

Economic co-operation between Poland and neutral European countries in the Cold War period

Piotr Franaszek

Because of Poland's membership in the Council for Mutual Economic Assistance (CMEA), commercial exchange with neutral states during the Cold War period was of particular importance for the economy of the country. Austria, Switzerland, Sweden and Finland played an important role in this co-operation. Poland's commercial contacts with the four states had quite a long history, as they commenced with the ending of the First World War, that is, the moment Poland regained its independence after an almost century-long period of oppression.

Economic relations with the four countries listed above were re-established immediately after the end of the Second World War, but beginning in the 1950s the mutual commercial exchange weakened. The Cold War, autarchic tendencies in the foreign policies of communist states, as well as embargoes imposed by capitalist countries on a growing group of goods hit Polish commercial exchange with capitalist states. Consequently, during the years 1950–70 imports from these countries decreased on average by approximately 10 per cent. During this time imports from neutral states diminished as well.

On the other hand, from the early to the mid-1970s commercial exchange with neutral states, as well as with the members of the European Economic Community (EEC) and the United States, grew steadily. This was the result of the particular foreign policy pursued by the group of technocrats who achieved leadership positions in the communist party. They tried to boost Poland's economic growth by forcing the import of goods from the so-called 'second financial area', that is from outside the communist bloc. These imports were based on loans which were granted also by the exporting countries themselves.

The late 1970s and early 1980s were characterized by a rapid decline in commercial exchange with capitalist countries, including neutral states, as a consequence of the fast-growing economic crisis in Poland. One of the major causes of the systematic increase in the commercial exchange with neutral states in the second half of the 1980s was the fact that many foreign companies withdrew from the Polish market.

Austria

Soon after the end of the First World War trade between Poland and Austria flourished, to such an extent that in 1929 Austria was the third biggest recipient of Polish exported goods among foreign countries.¹ In the late 1920s Poland's share in the total volume of Austrian imports amounted to 9.3 per cent, and in its exports, 5.5 per cent. In the same period the share of Austria in the import of goods to Poland totalled 6.6 per cent, and as much as 12.4 per cent of Polish exports went to Austria. This favourable situation lasted until the incorporation of Austria into Nazi Germany, although already at the beginning of the 1930s a drop in commercial exchange between the two countries could be observed. In 1932 Poland's share in Austrian imports decreased to 7.7 per cent, and in the following five years Austria's share in imports to Poland dropped to 4.6 per cent and its share in Polish exports was only 4.9 per cent.² In the years 1934–8 the average volume of Poland's imports from Austria totalled 5.5 per cent. It was not a poor record, considering other European states such as the United Kingdom, whose share of Polish imports equalled 14.7 per cent, Germany (9.2 per cent) or France (5 per cent). In the same period the export of all Polish goods to Austria accounted for 6.6 per cent of Poland's total export volume. In this case Austria was, too, one of the main recipients of Polish products, although most of them went to the United Kingdom (23.6 per cent of the Polish export value), Germany (9.8 per cent), Sweden (6.9 per cent) and the United States (6.8 per cent).³

After the end of the Second World War the two countries re-established their commercial relationships relatively quickly. Already on 21 September 1946 the first commercial agreement after the war was signed. According to its stipulations, Poland was to supply Austria with coal in exchange for finished machine industry products. However, the implementation of the agreement encountered many obstacles and therefore talks were conducted in Vienna the following year, aimed at the establishment of foundations for a longstanding exchange of goods. Commercial agencies set up in both countries facilitated the exchange. On 3 June 1947 a commercial treaty was signed, and it initiated the conclusion of consecutive annual agreements until 1954. Commercial transactions carried out within the agreements were accepted by the Austrian Federal Treasury and Polish Ministry of Foreign Trade. The integral part of the agreement consisted of two lists: of goods exported from Austria to Poland (the so-called list A) and from Poland to Austria (list B). Moreover, an additional 'List R' contained goods which could be traded between the two countries on the condition that the mutual value of the exchange of goods from lists A and B balanced. List A included 'Steyer' tractors, steam engines, diesel engines, cranes, drilling equipment, high-pressure boilers, train furnishing, laboratory equipment, steel and car tyres. List B featured coal, zinc dust and zinc, but also eggs, feathers, down and other agricultural products. In this respect the list was similar to the list of goods exported from Poland to Austria before the Second World War.⁴

