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POLAND

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SUMMARY

Poland today is a police state controlled by Communists who faithfully implement Moscow directives. Its acts and commitments in the field of foreign policy may usually be understood as reflecting the aims of Soviet foreign policy. As a "sovereign" nation, Poland is a useful auxiliary for issuing Stalinist propaganda and a convenient intermediary for dealings in which the Soviet Union for tactical reasons prefers not to be directly represented.

Situated in the wide, accessible plain between Western Europe and the USSR, Poland for centuries has had to defend itself against Germanic and Russian expansionism. Today, because the direct Soviet lines of communication with Eastern Germany and Western Europe run across Poland, its control is vital to the Soviet Union. One of the principal factors determining Soviet plans for expansion into Western Europe is the condition of the Polish railway system, the main transportation link between the USSR and Central Europe. Other additional factors such as Poland's traditional role as an outpost of Western European culture, its strategic location along the USSR's vulnerable western frontier, its economic potential, and its economic value to the USSR have also motivated Soviet domination of Poland.

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The Polish economy is an asset of great value to the Soviet Union. Although Poland sustained the heaviest war damages in Eastern Europe, it has achieved greater postwar recovery than any other Satellite. Still hampered by a shortage of technicians and by Soviet manipulation of its foreign trade, Poland enjoys general economic stability, a growing manpower potential, sizable industrial and agricultural production, and current and potential surpluses, over domestic requirements, of such basic commodities as coal, coke, zinc, steel, and foodstuffs.

During World War II, Poland experienced invasion by both Russian and German forces. From the time of its occupation of eastern Poland, under the Nazi-Soviet Pact of September 1939 until the German invasion of the USSR in June 1941, the USSR systematically exiled to the Soviet Union some of Poland's outstanding military, political, and professional leaders, as well as thousands of skilled workmen. On 22 July 1944, after the Soviet reoccupation of Poland, the Polish Committee for National Liberation was set up in Lublin. Within six months the Lublin Committee proclaimed itself the Provisional Government of Poland and was recognized on 5 January 1945 by the Soviet Union.

The pretensions of the Lublin Committee was unacceptable to the Western Allies, which supported the claims of the London Polish Government-in-exile. The East-West impasse over the claims of the two "governments" was resolved in February 1945, at Yalta, where the United States, the United Kingdom, and the Soviet Union agreed that: (1) the Polish Provisional Government in Warsaw should be broadened to include representatives of the London Polish Government-in-exile and of democratic elements within Poland; (2) the new Government should hold

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free elections as soon as possible; and (3) "that the three heads of government consider that the eastern frontier of Poland should follow the Curzon line with digressions from it in some regions of 5 to 8 kilometers in favor of Poland."

In broadening the Provisional Government as directed by the Yalta agreement the Communists managed to retain all key government posts. Overwhelmingly confirmed in power by the rigged national elections of January 1947, the Communists gradually consolidated their position in the government, and since have ruthlessly eliminated organized opposition to the sovietization of Poland. In the early phase of their drive to control the government, the Polish Communists were assisted by the physical presence of Soviet troops in Poland, by the lack of cooperation between various non-Communist groups and political parties, and the inability of the Western Powers to intervene effectively.

Since January 1949 the administrative structure of the government has undergone reorganizations which, in practical effect, have placed the reins of control even more tightly in the hands of a few key Communist administrators. Local government has been organized along Soviet lines so that there are direct administrative ties between the local government organs (Soviets) and the Council of State. As in the national government, the Communists maintain effective control of the local government organs through Party representatives.

Poland is committed to firm support of Soviet foreign policy through a series of mutual assistance pacts with the USSR and the Satellites and through participa-

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tion in the Cominform and the Soviet-sponsored Council for Economic Mutual Assistance. It serves as an agent for the USSR in international trade by endeavoring to obtain needed strategic materials for the Soviet Orbit from the West in exchange for coal. It is dedicated to the rapid reduction and eventual elimination of Western influence in Poland. As indicated by the arrest and trial of French officials in Poland in late 1949, the Polish aim is apparently to reduce the operational efficiency of the Western Embassies to the lowest possible point without precipitating an official break in relations.

While Poland's armed forces cannot be considered politically reliable as a whole, it is believed that political indoctrination has progressed sufficiently to warrant integration of the armed forces into Soviet combat operation planning. The first indication was the appointment of Soviet Marshal Rokossovsky as Polish Minister of National Defense in November 1949. Since then, measures have been taken to improve morale, develop political reliability, and equip the various units with more modern arms. These reform measures, considered with the intensification of military training, are causing a continual improvement in the combat capabilities of the Polish Army.

Although the Communist regime is firmly in control of Poland it is unpopular with the highly nationalistic and individualistic Poles, who continue to be hostile to the USSR and to Communism. Popular resentment expresses itself only in sporadic outbreaks, but the latent hatred of the Polish people for the Soviet Union and its Polish puppets remains an obstacle to the stabilization of the Communist regime. To overcome it is one of the most difficult problems faced in the Orbit by the USSR.

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CHAPTER I

POLITICAL SITUATION

1. Genesis of the Present Political System.

The Polish nation today, though nominally independent, has in effect no more independence than it had in the long period of partition which began in 1772 and did not end until after World War I. Ever since the 16th century, when Poland extended from the Baltic and Black Sea and had reached its political and cultural eminence, Poland has had to defend itself from Germanic and Russian expansion. During this period the Poles have escaped national extinction through a combination of patriotism, faith, capacity to resist oppression, and a fierce and often impractical courage. It is these qualities which are largely responsible for the fact that Poland resisted Sovietization for a longer time than the other Satellites.

During the 125 years of partition, Russia occupied nearly three-fourths of Polish territory, with Germany and Austria sharing the remainder. The intense popular hostility to the USSR and Germany began during this period and still exerts an important effect on the political life of the country. The controversy over Russian rule was already apparent at the turn of this century in the composition of the two strongest political currents in Poland. The Polish Socialist Party, founded in 1892, with which Jozef Pilsudski later became identified was a bitter opponent of Russian occupation, while the Polish League, which became in 1897 the National Democratic Party led by Roman Dmowski, believed until

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the Russian Revolution in cooperation with Russia as the most direct path toward Polish unity and independence. These two groups figured prominently in the post-World War I negotiations leading to the creation of a free and independent Poland in 1919.

