyma and Chukotka.

After the war, the Polish Council of Ministers set up a War Reparations Bureau with the task of assessing Poland's material losses. In total it was estimated that the equivalent value of 38% of the nation's property had been lost. The losses in industry reached approximately 50% of its original production ability. Of the 21,000 industrial plants in pre-war Poland 12,700 (60%) were totally destroyed. The greatest losses were suffered by the Polish railways, which lost 85% of its property, the power industry lost 65% of its plants, the chemical industry 64.5%, the printing industry 64.3%, the postal and telecommunications services 62%, the electrical engineering industry 59.7%, the clothes industry 55.4%, the food industry 53.1%, the metallurgical industry 48% and mining 42%. A total of 16,219,000 buildings, 14,000 factories, 199,751

shops, 84,436 workshops as well as many other edifices and utilities were lost. 353,876 farms were reported destroyed and in some rural regions the level of destruction reached 42%.

In terms of money, the total destruction and damage to Poland's material property was in 1947 estimated to be worth 50 billion US dollars (at the 1939 rate of exchange) . Today its real value in US dollars would be over \$ 600 billion! To this one has to add the losses suffered by individual citizens. In 1990 it was estimated that for losses suffered by Polish citizens (during the war these affected 13 million people) the victims and their descendents should be entitled to 285 billion dollars in damages. This figure, however, only covered the losses suffered as result of direct destruction or plunder, it does not include the losses resulting from the occupying powers' wartime exploitation of the Polish economy.

For political reasons, the 1947 balance sheet entitled Report on the war losses and damages suffered by Poland in the years 1939-1945, prepared by the Council of Ministers Bureau of War Reparations did not include losses resulting from the Soviet occupation and plunder in the years 1944 and 1945.

According to an agreement made with the Polish Committee of National Liberation (PKWN) on 4th August 1944, Soviet detachments were entitled to commandeer food, fodder and industrial products on pre-war Polish territories for the purposes of fighting on the front. In effect, food, raw materials, whatever machinery was left in the factories and other Polish property was simply plundered.

On 26th March 1945 an agreement was signed with the Soviets which allowed them to take German equipment and materials found on territories newly acquired by Poland or in plants that had been constructed on wartime German occupied Polish territories. In practice this meant that the Polish Provisional Government relinquished its right to German property left on the territories of the former Polish Second Republic as well as on newly acquired territories in the west and north. Instead Soviet war trophy detachments dismantled and shipped away entire factories, power plants and mills together with the machinery, railway tracks, telephone exchanges, abattoirs, raw materials, semi-manufactured articles and livestock. The sum of items taken out of Poland in this way was vast. According to Soviet records of 2nd August 1945, they took from Polish territories 1,821,000 tons of materials and equipment. Among the entire industrial plants they dismantled and shipped away was a pipe rolling mill in Gliwice, the Julienhütte in Bobrek near Bytom, a rolling mill in Łabędy, the synthetic rubber plant in Oświęcim (Auschwitz-Monowitz), a dynamite factory in Bydgoszcz, the machinery from munitions factories in Sosnowiec, the synthetic fuel plants in Blachownia and Police, the chemical complex in Kędzierzyn as well as 2,000 km of railway track (together with entire stations, telephone equipment, cables, etc). Moreover, in that time the Soviets shipped, or rather drove out of western Poland at least 487,000 head of cattle and 100,000 sheep. It has been estimated that up to 4th July the value of the equipment and other property taken from Poland by Soviet trophy detachments was worth 500 million dollars.

In the years 1944 –1945 approximately 100,000 Poles were deported from Poland to the USSR. Some of those sent beyond the Urals ended up in kolkhozes or other rural settlements, but most were held in forced labour camps. Most of these camps were in northern Siberia, where the prisoners were chiefly employed in mines or cutting down trees in forests.

There can be no doubt that in World War II Poland suffered the greatest losses in proportion to its total population size. The majority of these losses were the result of the German policy of terror. At the 1945 Potsdam Conference it was agreed that German reparations for the damages inflicted on Poland were to be covered as part of the war reparations conferred to the Soviet Union.

On 16th August 1945 the Polish Provisional Government of National Unity signed an agreement in Moscow according to which the Soviet Union was to give 15% of the war reparations it received (1.5 billion dollars) to Poland and at the same time the Soviet side relinquished all claims German property and other assets found within the new boundaries of Poland. Despite this agreement, plunder continued to be a means of 'supplying' Soviet units stationed in Poland.

This agreement proved to be extremely costly because it obliged the Polish side to provide the USSR with coal at a fixed price that was just 10% of the coal's market value. This extortionate rate forced the Polish government to renegotiate the deal. On 5th March 1947 it signed new conditions to the agreement by which

the amount of coal it was obliged to deliver to the Soviet Union was reduced by half but at the same time it also reduced Poland's war reparations claim by half to only 7.5% of the reparations the Soviet Union received.

The export of coal to the Soviet Union at extortionately low prices in the years 1946 - 1953 has been estimated to have cost Poland approximately 836 million dollars. The total value of the goods the USSR sent to Poland as a form of reparation payment (up to 1953 when reparation payments stopped) has been estimated at only 228.3 million dollars. The originally agreed sum was to have been 750 million dollars, and even the much lower sum was higher than the real market value of the goods actually delivered. Repairing the damage caused by enemy occupation cost Poland 600 million dollars, which for a country that had suffered such huge losses during the war was an enormous cost.

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