Despite the launch of economic co-operation between Poland and Austria in 1946–9, the share of the latter's imports to Poland nosedived dramatically and it amounted to only 1.9 per cent of the total Polish import from capitalist countries, while the level of export from Poland to those states remained almost unchanged (5.9 per cent). During the years of implementing the so-called six-year plan in Poland (1950–5), the share

of Austrian goods among Polish imports from capitalist countries increased to 7.2 per cent, while exports from Poland to Austria reached 8.6 per cent. This rise was very much related to the confrontation between the Soviet bloc and the capitalist countries during the Cold War period. This situation had a negative impact on the results of Polish foreign exchange. Especially dramatic was the drop in the import of goods from the USA, which in that period decreased to 0.6 per cent, compared with 12.2 per cent in the years 1945–9. The fact that Austria remained outside the military and political bloc of countries affiliated with the United States meant that it became Poland's third biggest partner in commercial exchange with capitalist countries, after the United Kingdom and Sweden.⁵

An agreement with Austria signed in 1954 was automatically renewed each year without the necessity of signing new contracts. However, the lists of exchangeable goods were revised and completed annually. There were eighty-five items on list A in 1954, compared with seventy-one in the agreement of 1949, and Poland offered Austria the possibility of purchasing fifty-eight types of goods (previously only twenty-one). The fact that Polish ports on the Baltic Sea were made accessible to the transit of Austrian goods was very important to Austria. Raw materials and agricultural products still constituted the majority of Polish exports, yet in the mid-1950s Poland began to export machine tools and other types of machine industry equipment.

In 1962 the first economic agreement for several years was signed between Poland and Austria. It covered a period of five years, and the number of items on list A increased to one hundred, and on list B to seventy-eight, that is, by 20 per cent and 33 per cent respectively. In 1967 Poland became a member of GATT, which allowed it to employ the most-favoured nation clause in Polish–Austrian economic relations. The new situation created conditions for yet another commercial agreement for the years 1968–72, awarding Austria with most-favoured nation status in Polish export. The list of goods which could be imported from Austria to Poland (list A) was maintained, although it was much more comprehensive than in previous agreements, while the goods exported from Poland were divided into two groups and marked by the symbols 'P₁' and 'P₂'.

All three lists were successively added to. Consequently, at the beginning of the 1970s, many new products imported from Austria were appended to list A, such as magnesite and plastic products, pharmaceutical and chemical goods, steel products, especially of noble steel, electric devices and many others. At that time lists 'P₁' and 'P₂' were a novelty. List 'P₁', being a result of Poland's joining GATT, contained items subject to liberalized commercial exchange. They amounted to approximately 70 per cent of goods imported by Austria from Poland. The most important products on this list included high-quality coal, farming machines, chemical raw materials, fireproof glass products, semi-finished products and so on. List 'P₂', on the other hand, consisted of products whose exchange was not subject to liberal regulations. It contained mainly agricultural products, household products, machines for the processing of wood and minerals, steel constructions and various types of machines. Generally speaking Poland exported to Austria chiefly raw materials and agricultural products, while it imported from Austria many more machines and various types of equipment. Consequently, the total value of goods exported from Austria increased much faster than the value of those exported from Poland. While the value of commercial exchange between the two countries went up by 140 per cent in the years 1950–68, the value of imports from Austria increased by

250 per cent, and from Poland by merely 72 per cent. As a result, the trade balance was clearly negative for Poland. From the early 1960s this tendency intensified.⁶

Between 1950 and 1960 the value of Polish exports to Austria increased by 25 per cent, and Poland's imports from Austria went up by 58 per cent. Over the years 1950 to 1970 the value of Polish exports to Austria grew by 148 per cent, and of Austrian imports to Poland by as much as 326 per cent. In the 1950s and 1960s, a growing tendency for both import and export could be observed, although there were years when the value of commercial exchange was lower compared with other years. Exports grew quite steadily, while the value of imports fluctuated considerably. It increased rapidly especially in the second half of the 1960s. In the twentieth century the peak of commercial exchange between Poland and Austria was reached in 1966 (US \$97 million). The major part of this turnover consisted of the purchase by Poland of the equipment for a chemical plant in Puławy, which cost almost \$3 million.⁷ In 1967 economic contacts weakened, as a consequence of the global political situation and the Arab–Israeli war. In the 1960s, although Poland still supplied Austria with raw materials and agricultural produce, the export of Polish machines and equipment and of consumer goods of industrial origin increased considerably.