Both the "Little Constitution" of 20 February 1919, and the formal Constitution of 17 March 1921, provided for a preponderance of legislative over executive power. Party struggles in the multiple-party system and the constitutional preeminence of the Sejm (legislature) provoked a constant series of crises until 12 May 1926, when Pilsudski seized the government in a military coup. Pilsudski's regime was legalized by the authoritarian Constitution of 23 April 1935, and continued in effect until the fourth partition of Poland in 1939.

During World War II, Poland once more experienced invasion and occupation by Russian and German forces. From the Soviet occupation of eastern Poland under the Nazi-Soviet Pact of September 1939 until the German invasion of the USSR in June 1941, the USSR systematically exiled to the Soviet Union some of Poland's outstanding military, political, and professional leaders, as well as thousands of skilled workmen. After the reoccupation of Poland by Soviet forces, in the summer of 1944, the Communist machine in Poland established the political pattern which still exists.

Meanwhile, the US and UK during World War II had encouraged and recognized the Polish Government-in-exile in London. The Soviet Union, however, severed relations with the London Poles as early as April 1943 and on 22 July 1944, the Soviet sponsored Polish Committee of National Liberation opened headquarters in Lublin. Within six months the Lublin Committee had proclaimed itself Provisional

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Government of Poland and had been recognized as such (5 January 1945) by the Soviet Union.

The resulting East-West impasse concerning the legitimate Polish Government was resolved at Yalta in February 1945 by a tri-partite agreement that: (1) the Soviet-backed Provisional Government in Warsaw should be broadened to include both representatives of the London Polish Government-in-exile and democratic elements from within Poland; (2) the new Government was pledged to hold free and unfettered elections as soon as possible; and (3) "that the three heads of Government consider that the eastern frontier of Poland should follow the Curzon Line with digressions from it in some regions of 5 to 8 kilometers in favor of Poland." In June 1945 the US and British ambassadors reached final agreement with Molotov concerning implementation of the Yalta agreement--after substantial Western concessions concerning the composition of the Polish Government.

When the Polish Government was broadened 26 June 1945, the Communists held roughly one-third of the Cabinet posts most of which were the key positions. Mikolajczyk, who had been Premier in the London Government, was given one of the two Vice-Premier posts after much Western pressure. The other non-Communists included in the newly organized Polish Provisional Government of National Unity were of minor political stature, and were gradually eliminated. At Potsdam in August 1945 the Warsaw Government committed itself to hold elections as soon as possible and the US, UK, and USSR reaffirmed their position that the final delimitation of the western frontier of Poland should await a German peace treaty.

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The Western Powers proved unable to stem the growing domination of Poland by the Soviet Union through its Communist puppets in the Polish Government. A crushing blow to the hopes of non-Communist Poles for a democratic government came with the rigged elections of 19 January 1947, which overwhelmingly confirmed the Communists in power.

Because of the changes brought about by the war, Poland as a nation has a new character. Its population is almost entirely homogenous, the many minorities having disappeared. It has an increased industrial base and greater industrial potential than before the war. Because of the changes in its boundaries, Poland has been moved bodily to the west. These and other changes have resulted in the Polish Government facing many of the problems of building a new country.

2. Governmental Structure.

a. Constitutional Basis.

The Polish political structure is based on the so-called "Little Constitution," enacted on 19 February 1947, and ostensibly an interim instrument that is to be replaced by a full-length, permanent constitution supposedly in process of being drafted by the Sejm. Although the "Little Constitution" technically is partially based on the 1921 Constitution, which embodies such western concepts of democracy as a freely elected legislature with broad powers, an executive branch with limited power, an independent judiciary, and a guarantee of civil liberties, these concepts are in practice ignored and the operation of Poland's Government reflects the doctrine and political philosophy of Communism as developed in the USSR. For example, the Constitution, while

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stipulating that the executive, legislative, and judicial organs are supreme each in its own sphere, provides for a governmental apparatus which guarantees to the Communist leaders in the executive branch ample levers for dominating the intricate machinery of government. Behind the facade of democratic procedure, the Politburo of the United Polish Workers' (Communist) Party is the actual executive, legislature, and judiciary for the Polish people. With the passage of time the Communists have increasingly ignored even the appearance of democratic government.

b. Executive.

The President of the Polish Republic is elected by the Sejm (legislature) for a seven-year term by an absolute majority of votes under a quorum of at least two-thirds of the legal number of deputies. According to the Constitution, the President appoints and recalls ministers, and exercises his power through ministers responsible to the Sejm. He signs statutes printed in the Journal of Laws of the Republic. He has the right to issue executive orders and to enforce their execution. He is head of the armed forces, except in time of war when he must appoint a Commander-in-Chief on motion of the Council of Ministers. The President has the right to reprieve condemned persons and mitigate punishment. He also receives and appoints diplomatic representatives. He may make treaties, bringing them "to the notice of the Sejm." However, in the case of commercial and customs treaties, alliances and treaties which impose a permanent financial burden on the State he must obtain the consent of the Sejm. He may declare war and conclude

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peace only with the consent of the Sejm.

The key executive organ of the Polish Government is the Council of State. This body is a convenient instrument of the Party, and its alleged original powers are one of the many constitutional fictions of the regime. It is composed of the President of the Republic, the Marshal and three Vice-Marshals of the Sejm, the Chairman of the Supreme Control Chamber and, in time of war, the Commander-in-Chief of the Army. All the important positions in the Council of State are held by ranking members of the Party's Politburo and Central Committee. The Sejm may appoint up to four additional members to the Council of State upon the unanimous motion of the latter. The Sejm may grant the Council of State authority to issue decrees when the Sejm is not in session, except on the following matters: the constitution, the electoral law, auditing of government accounts, responsibility of the President of the Republic and of the ministers, the budget, the national economic plan, alteration of the monetary system, conscription, local government structure, and ratification of international agreements. Decrees issued by the Council of State must be approved at the subsequent session of the Sejm or lose their validity at the end of the session. At the instance of the Cabinet, the Council of State may declare a state of emergency or siege. In addition, the Council is the final authority for local government divisions known as People's Councils, a function which enables the Communists to operate within the governmental framework down to the lowest echelons throughout the country.

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c. Legislature.