From the late 1950s to the early 1970s the volume of export of machines and equipment from Poland to Austria increased more than three-fold. Developing Polish industry had more and more products on offer. Their quality could often be compared to that of the products of capitalist countries, yet their prices were lower. For example, within a decade (from 1958 to 1968) the volume of export of Polish lathes went up by almost 700 per cent. Among the products purchased by Austrians in Poland were completely new items, such as electric engines, roller bearings, paper and chemical industry equipment. The major change, however, concerned the export of Polish consumer goods of industrial origin to Austria. Compared with the 1960s, within a decade it increased more than five-fold. As never before, Poland began to export woollen cloth, furs, leather clothing, furniture. There was also a considerable increase in the sale of Polish crystal, domestic glassware and porcelain products. The value of exports also increased for Polish coke, oil industry products and zinc, while it decreased in the case of coal, despite the fact that the amounts of the product exported were higher (just over a million tons in 1958 compared with 1.264 million tons in 1968). This fall in value was due to the rapid drop in coal prices (from \$19.7 in 1958 to \$12.5 in 1968).

Despite the growing value of commercial exchange between the two countries, ultimately the share of Polish goods in overall Austrian imports decreased from 2.9 per cent in 1958 to 1.8 per cent ten years later, while its share in Austria's total exports fell in that decade from 3.4 per cent to 2 per cent. Similarly, between 1958 and 1968 Austria's share in Polish total imports decreased from 2.9 per cent to 1.8 per cent, and its share in total Polish exports dropped from 2.6 per cent to 1.4 per cent.⁸ Certainly neither of the parties was satisfied with such figures, especially given that Austria was a very important commercial partner for Poland, providing it with access to many modern technologies and solutions, which were limited for the countries of the Soviet bloc. Yet imports from Austria to Poland were very irregular and fluctuating. In that time Poland's biggest commercial partners were Austrian companies VOEST, Brixlegg, Schoeller-Bleckmann and Böhler.

Developing economic co-operation with Poland was one of the ways in which Austria could gain more access to the markets of socialist countries, and it also provided an

opportunity for Austria to remain independent from the economies of the EEC countries. In the 1970s, as a result of the Polish authorities' new policy of openness to Western European countries, Polish–Austrian commercial exchange improved as well. Just like in the previous period, the import of Austrian goods to Poland exceeded Polish exports to Austria. The biggest volume of imports was recorded for 1976 (an increase of almost 700 per cent as compared with 1970), while the greatest value of exports was reached in 1980 (an increase of approximately 160 per cent compared with 1970). In 1981 both import and export collapsed as a result of the major economic crisis in Poland.

In 1973 the ten-year inter-state agreement came into effect. It broadened the hitherto existing relations, also by allowing the possibility of Poland and Austria together carrying out industrial projects in other countries. A joint commission was set up, and its task was to encourage further exchange and to look for potential for co-operation. The liberal economic policy of the government of Edward Gierek provided opportunities for big economic organizations to conclude agreements directly. Very soon co-operation was established with an Austrian automotive concern, Steyer-Daimler, thanks to which automotive industries of the two countries began joint work on the construction of tipper trucks and tractor units.

In 1975 a Polish automotive company, PHZ Polmot, signed an agreement with Steyer-Daimler for fifteen years, which stipulated that a car manufacturing plant in Jelcz would launch the production of trucks with a capacity of 18–32 tons, and a manufacturing plant in Warsaw would begin the production of diesel engines of 270–450 horse power. The agreement and its implementation were made possible by the credits granted to Poland by Austrian banks.⁹

In 1975 an agreement was signed between the Polish company Polimex-Cekop and Austrian iron and steel plant VOEST–Alpine, according to which Poles participated in a joint project run by several European countries concerning the construction of a petrochemical plant in Congo. The same companies – Polimex-Cekop and VOEST-Alpine – prepared a plan of a joint construction of a melanin plant in Poland, using technology from Austrian chemical concern Linz AG. Polish foreign trade company Kolmex concluded an agreement on the joint production of railway equipment with an Austrian company Plasser und Theurere. The foreign exchange company Metronex co-operated with Goerz-Elektor in the production of measuring equipment. The agreement by foreign trade company Elektrim with Austrian companies Schrach and Dvorak und Kobler AG allowed the two companies to produce electric motors together. Krakow Fittings Plant collaborated with Austrian enterprises Gustav Smiede and Solbad Hall. A Polish plant, Polimex-Cekop-Chemak, supplied the Austrian chemical industry with equipment, and machine parts for Austrian steel industry were produced by Polimex-Cekop-Zemak. Many long-term agreements were concluded. One of them, signed by the Centre of Foreign Trade Stalexport with VOEST-Alpine and Vereinigte Edelstahlwerke, stipulated deliveries of high-quality construction steel to Poland in the years 1976 to 1980. The agreement signed between the Centre of Foreign Trade Węglokoks and VOEST-Alpine foresaw the supply of 750,000 tons of Polish coal and coke to Austria annually in the years 1976 to 1985. Both contracts were to be financed by Polish Bank Handlowy SA in Warsaw and the Austrian Kontrollbank AG.¹⁰

In the mid-1970s several Polish–Austrian agreements on co-operation in the machine industry were signed. They included three agreements in the electrotechnical industry, two in the chemical industry and one on the manufacturing of metal products. The Austrian party expected much of co-operation in the energy industry, and therefore they actively participated in the development of Polish coal power plants, hoping for the supply of electricity from Poland through Czechoslovakia in return. Similar motivation underlay the involvement of Austrian companies in the exploitation and transport of natural gas from Poland. In the 1970s also small and medium-sized enterprises were interested in co-operation with Poland. Doubtless the flourishing commercial and industrial co-operation between the two countries was also due to the existence of a strong national sector in Austrian industry.

At the beginning of the 1980s Poland entered a deep crisis which affected all areas of life, including the economy. This situation had its adverse impact on Poland's co-operation with other countries. Poland's foreign relations deteriorated, mostly as a result of the massive loan made to the Polish authorities by capitalist countries. In 1980 Poland's debt totalled \$23 billion. Poland was most indebted to West Germany (\$4.5 billion) and the United States (\$3 billion). Austria was also a significant creditor, as Poland owed it \$1.5 billion, which amounted to around 6.5 per cent of the total Polish debt.¹¹ With time Poland's share in the export of other countries declined systematically. In 1985 Austrian exports to Poland constituted merely 1.1 per cent of the overall volume of Austrian exports. This figure was still higher than the Polish share in French exports (0.28 per cent), or those of the Federal Republic of Germany (0.67 per cent), Sweden (0.78 per cent), the United Kingdom (0.38 per cent) or the USA (less than 0.01 per cent).¹²

Switzerland

As in the case of Austria, Poland established commercial relations with Switzerland as soon as it regained its independence in 1918. The most important document of this period was the Trade Convention, signed by the two countries on 26 June 1922. Until 1939 several more agreements were concluded on commercial exchange, payments and customs policy.

After the end of the Second World War Poland's commercial relations with Switzerland were re-established by 1946. An agreement signed in 1949 and amended in 1964 stipulated liberalization of Polish export to Switzerland, limiting only the export of agricultural and food products. Consecutive agreements from 1967 and 1973 facilitated Polish–Swiss trade even further.¹³ During the whole period of this analysis, the value of imports from Switzerland to Poland exceeded the value of exports from the latter country. The Swiss share in the value of Polish exports totalled between 1 and 2 per cent in the years 1949–90, until the second half of the 1980s rarely exceeding 2 per cent and most often fluctuating around 1 per cent. A noticeable increase in Polish exports to Switzerland was only recorded for the late 1980s. In the case of Polish imports from Switzerland, most of the time they also fluctuated around 1 per cent of total import value; however, a clear increase can be observed in the first half of the 1970s and in the 1980s.

Machines and various types of equipment constituted the majority of goods imported to Poland from Switzerland. They included textile industry equipment, units for ship engines and precision machine tools. Poland purchased large amounts of Swiss measuring, research and medical equipment. Switzerland was Poland's biggest supplier of medicine and synthetic dyes among Western countries. Poland also imported food products, such as sunflower seed and soy oil, barley and corn. Moreover, Switzerland was also the supplier of products for the Polish steel industry, such as chromium ore, aluminium oxide and non-ferrous metals.

Agricultural and food products were the most important constituent of Polish exports to Switzerland, reaching 40 per cent of the total value. They included poultry products, meat, alcohol, fruit and vegetable products. Half of Polish exports of rape seed oil went to Switzerland.¹⁴ Poland also sold Switzerland products of the metal industry, such as rolled metals and pig iron, and of light industry, including cotton and jute fabrics, sheer curtains and knitted goods. The Swiss also purchased leather products. The sale of a sea-going ship to Switzerland in 1961 was a particularly interesting event.