The Sejm is convoked and adjourned by the President of the Republic. It is a single chamber of deputies popularly elected for a term of five years. The fall session, according to the Constitution, must extend for at least two months, and the spring session, one month. Although certain stipulated matters must be legislated by the Sejm, in practice they are submitted by the Council of Ministers or the Council of State to the Sejm for routine approval. If the Sejm should fail to adopt the budget or the national planning and conscription bills within three months from the time the Councils submit the drafts, the President of the Republic, with the concurrence of the Council of State, is empowered to promulgate the Government drafts. The legislative function, reduced to a minimum as far as the Sejm is concerned, is performed by the Council of State during much of the year when the Sejm is recessed. Decrees issued by the Council of State are, in accordance with the Constitution, subsequently submitted to the Sejm, where they meet with little or no opposition.

d. Judiciary.

The judiciary has been rendered completely subservient to the Communist Party. No court is empowered to pass on the constitutionality of laws. The regular Civil and Criminal Courts of prewar origin have been deprived of many types of cases previously within their jurisdiction. Military Tribunals try a wide range of cases based on anti-State activity including economic sabotage. Special Commissions handle cases involving speculators,

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smugglers, and black marketeers. Citizens Courts have jurisdiction over minor penal cases such as disturbances of the peace, assault and battery, petty theft, desecration of the public domain, and violation of the liquor laws. Both the Special Commissions and Citizens Courts may impose a maximum sentence of two years, and frequently send individuals to forced labor camps.

Recently, there was established by the Sejm on 20 July 1950 a Prosecutor General's Office, a highly centralized, extra-departmental organ beyond the control of the executive branch (specifically the Ministry of Justice), but operating on the same level as the executive. The office has broad supervisory power over the execution of the laws by all ministries and institutions subordinate to them and is appointed by and responsible only to the Council of State.

Anyone who is a Polish citizen of "unimpeachable reputation," at least 30 years of age, literate, and who has resided in the Court's district for a minimum of one year, is eligible to be a judge in a Citizens Court. According to decree, persons without legal training but who have "social, political and professional standing permitting the proper fulfillment of their duties" may be appointed judges or prosecutors.

c. Local Government.

For administrative purposes Poland is divided into nineteen provinces (including the cities of Warsaw and Lodz) and further subdivided into county, urban, and township divisions. The organs of local government for each of these levels, as well as their relationship to the central government, are almost completely

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organized along lines similar to those now existing in the USSR. Each level of the local government is administered by a People's Council (Soviet), which was appointed by the Communists as far back as 1944. These Councils have executive and legislative powers and are responsible to the Council of State. The People's Councils also control such functions as finance, education, labor, social welfare, and economic planning, which formerly were handled by local representatives of the national ministries in charge of these functions. Through this system of People's Councils, the Communist Party is able to maintain effective control of the local governments, and the general government structure is better fitted for incorporation of the nation into the USSR, should such an eventuality ever come to pass.

3. Political System.

a. Political Parties.

There are presently four political parties in Poland: the United Polish Workers (Communist) Party, which controls the government, and the Democratic, Catholic Social, and United Peasant Parties, which at this time have little significance. The United Polish Workers Party (PZPR) originated as the Polish Workers Party in January 1942 and formed the backbone of the Soviet-sponsored Lublin Government. Included in the Lublin Government, but serving only as front organizations for Communist activity, were the Polish Socialist, the Peasant, and the Democratic Parties.

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In December 1948, the Polish Workers Party and the Polish Socialist Parties were merged into the United Polish Workers Party. Both organizations underwent a purge for some weeks prior to the merger. The purge in the Polish Workers Party was a token affair. It was an all-out drive, however, in the Polish Socialist Party. Any hope that the latter could maintain a semblance of its identity or goals within the new party was effectively dispelled. Under the merger, the great majority of high-level posts went to Communist adherents, who obtained nine out of eleven places in the United Polish Workers Party Politburo.

As long as the Polish Socialist Party maintained its identity, it constituted an ideological threat to the Communists, because it remained conscious of its prewar heritage and attempted to maintain its links with the Socialist parties of Western Europe. Right-wing elements are being eliminated and the United Polish Workers Party is slowly becoming an organization of Communist reliables.

The recent absorption by the Communist-sponsored Peasant Party (SL) (a spurious organization lacking mass support when founded) of the Polish Peasant Party (PSL) almost completes the destruction of the PSL, which was formed as an opposition party in June 1945 by Vice-Premier Mikolajczyk and which had the mass support of the peasants. Mikolajczyk was allowed to form his party in order to impress the West with a democratic facade. In addition, the government intended to use this action later to discredit Mikolajczyk by naming him weaker of national unity. Mikolajczyk's organizational ability and the universal distaste of the peasants for the Soviet occupation, together with their fear of collectivization, combined

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to favor the growth of the PSL into a formidable opposition group. It became a focus of Polish nationalist opposition and was joined by rightist elements who could find no other political haven. Mikolajczyk maintained that his party was not essentially an opposition group inasmuch as it supported the government's basic program--land reform, the Soviet alliance and nationalization of industry--and because it participated in the Cabinet. There is no doubt, however, that Mikolajczyk's party disagreed with the authoritarian manner in which the government was implementing its program. The struggle between the government and Mikolajczyk reached a climax during the January 1947 elections. Mikolajczyk, who refused to join the government-sponsored electoral bloc, was decisively "defeated" in the falsified elections in 1947 and fled the country in October of that year. Remnants of his party have since been dominated by pro-government elements; the merger in November 1949 of the PSL and the SL is a prior step to their probable eventual integration in the PZPR.

b. Elections.

The last general elections, held on 19 January 1947, after months of diplomatic pressure on the part of the US and the UK, were a cynical demonstration of Communist police control. The Communist Government completely failed to live up to the Yalta and Potsdam agreements, by which it was bound to hold "free and unfettered elections as soon as possible on the basis of universal suffrage and secret ballot." The announced results gave an expected overwhelming majority of the Sejm seats to the government bloc, which was alleged to have polled 87 percent of the votes.

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c. Instruments of Communist Control.

Since the days of the Lublin Committee, the Communists have improved their numerically dominant position in vital government organs. They now control twenty-one out of twenty-nine ministries in the Government. They control the entire political machine and, as an added source of strength, have placed Communist Party members in all echelons of national and local government. Communist policy is formulated, with guidance from the Kremlin, by the Polish Party Politburo. Through the Council of State, the Communists transform their policy into law and by means of the same Council, they govern Poland by decree. In addition to their advantageous position within the government, the Communists have extensive means for controlling the people and "imbuing" them with the Marxist-Leninist doctrine. These range from direct intimidation to more subtle methods of persuasion and education. The presence of approximately 51,000 Soviet troops in Poland also renders incalculable moral as well as physical support to the Communists, who enforce the Kremlin's policies.

Intimidation is effected through the Security Police (UB) whose mission is a covert, but complete, surveillance of the political, economic, cultural, religious, and social life of the people. Notoriously ruthless, the Security Police enter homes without warrants, arrest and detain without formal orders, and employ barbarous methods of extracting "confessions." The UB is directed by the Minister of Public Security, Stanislaw Radkiewicz, a Communist trained in Moscow for his present duties. The organization comprises about 70,000 trusted officers and men, as well as some 100,000 part-time agents and informants. A

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number of its key positions are held by Soviet citizens from the USSR Ministry of State Security (MGB). The UB operates on a regional basis paralleling the governmental administrative system as well as on a functional basis in factories, civil organizations, the army, and other organizations. Decrees of the Security Police often conflict with, and in most cases overrule, the policies of other governmental agencies. The atmosphere of terror engendered by the Security Police is intensified by the existence of three other subsidiary security organizations operating on a country-wide basis: the Citizens Militia, Militia Reserve, and the Internal Security Corps. In addition there are smaller special security units such as the Internal Security Corps of the Army, Frontier Guards, and Railway Police. The total strength of all these quasi-military security agencies is estimated to be approximately 430,000.

Through labor, cultural, professional, and youth groups, the Communists persuade and indoctrinate various segments of the population. Prewar organizations of this nature have either been taken over by the Communists or liquidated, in 1944, by the simple expedient of setting up a new Trade Unions Central Committee, the Communists wrested control of the trade unions from the Socialists. Recently the Communists strengthened their control over the trade unions by a thorough shake-up of the Central Trade Union Committee membership. All cooperatives are now under the jurisdiction of the Central Cooperative Union, which is Communist-controlled. The Polish-Soviet Friendship Society, the Slav Committee of Poland, the Association of Marxist Historians, the Polish Democratic Jurists Association, the International Press and Book Club, the Peasant Mutual Aid Association, the League of Women, and the Union of Fighters for Independence

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and Democracy, ostensibly cultural or professional organizations, all serve the political interest of the Communists.

The Communists have devoted their greatest attention to youth organization. In July 1948, after a campaign of many months, the youth groups of the four principal political parties were merged into the Union of Polish Youth. This monolithic organization, aimed at indoctrinating large numbers of non-Communist youth in Communist theory and practice, is a significant step in the government's effort to wean the youth from the spiritual influence of the Church. Earlier in 1948, with the same objective, a youth labor organization, Service to Poland, had been inaugurated on a military basis under the supervision of political Education Headquarters of the Army. The plan involves the eventual utilization of some several million boys and girls in an extensive program of public works. It provided for the mobilization of the most promising youth for organizational and training purposes, subsequently to serve as brigade and unit leaders. During 1948 these units were under the direction of commanders on detached service from the Political Education Department of the Army. Later in 1948, the Ministry of Defense authorized the formation of a Union of Polish Youth Within the Armed Forces, under the chief of the Political Education Headquarters of the Army. The activities of the military youth group are coordinated with the civilian Union of Polish Youth. The extension of the youth organizations into the army is one more step toward ideological regimentation of all Polish youth.

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d. Civil Liberties.

There is no effective guarantee of civil rights and liberties to the average citizen of Poland. On 22 February 1947, the Sejm approved a Declaration of Rights and Liberties, stating, however, that the abuse of civil rights and liberties "for the purpose of overthrowing the democratic form of government of the Republic of Poland" would be prevented by law. As a result, most of the enumerated civil rights and liberties are denied to Polish citizens through government measures enacted for the protection of the State. Any individual whose thoughts or actions are suspect in the eyes of the government may be arrested without cause and detained incommunicado for an indefinite period. There is no freedom of speech or assembly. The right to vote was "legally" denied to many thousands in the 1947 elections. Private property is confiscated. Homes are searched by Secret Police at any time of the day or night. Access to the courts is not easy and verdicts are influenced by political considerations. All publications are censored, as are radio broadcasts and motion pictures. There is no social equality, because Communists have special privileges. United Polish Workers Party members, for example, have priority in obtaining employment and entering higher institutions of learning, and enjoy a generally higher standard of living.

A decree promulgated in November 1949 by the Council of Ministers extends the State's control of the individual. The decree, designed to protect the interests of the State, affects the revelation of almost any information of a military, economic, or political nature. Punishment for violation of this decree depends on the presumed consequences of the violation and on the social

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status of the offender. The decree is so inclusive in scope that any loopholes in previous legislation are covered; practically any act of a Polish citizen can be construed as subject to its provisions.

4. Internal Issues.

The government is facing and will continue to face serious popular opposition to certain of its developing policies concerning the "socialization" of Poland in the image of the USSR. Implementation of such policies as the collectivization of agriculture and the subordination of the Roman Catholic Church will cause basic changes in the economic and social structure of the country. The government must achieve extensive re-education and remolding of the Polish people to make such policies palatable.

a. Public Opinion.

Polish opinion on most issues is primarily motivated by the factor of nationalism, whose historic and powerful influence even pervades the Polish Communist Party. Resentment toward Russian domination of Poland has been too deeply rooted in history for the Poles to accept the Soviets at this time. The government is continually faced with widespread resentment at every infringement upon Polish national sovereignty.

A second factor which conditions a large segment of Polish public opinion is the heritage of individualism and personal independence handed down for centuries to Polish peasants who now number 16 million out of a population of 24 million. The Polish peasant is closely tied to his land and is completely

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opposed to such policies as the collectivization of agriculture.

Other forces affecting Polish public opinion include cultural ties with the West and the widely held belief of non-Communists that Poland will be freed from its Soviet masters only through a war in which the Western nations defeat the USSR.

b. Collectivization of Agriculture.

An issue which will assume greater importance in Poland is the pace at which the Communists push the collectivization of agriculture. The government will proceed with collectivization as quickly as possible. Present circumstances, however, force the Communists to hold down the pace and to use circumspection.

The Polish Government ostensibly began collectivization after the Cominform denunciation of Tito in July 1948. The program was inaugurated with a full-scale propaganda attack on rich peasants and exhortations to the poorer peasants to band together against the rich and to form production cooperatives.