Sweden

The commercial relations of Poland with the Nordic countries have a long tradition. They were first established in the 1920s, at the time of the customs war between Poland and Germany. At the same time Poland was searching for new markets for coal, as its exports to England were suddenly limited. Under these circumstances, Swedish steelworks helped bail out Polish coal mines.

The first Polish–Swedish trade agreement was the Commercial and Navigational Treaty, concluded in Warsaw in 1924 for a period of twelve months. Its provisions became the basis for Polish–Swedish commercial relations until 1939.¹⁵

The first trade agreement between Poland and Finland was signed in Warsaw on 10 November 1923. It was a Commercial and Navigational Treaty, concluded initially for a period of six months. Its provisions became the basis for Polish–Finnish commercial relations until the outbreak of the Second World War. The treaty was based on the most-favoured nation clause.¹⁶

After the war, co-operation with the Nordic countries continued until the early 1950s, when the mutual commercial exchange weakened. Between 1950 and 1970 imports to Poland from capitalist countries decreased on average by approximately 10 per cent, of which 6 per cent applied to the Nordic countries, the greater part relating to Sweden.

Sweden was the first capitalist country with which Poland re-established economic contacts after the Second World War, already in 1945. In August that year a commercial agreement was contracted between the two countries, modified in the following years. The peak of exchange was reached in 1948. This same level was not reached again until 1972. From the 1960s, Swedish authorities gradually liberalized their trade with Poland and they lifted licensing limitations related to the import of a substantial part of goods from the socialist countries. In the structure of imports from Sweden to Poland, the biggest group of merchandise comprised machines and transport equipment. At the turn of the 1960s and 1970s, these amounted to 37 per cent of total imports from Sweden, while

semi-finished products made up 28 per cent and minerals 20 per cent. Moreover, Poland also imported from Sweden pork (approximately 7 per cent of import value), paper and cardboard (6 per cent). On the other hand, in the structure of Polish exports to Sweden semi-finished products led (24.7 per cent of total export value), followed by food (18.5 per cent) and minerals (16 per cent). Diesel fuels amounted to 8.5 per cent of export value, timber 6.4 per cent and tinned meat 6 per cent.¹⁷

Co-operation between the Polish and Swedish machine tool industries was also successful. In 1971 an agreement was signed between the national concern SMT Machine Company AB and the Polish Association of Machine Tools Industry, or 'Ponar'. The agreement, concluded for a period of ten years, provided for joint research on modern numerically controlled machines and commercial co-operation in this area. In 1973–7 an international agreement was in force, which stipulated preferential tariffs for Polish exports, the broadening of co-operation in the areas of machines, steel industry, shipbuilding, energy, construction and construction materials, forestry and timber products. The establishment of co-operation between Polish furniture factories and the IKEA company was a very tangible and profitable result of the ten-year inter-governmental agreement of 1974.¹⁸

Other major co-operative ventures between Polish companies and Swedish enterprises included those of Svenska-Flaktfabriken, which co-operated with the manufacturer of paper industry machines in Cieplice; Beijerinvest, which in 1976 established its branch in Warsaw and began preparations for the construction of an oil refinery in Gdansk; Volvo, with which an agreement was signed on the production of motor trucks and on co-operation in the construction of tractors and cars; and Skanska Cementgjuteriet, which in Poland carried out the construction of a network of modern hotels and a dry dock in the Gdynia shipyard, adapted for the construction of ships with displacement of 400,000 deadweight tonnage (DWT).¹⁹ Moreover, the ASEA company supplied transport equipment to Polish coal mines. On Swedish territory, a Polish company, Agromet-Moto-import, co-operated with Junemaskiner Mats Hultgren AB by supplying Polish 'Ursus' tractors to the Swedish market. However, this co-operation met many barriers resulting from licensing regulations, credit policies and limitations imposed on the export of some goods from Poland.