Actual progress in the collectivization of agriculture has been small. By the end of 1950 approximately 1.5 percent of all agricultural land had been collectivized. The slowness of Polish collectivization is the result of practical, rather than ideological reasons, such as: (1) lack of farm machinery; (2) extremely strong peasant resistance to the concept of collectivization, which in some cases has culminated in the assassination of local Communist officials; and (3) government preoccupation with the problem of increasing immediate agricultural production to satisfy foreign trade commitments and internal requirements.

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c. Church-State Struggle.

The Polish Government regards the Roman Catholic Church as a foreign-dominated and Western-oriented institution which teaches an anti-Marxist doctrine, all of these alleged characteristics being considered inimical to the aims of the State. At the same time, the Roman Catholic hierarchy in Poland regards the government as its implacable foe.

The Polish Government moved directly against the Church last spring by forcing a broad agreement with the Church. Previous State activity had been limited to the imprisonment of priests, censorship of Catholic press and publications, the transfer of Caritas, the Church's nationwide welfare organization, to the State, and the nationalization of all Church properties larger than 250 acres.

The Church's reaction to date has been essentially passive, with the exception of a few strongly worded pastoral letters. With the signing of a Church-State agreement on 14 April 1950, the neutralization, if not the subordination, of the Church's power will follow. On the surface, the agreement contains many clauses favorable to the Church. However, in fact, the agreement can be unilaterally interpreted by the Polish Government as it sees fit. In this way various secular prerogatives such as Catholic education in schools will be gradually whittled away. Church reluctance to accept the State's interpretation of the agreement will lead to accusations of Church violation of the agreement and to prosecution. All that is left at present to the Church is control of its religious activities.

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Popular reaction to the government's moves against the Church has manifested itself by greatly increased religious fervor and exceptionally large Church attendance. However, it is clear that in the Church-State struggle, the State is presently in a strong position.

d. Resistance Movement.

Polish nationalism, popular resentment over Soviet interference in internal Polish affairs, Communist persecution of the Church, and peasant fear of collectivization combine to create widespread resistance to the present Government in Poland. Manifestations of these feelings are evidenced by the sporadic acts of violence and sabotage in industry and in rural areas, as well as the sporadic murder of Communist officials.

Organized underground resistance groups in Poland have remained passive since 1947. They have restricted their activities to maintaining their organization, keeping open ties with Polish exiles in the West, and collecting covert intelligence on Soviet and Polish Communist activities in Poland. Though armed, these groups will continue inoperative until substantial aid from the West is possible. Until then, there will be no organized uprising, for there is no likelihood of successful revolt under current government controls.

5. Stability of the Present Administration.

The Polish Government at the present time is stable because of secure Communist control of all branches of the government, the political parties, and the people. These controls are strengthened by the open support of the Kremlin,

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and the physical presence of Soviet Army and security units. While these conditions last, opposition to the present regime will be disorganized and ineffectual.

Poland is a Satellite in good standing. Its Communist leaders can disregard to some extent the Polish hatred for their regime. They seem more preoccupied at present with the problem of Sovietization of Poland than with that of the country's internal stability. They have shown some regard for Polish hostility to the main targets of the Soviet program to transform Poland into a facsimile of the Soviet Union: (1) the drive toward collectivization; (2) the Russification of Polish culture; and (3) the subordination of the Church. Apparently they have convinced the Kremlin that the time is not yet ripe to press toward these aims much more forcefully, for Poland has been allowed to lag behind other Satellites in the approach toward them.

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CHAPTER II*

ECONOMIC SITUATION

1. Introduction.

Although it sustained the heaviest war damages in Eastern Europe, the Polish economy has shown greater postwar gains than that of any other Satellite. Poland's general economic stability is contributing not only to the strength of the government but also to the war potential of the Soviet Orbit. Poland is growing into the most powerful Satellite State. It has the largest population; its industrial capacity is expanding; the transportation system is superior to that of the prewar period; there are large exportable surpluses of coal, minerals, metals, chemicals, textiles, and agricultural products. Its foreign trade, though shrinking with the West, is increasing with the Orbit.

Poland's economic situation, however, is not without some weaknesses. Poland must rely on extra-Orbit sources for essentials such as rubber, petroleum, and tin. It must also import, from within or without the Orbit, such industrial raw materials and equipment as iron ore, chemicals, textile materials, pulp and paper, machinery in general, and motor vehicles. In addition, it imports fruits, fats, and tobacco.

Soviet control of Poland's economy is already widespread and will not be relaxed. Poland's growing economy is being increasingly integrated with the Orbit under the Soviet-dominated CEMA (Council of Economic Mutual Assistance).

Poland's first venture into the Soviet type of economic planning was in 1947 with the promulgation of a Three-Year Plan. Emphasis was directed toward

* This Chapter contains information available to CIA as of 26 October 1950.

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such basic industries as mining, electric power, transportation, steel, and chemicals. In general the goals of this plan were achieved, and a foundation was prepared for further and more complex industrial development under the present and recently revised Six-Year Plan (1950-55), which calls for an overall industrial production about four times that of 1949. Overfulfillment of current production schedules through mid-1950 and newly arranged trade pacts in July, 1950, prompted a sharp upward revision of production targets for 1955. Agricultural production is to advance at a considerably slower pace, reaching in 1955 160 percent of the prewar period.

Since World War II control of Poland's economic organization and activity has progressively shifted to Moscow. The USSR has continually strengthened its influence in Poland - a trend which has recently been accelerated. Under Soviet tutelage these have occurred: (1) ministerial shifts, and more specifically, changes in the powerful State planning Commission and Ministry of Foreign Trade; (2) Soviet personnel have taken key positions in Polish factories and within the railway administration; (3) Polish trade has been tied to the Soviet bloc which, in turn, has limited Polish trade with the West; and (4) pacts of economic collaboration with other Satellites have been sponsored, the most notable being the pact with Czechoslovakia providing for the joint development of the "little Ruhr" in the Silesian-Moravian basin. Soviet control is further evidenced by the fact that Poland's new Six-Year Plan not only is closely modelled after that of the USSR but was actually drawn up under the guidance of Soviet experts. The Plan is to be carried out through an economic system patterned along Soviet lines, with the usual provisions for concentration of authority and inspection.

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In line with Communist economic philosophy, emphasis is being placed on the development of heavy industry, which forms an important segment in the Soviet bloc's war potential. This emphasis will tend to keep living standards below prewar levels.