Finland

After the end of the Second World War, the first deliveries of coal and coke from Poland to Finland were made in 1946. The next year, the export of Finnish cellulose, pyrites and copper was launched. The first commercial agreement between the People's Republic of Poland and Finland was signed in March 1947, and subsequent agreements were concluded in the following year. In 1949 in Moscow a trilateral agreement on the exchange of goods was signed between Finland, Poland and the USSR. In 1950 Finland's share of Polish imports amounted to 1.6 per cent. Beginning with 1953, Polish co-operation with Finland froze, despite the fact that Finland was the biggest consumer of Polish coal among capitalist countries between 1955 and 1961. In 1962 its place was taken by Denmark, and in 1968 Italy.²⁰ From the early 1960s subsequent agreements on

economic exchange were concluded for periods of several years. The agreements took into consideration the political and economic situation of the times, including Finland's membership in EFTA.²¹

At the turn of the 1960s and 1970s, paper constituted almost 34 per cent of the value of Polish imports from Finland, and it was the biggest item in Polish–Finnish commercial contacts. As much as 41 per cent of Polish imports from Finland at this time was made up of machines and transport equipment, of which the most important were the machines for producing chemical paper-pulp (21 per cent of import value). The next most valuable imports were timber (12 per cent), minerals, raw materials and semi-finished products (3.2 per cent). Among Polish exports to Finland mineral fuels were the most important, especially coal which amounted to almost 60 per cent of total export value. Other products included machines (14 per cent), semi-finished products (8 per cent), steel pipes and iron installations, as well as food (6.5 per cent), especially honey and sugar.²²

Finland became Poland's second Nordic commercial partner. In order to develop bilateral co-operation, in 1961 the Polish–Finnish Merchants' Association was established. Poland began delivering equipment for ships constructed in the shipyards of Finland for the Soviet Union. In the 1960s it purchased production lines for cellulose plants in Finland. Poland also received wharf cranes and small ships, up to 15,000 DWT. In 1970 an agreement with the most-favoured nation clause was signed. Four years later a ten-year treaty on economic, technical and industrial co-operation was also concluded. The treaty was particularly important as it stipulated that Finland would lift any quantitative limitations concerning imports from Poland. The key issue was to broaden co-operation in the areas of energy, shipbuilding, metal processing, machine building, chemical and light industries, as well as woodworking, agriculture and the food industry. These agreements brought about contracts, of which the biggest one related to the supply of equipment for a Finnish pulp mill under construction, co-operation in building floating cranes, and – similar to the situation in the 1960s – the supply of ships constructed for the USSR. Poland was a major supplier of turbine heat sets for Finland. In the second half of the 1970s, Finland was the main supplier of paper and cellulose to Poland, as well as of machines for a cellulose- and paper-producing industrial complex that was under construction in Kwidzyń. The biggest Polish firms co-operating with Finns included the Zemek Association of Heavy Machine-Building Industry, a boiler factory in Racibórz, the Tasko Association of Railway Rolling Stock Industry, PHZ Elektrim, PHZ Centromor and PHZ Polmot. The major Finnish companies engaged in co-operation with Poland included Vartsila, a shipbuilding company, Metex (paper), Valmet (machine building), Rateko OY (car appliances) and Kone OY (cranes). Although co-operation was developing well, expectations were much greater, especially concerning co-operation in the car and steel industries.²³

Compared with the Polish–Finnish exchange, the structure of Polish–Swedish trade was more diversified. Sweden was the biggest supplier of ore among all capitalist countries and Poland also purchased Swedish electrotechnical, machine-building, chemical, cellulose and paper products. The mainstay of Polish exports to Sweden was products of the food industry. Exports also included goods from other sectors, but the amounts of coal sold were rather insignificant. Both parties noticed the limitations to commercial exchange as well as further possibilities for its development.

After the introduction of martial law in Poland on 13 December 1981, the economic sanctions imposed on the country led to the decline of the industrial co-operation with capitalist countries, including Sweden and Finland, to an almost symbolic level in the mid-1980s. However, some previously signed long-term agreements remained in force. In the case of Sweden and Finland, they concerned the production of household appliances and of welding transformers for the Swedish ESAB company.²⁴

Conclusion

While analysing Polish economic co-operation with European neutral states it is important to compare the value of Polish trade with the four discussed countries, in terms of both export and import (figures 12.1 and 12.2). Over the more than forty-year period (1949–90) Austria's average share in Polish exports amounted to a mere 2.2 per cent, reaching its maximum value in 1990 (3.9 per cent), with the lowest value of 1.3 per cent in 1977 and 1978. The average share of Austria in Polish imports reached only 2.7 per cent, with its maximum value in 1989 (6.0 per cent) and minimum value in 1964 (1.3 per cent). A systematic rise in Austria's share of Polish exports was seen only in the 1980s, mostly as a result of economic crisis and the fact that Poland lost its other markets.

At the same time the average share of Switzerland in the value of Polish exports was even smaller and it amounted to only 1.4 per cent. Its maximum value was recorded in 1990 (4.7 per cent) and its lowest value in 1964 (0.8 per cent). The average share of Switzerland in Polish imports was 2.2 per cent. The highest volume was reached in 1990 (6.4 per cent), and the lowest figure for Polish import from Switzerland was recorded in 1967 (0.8 per cent).

Exports decreased until the beginning of the 1970s, rose slightly in the mid-1970s, and after a rapid decline, exhibited a trend of gradual growth towards the end of the period under discussion. During those years the share of Sweden in the value of Polish exports amounted to 2.1 per cent, its maximum value being 7 per cent in 1949 and minimum 1.2 per cent, recorded for the years 1968 and 1978.

The share of Swedish goods among Polish imports declined noticeably until the beginning of the 1970s. It was on the increase up to the mid-1970s, declined rapidly until the mid-1980s, and from the second half of the 1980s began to grow once more. Sweden's average share in the value of Polish imports amounted to merely 1.9 per cent. Its maximum value was recorded in 1949 (5.9 per cent), and its minimum in 1981 (0.7 per cent).

The share of Finland in Polish exports, after the rapid increase of the mid-1950s, declined until the early 1970s. From then on it was stable with minor fluctuations, yet its level was very low. In the period under discussion the average share of Finland in Polish exports totalled 1.7 per cent, with its maximum value of 4.3 per cent in 1957, and minimum in the years 1967, 1968 and 1973 (0.8 per cent).

The share of Finnish goods among Polish imports declined steadily from the 1950s until the early 1980s. Between the 1940s and 1990 the average share of Finland in the volume of Polish import was as little as 1 per cent, its maximum value of 2.6 per cent being recorded in 1956 and its lowest (0.1 per cent) in 1981 and 1982.

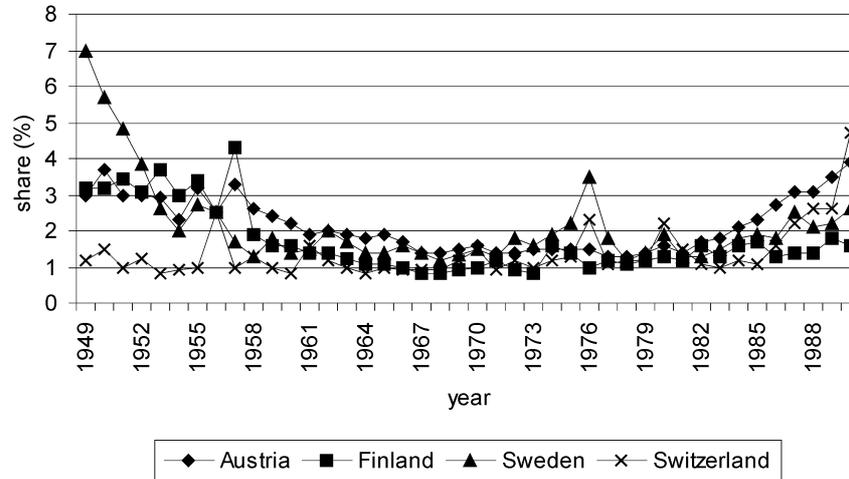


Figure 12.1 The share of Polish exports to Austria, Switzerland, Finland and Sweden in the total value of Polish exports, 1949–90 (per cent)

Source: Statistical Yearbooks (Warsaw, 1950–99).

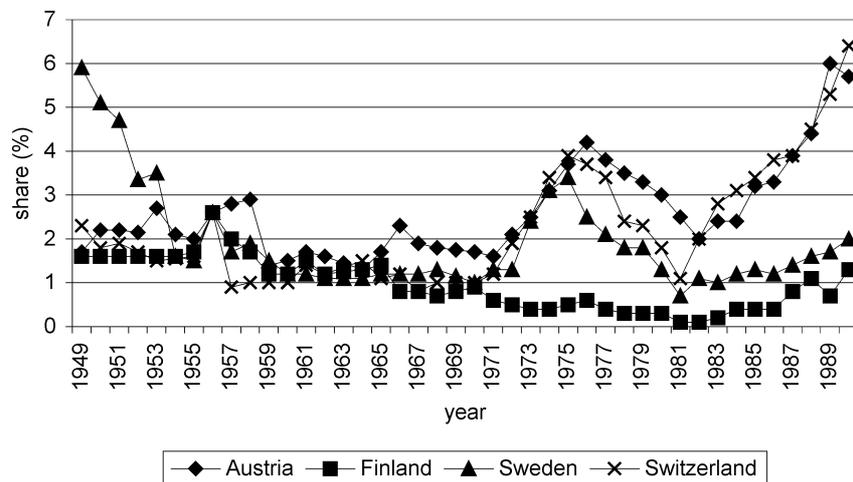


Figure 12.2 The share of Polish imports from Austria, Switzerland, Finland and Sweden in the total value of Polish imports, 1949–90 (per cent)

Source: Statistical Yearbooks (Warsaw, 1950–99).