2. Population and Manpower.

Among the major postwar Polish problems arising out of World War II were those associated with repatriation and resettlement of the population. As of 1 January 1948, war deaths dispersion of several million inhabitants, territorial shifts, and deportations had caused a net population loss of about 12 million persons. Of these, 7.5 million ethnic Germans were expelled. At the beginning of 1950 there were an estimated 24.5 million persons in Poland as presently constituted.

As of January 1950, the estimated agricultural labor force was 7.2 million and the total non-agricultural labor force 4.6 million. In line with the Government program for industrialization, the agricultural labor force is expected to decline still further.

Losses arising from World War II and from postwar Communist purges have brought shortages in industrial managers, engineers, technicians, and skilled laborers. The need for education and job training to offset these losses is intensified by the projected rate of industrialization. Extensive training programs have been initiated, and the reallocation of available personnel is in progress, but the deficiency will continue to impede rapid industrial progress.

The trade union organization, controlling over 4 million members, is responsible for furthering government policies regarding working conditions

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and labor productivity. Successive increases in work norms and decreases in wage rates directed toward eliciting higher productivity, have resulted in dissatisfaction on the part of labor. Current living standards and working conditions, below prewar levels, and the threat of punitive measures are also sources of irritation. The cumulative effect is apparent in increased absenteeism and high labor turnover, particularly in mining. Currently, more stringent measures are being taken by the Government to counteract absenteeism and labor turnover.

3. Agriculture.

Postwar recovery in agriculture has been substantial. Crop production has not yet attained prewar levels; in view of a reduced population, however, production per capita now exceeds the annual average of the 1934-1938 period. Loss of livestock during the war was such that, notwithstanding considerable postwar recovery, the number of hogs and cattle by the end of 1949 was only 60 percent of the 1938 level. The country is again an exporter of grain and animal products. The outlook is for a continued upward trend in agricultural production, which could, however, be reversed by peasant resistance against government efforts to collectivize agriculture.

During the five and one-half years of war, one-sixth or 400,000 of Poland's farms were destroyed or put out of operation. In 1945 only 51.7 percent of the country's arable land remained under cultivation. Substantial improvement has occurred since that time. As a result of this improvement, as well as of the population decline and of changes in territorial boundaries, land under cultivation for each person in the agricultural population increased from 0.95 hectare in 1938 to 1.15 hectares in 1946 and to an estimated 1.5 hectares

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in 1949. Although tractors have been employed on large estates, horses were the primary source of draft power before World War II. As the number of horses declined during the German occupation, several thousand tractors were brought in. By the end of the war there were an estimated 1,500 usable tractors remaining in the country. Substantial postwar imports, including 8,450 tractors supplied by UNRRA, and domestic production of approximately 2,500 increased the number of usable tractors by the summer of 1949 to 14,500.

Polish soils have always required regular applications of fertilizer. Animal manure was the primary source of fertilizer prior to the war. Manure shortages caused by wartime losses of livestock were heightened by destruction of fertilizer plants. Demand was accentuated by acquisition of new territories in the West where the relatively high crop yields depend upon heavy application of artificial fertilizers. While the Six-Year Plan provides for substantial fertilizer imports and increased domestic production, a shortage of fertilizer will continue to handicap crop production.

Normally a net exporter of agricultural commodities, the country has had to rely upon imports of food during the postwar period until the 1948 crop became available. While production of potatoes in 1949 was 30 percent beneath that of the prewar era, cereals were only 13 percent below, and sugar had recovered its prewar level.

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Production of Principal Crops
(thousands of metric tons)

	<u>1934-38 Average</u>			
	<u>Prewar</u>	<u>Postwar</u>		
	<u>boundaries</u>	<u>boundaries</u>	<u>1948</u>	<u>1949</u>
Wheat	2,064	1,965	1,500	1,630
Rye	6,467	6,854	6,300	6,350
Barley	1,411	1,507	1,100	1,310
Oats	2,558	2,829	2,210	2,250
Potatoes	35,000	38,014	26,756	29,500
Sugar (raw)	225	925	694	825

Although production of breadgrains (wheat, rye) was slightly lower in 1949 than in prewar years, in view of the decreased population, current production represents increased production per capita. Similarly, because coarse grain (barley, oats) consumption requirements declined as livestock numbers were reduced, the supply position of these grains is also superior to that of the prewar period, even though production has not attained prewar levels. Approximately two-thirds of the arable land is planted with rye, wheat, barley, and oats, with rye accounting for about 50 percent. These cereals, together with potatoes and sugar, constitute approximately three-fourths of the total food production. Potato production, while considerably beneath prewar, is still sufficient to meet the needs of a reduced population. A variety of pulse (peas, beans, etc.), fruits, and vegetables are also grown. Rye and sugar are major exports.

Animal husbandry in the prewar period accounted for 62 percent of agricultural income. Consequently, wartime losses in livestock, relatively

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greater than elsewhere in Europe, presented one of the most serious problems in agricultural rehabilitation. While livestock numbers are still well beneath those of prewar, pork and poultry products are again being exported.

Livestock Numbers
(thousand head)

	1938		1946	1949	1950 ^{1/}	1955
	<u>Prewar boundaries</u>	<u>Postwar boundaries</u>				
Horses	3,916	3,149	1,811	2,650	3,000	n.e.
Cattle	10,554	9,924	3,910	5,800	6,000	6,500
Hogs	7,325	9,684	4,000	5,810	6,500	9,200
Sheep	3,411	1,941	759	1,600	1,650	2,500

The present Six-Year Plan visualizes collectivization and modernization of agriculture. Under the land reforms of 1944, 1946, and 1950, the State has taken over all holdings larger than 50 hectares (except for Church properties). There are now 4,800 State Farms, largely in former German areas, as well as numerous other large-scale farms operated by the Soviet Army and by cooperatives. Government control of tractors, farm machinery, and fertilizers will facilitate gradual collectivization. Meanwhile, the Government is extolling collectivization and is seeking to create friction between the poorer peasants and the richer farmers.

Collectivization has proceeded at a slower pace than originally planned because of peasant resistance and shortage of agricultural machinery. Thus far the government has chosen to avoid a showdown over the issue. Yet the current Six-Year Plan visualizes an increase in farm production of 65 percent

1/ Preliminary estimate

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concurrent with a substantial increase in the number of collective farms. Excluding the possibility of abnormal weather, peasant resistance will be the prime controlling factor in agricultural production during coming years. If the rate of collectivization is too great, or the particular form in which it takes shape becomes too repugnant to the peasant, a decrease in farm production is likely.