To conclude, even though the share of neutral states in the commercial exchange with Poland was rather modest, in terms of both absolute and real values, it still had a considerable significance for the functioning of the Polish economy in the Cold War period. This exchange was particularly important in times of crisis, and in the years of restrictions imposed upon Poland by capitalist countries.

Notes

¹ *Statistical Yearbook* (Warsaw, 1993), p. 378.

² J. Sikorski, *Polska-Austria. Gospodarka, stosunki ekonomiczne* [*Poland–Austria: Economy, Economic Relations*] (Warsaw, 1971), pp. 90–1.

³ B. Wojciechowski, 'Handel zagraniczny' [Foreign Trade] in J. Kaliński and Z. Landau (eds.), *Gospodarka Polski Ludowej 1944–1955* [*Economy of People's Poland 1944–1955*] (Warsaw, 1986), pp. 394–5; *Compendium statystyczne polskiego handlu zagranicznego w latach 1929–1938, 1945–1960* [*Statistical Compendium of Polish Foreign Trade in the Years 1929–1938, 1945–1960*] (Warsaw, 1961), pp. 205–6, 291–3.

⁴ Sikorski, *Poland–Austria*, pp. 90–5.

⁵ Wojciechowski, 'Foreign Trade', pp. 394–5. *Statistical Compendium of Polish Foreign Trade*, pp. 205–6, 291–3.

⁶ Sikorski, *Poland–Austria*, pp. 96–9.

⁷ *Ibid.*, p. 107.

⁸ *Ibid.*, pp. 102–6; *Statistical Yearbooks 1958 and 1968* (Warsaw, 1958, 1968).

⁹ A. Wieczorkiewicz, *Kooperacja przemysłowa Polski z rozwiniętymi krajami kapitalistycznymi* [*Industrial Co-operation of Poland with Capitalistic, Economically Developed Countries*] (Warsaw, 1980), pp. 126–7.

¹⁰ *Ibid.*, p. 127.

¹¹ L. J. Jasiński, *Polskie kontakty gospodarcze z zagranicą w XX wieku* [*Polish Economic Relations with Foreign Countries in the Twentieth Century*] (Warsaw, 2003), p. 191.

¹² *Ibid.*, p. 225.

¹³ S. Długosz and W. Szczepaniec, *Stosunki handlowe Polski z rozwiniętymi krajami kapitalistycznymi* [*Business Relations of Poland with Capitalistic, Economically Developed Countries*] (Warsaw, 1974), pp. 271–3.

¹⁴ *Ibid.*, pp. 273–5.

¹⁵ R. Krawczyk, 'Współpraca handlowa między Polską a krajami skandynawskimi' ['Business Co-operation between Poland and Scandinavian Countries'] in Michał Dobroczyński (ed.), *Polska a rynki Europy Zachodniej* [*Poland and Markets of Western Europe*] (Warsaw, 1974), p. 290.

¹⁶ Długosz and Szczepaniec, *Business Relations of Poland*, p. 217.

¹⁷ Krawczyk, 'Business Co-operation', pp. 297, 302–3, 305–7.

¹⁸ Wieczorkiewicz, *Industrial Co-operation of Poland*, p. 136.

¹⁹ *Ibid.*, pp. 136–7.

²⁰ Długosz and Szczepaniec, *Business Relations of Poland*, p. 221.

²¹ *Rocznik Statystyczny Handlu Zagranicznego* [*Statistical Year-Book of Foreign Trade Year 1972*] (Warsaw, 1973), p. 28; Krawczyk, 'Business Co-operation', p. 293.

²² Krawczyk, 'Business Co-operation between Poland', pp. 297, 302–3, 305–7.

²³ Wieczorkiewicz, *Industrial Co-operation of Poland*, pp. 139–42.

²⁴ A. Wieczorkiewicz, *Pozahandlowe formy współpracy gospodarczej Polski z zagranicą* [*Extrabusiness Forms of Polish Economic Co-operation with Foreign Countries*] (Warsaw, 1990), pp. 130–1.