4. Fishing and Fish Products.

Poland's lengthened coastline and the government's fisheries program should eliminate prewar reliance on imports, make possible increased per capita consumption, and provide a substantial exportable surplus. In 1939 the total catch amounted to 25,000 tons. The government program for modernizing and expanding the fishing fleet should raise the catch to 90,000 tons; Poland's river catch will probably remain at the prewar level of 12,000 tons. Facilities are adequate for smoking, salting, canning, and cold storage of fish.

5. Forestry and Forest Products.

Timber continues as an important commodity in the economy, although exports are below prewar levels. Forest resources suffered greatly from war destruction and excessive exploitation by the Germans. As a consequence, a shortage of timber products has hampered the housing development program even though overcutting has been extensive.

Although the Six-Year Plan provides for intensive development of forestry and related industries, it is unlikely that timber production or the value of exports will achieve prewar levels in the foreseeable future. The low rate of timber production will continue to hinder housing development.

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6. Minerals and Metals.a. Iron, Steel, and Ferro-Alloys.

The reconstruction and expansion programs of the Six-Year Plan rank the iron and steel industry second in importance only to the coal industry. The iron and steel industry suffered considerable damage and dislocation during the war but has made a substantial recovery in the postwar period. Except in the mining of iron ore, production by the end of 1949 had exceeded prewar production and met the target of the final year of the Three-Year Plan.

Iron and Steel Production
(in thousands of tons)

	<u>1938</u> ^{1/}	<u>1946</u>	<u>1947</u>	<u>1948</u> ^{2/}	<u>1949</u> ^{2/}
Iron Ore	791	424	545	630	700
Pig Iron	890	726	869	1,100	1,300
Raw Steel	1,440	1,220	1,580	1,850	2,000
Rolled Products ^{1/}	1,051	800	1,155	1,340	1,460

The 1955 goal of the Six-Year Plan has fixed raw steel production at 4.6 million tons annually or approximately three and one-half times the 1938 output. To assure fulfillment, the plan provides for expansion of equipment, modern production methods, extensive mechanization and improvement of transportation facilities. Attainment of 1955 goals, however, depends largely upon imports of industrial equipment, much of which is readily available only in the West.

^{1/} Prewar boundaries
^{2/} Estimates

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Early in the Three-Year Plan (1947-49), efforts were made to increase steel capacity by procuring two large steel mills, which were to be located in the industrial area of Lower Silesia. The USSR, under the terms of the Soviet-Polish Capital Goods Agreement of 26 January 1948, promised a steel mill with an annual capacity of 1,500,000 tons of raw steel. Construction of the mill was begun in 1949 on the outskirts of Krakow, but the plant will probably not be in operation before the termination of the Six-Year Plan. The second mill was to be procured from the US and the UK, but Western export restrictions blocked the transaction. Prior to US export controls, a contract was signed with a US firm for a \$17 million blooming and slabbing mill, urgently needed to balance Polish facilities for production of raw steel with that of rolled products and to curtail the uneconomic importation of blooms and slabs from Czechoslovakia. US refusal in June 1949 to issue an export license for the mill equipment seriously retarded implementation of Polish plans for a well-integrated steel industry.

Present iron and steel production meets the needs of the domestic economy and provides a small surplus of raw steel and semi-finished products for export. Poland's deficiency in iron ore, scrap, and ferro-alloys, however, makes it dependent upon Eastern European countries as well as on the West.

Coke production is ample to meet domestic requirements (except for 150,000 tons of high grade metallurgical coke obtained from Czechoslovakia) and provides an exportable surplus of approximately 1,500,000 tons.

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Cokeries are concentrated in the districts of Upper Silesia and Walbrzych, Lower Silesia, and have a capacity of 5,760,000 tons a year. Of total coke production, approximately 43 percent is of metallurgical quality.

<u>Year</u>	<u>Coke Production</u>	
	<u>Total Coke Production</u>	<u>Total Metallurgical Coke Production</u> (Based on 43% of Total)
1933	2,291,000	985,000
1943	3,328,000	1,431,000
1947	4,000,000	1,720,000
1948	4,660,000	1,850,000
1949	5,400,000	2,320,000

Poland's large reserve of low-grade iron ore, with an iron content of about 30 percent, is difficult to mine. Ore seams are thin and underground mines require expensive timber reinforcements. To supplement domestic production, high grade ore is imported, principally from Sweden and the USSR. Maintenance of the present rate of production of pig iron and future increases in production depend directly upon continued and increased imports of iron ore from Sweden and the USSR.

Polish deposits of ores for producing ferro-alloys are limited. Supplies of chromite and manganese must be supplemented by large imports from the USSR, Norway, and Rumania. All other ferro-alloys must be imported.

The procurement of iron and steel scrap was a major problem in 1949 and will continue to be difficult throughout the Six-Year Plan. In 1949 requirements amounted to 900,000 tons, the larger proportion of which was

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imported. Small amounts of scrap have been contracted for in 1950 trade agreements, but the total falls short of the year's requirements. If planned targets are to be achieved, the USSR must arrange to supply the large scrap deficit from the Soviet Union and/or the Soviet Zone of Germany.

b. Non-Ferrous Metals and Non-Metallic Minerals.

Poland is deficient in non-ferrous metals with the exception of zinc, lead, and cadmium, which are exported. The country is one of the world's important producers of zinc and has ore reserves estimated at 11,000,000 tons. Zinc and possibly lead exports move mostly to the USSR and the Satellites. Production of all three of these important metals is estimated to have largely regained prewar levels in 1949.

Production of Lead, Zinc, and Cadmium
(metric tons)

	<u>1938^{1/}</u>	<u>1947</u>	<u>1948</u>	<u>1949^{2/}</u>	<u>1950^{2/}</u>
Lead (smelter)	20,000	13,000	17,000	18,000	19,500
Zinc (Smelter)	108,000	72,000	87,000	92,000	100,000
Cadmium	188	120	150	150	175

During 1949, Poland's chief non-ferrous metals deficiency was in copper and imports were obtained by various means. Chilean and Mexican copper reached Poland via Belgium, Holland, and Norway. The problem was aggravated by the loss of Yugoslav copper following Tito's break with the Soviet bloc.

There are no bauxite, antimony, tin, or magnesite deposits, and only

1/ 1938 figures adjusted to postwar boundaries
2/ Estimate

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small amounts of gold and silver are produced. Small but valuable deposits of uranium ore are found at Kowary in Riesengobirge mountains of Lower Silesia; the entire output of these sources is shipped to the USSR.

Poland is poorly supplied with non-metallic minerals with the exception of cement, salt, sulphur, and coal. Coal, as will be noted in subsequent sections, is of great importance. Production of cement has surpassed pre-war production, and exports in 1948 and 1949 were principally to the USSR, with smaller quantities going to Argentina, Brazil, and the Malay States. Although production of salt has not regained 1937 levels, salt is exported, with the major quantity moving to Czechoslovakia and lesser amounts going to Sweden, Finland, and Denmark.

7. Chemicals.

The chemical industry is rapidly expanding and has already exceeded pre-war tonnage figures, owing largely to the acquisition of new productive facilities in the territories taken over from Germany. Advances over 1938 have been registered in such basic chemicals as ammonia, caustic soda, sulphuric acid, soda ash, and calcium carbide. Some chemicals are exported. Trade agreements indicate an ability to produce lithopone, zinc white, red lead, and magnesium salts. Among the coal tar derivatives, benzene, toluene, naphthalene, and cresol are being exported. Shipments of these chemicals to the Sovzone have contributed significantly to the strategically important chemical industry of East Germany.

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Production and Capacity of Basic Chemicals
(thousands of metric tons)

	<u>Production</u>		
	1938 <u>1/</u>	1948	1949
Ammonia (As N)	52	40	49
Caustic Soda	30	42	58
Sulphuric Acid	196	195	230
Soda Ash	130	184	190
Calcium Carbide	100	160	165
Phosphate Fertilizer	200	280	n.a.

Revised Planned Production Goals for 1955
(Metric tons)

Sulphuric Acid (100%)	540,000
Calcined Soda	389,000
Nitrogen Fertilizer (Calculated in pure nitrogen)	230,800
Phosphate fertilizer (Calculated in pure P_2O_5)	250,000
Potassium Salt (Calculated in K_2O)	16,000
Carbon electrodes	31,000
Synthetic Rubber	15,000

The chemical potential was greatly increased by the acquisition of former German territories, where between 60 and 70 well-developed plants were located. Although some were destroyed, others badly damaged, and some dismantled, many have been restored and are in production.. No chemical installations of

1/ Ironwar boundaries

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importance were located in the territory transferred to the USSR. In the transfer of territory, however, Poland lost some raw materials, the most notable of which were the large reserves of potash, which must now be procured from the USSR and the Soviet Zone of Germany.

Poland is self-sufficient in many basic raw materials for a heavy chemical industry. There is still a dependence on outside sources, however, for pyrites and phosphate rock. Small quantities of pyrites, important in the production of sulphuric acid, are now produced locally and satisfy part of the requirements. This mineral is still difficult to obtain in sufficient quantities but part of the deficit is made up by imports from Sweden and Norway. Domestic deposits of zinc blende and calcium sulphate, when developed, may provide other raw materials for the sulphuric acid industry. There is some production of low grade phosphate rock but phosphate fertilizer production is almost entirely dependent on imports of raw material from the USSR and North Africa.

Abundant reserves of salt, coking coal, and limestone will be a valuable asset in the further development of the heavy chemical industry. Coking coal, particularly, will be of importance in supplying the base for the expanded production and export of coal tar derivatives.

8. Production Equipment.

The production equipment industry has been established only recently. During the 1920's and 1930's it was in a rudimentary state; requirements in this field were met largely through imports. After World War II Poland acquired some facilities for the manufacture of production equipment in the "recovered territories," but the total equipment inventory of these plants was small and skilled labor was lost through displacement of the former German

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population. Although the industry has been unable to acquire sufficient new production machinery, great progress has been made in the repair and use of existing equipment, materials for which could be obtained from abroad. The present equipment inventory, however, has deteriorated to the point where replacement, rather than further repair, is required. Replacement is being attained by domestic production and imports. Because deliveries from within the Soviet bloc are limited and often of low quality, receipts from the West, or the lack thereof, have an important bearing on the rate of industrial progress.

Before the war, Poland had comparatively small demand for machine tools, which were used primarily in small maintenance shops. Output was insufficient to take care of even these limited needs, and approximately 75 percent of machine tools requirements had to be imported, principally from Germany and England. Most were of a basic type such as lathes, drill presses, milling machines, and planers, few of the machines being suitable for production lines. During the war, practically all machine building establishments were destroyed. The remaining facilities were, in most cases, dismantled and shipped to the Soviet Union so that after the war immediate resumption of production was impossible.

Production of Metal and Wood Working Machines
(units)

	<u>1938</u>	<u>1946</u>	<u>1947</u>	<u>1948</u>	<u>1949</u>
Actual Production	4,536	1,600	3,495	4,400	4,700
Planned Production	--	1,744	4,050	6,100	6,550

The above figures indicate a steady increase in postwar production, but each year production has fallen considerably below planned output. Failure to meet planned goals may be attributed to obsolescence and deterioration of equipment

lack of component parts, and a shortage of skilled workers and technicians, as well as to an overly ambitious program.

The original Six-Year Plan calls for production of 37,000 tons of machine tools in 1955, compared to a production of 6,605 tons planned for 1948. Largely because of a shortage of engineers and technicians, the plan probably will not be attained. The supply of equipment and components is no longer a retarding element in machine tool production, for requirements are met by imports. Principal sources have been Sweden, Switzerland, the UK, USSR, Czechoslovakia and, until the export control program became effective in the middle of 1948, the US.

Facilities are limited for the production of all kinds of machinery, including such items as electrical equipment, precision instruments, mining and agricultural machinery. Production in all these categories is insufficient to meet requirements, the bulk of which must be filled by imports.

In the electro-technical industry there was little on which the new Polish State could build after the war. German and Soviet acquisitions had reduced the number of installations to insignificance. Today, however, between 55 and 60 factories are either under construction or in production. Production has been impeded by the inability to import sufficient quantities of certain semi-finished materials such as copper wire, by the reduction in imports from the West, and by a dearth of competently trained workers.

The precision instrument industry is limited primarily to the field of optical lenses and instruments. Output of industrial instruments is negligible. The optical industry, expanded by the Germans during wartime, is still dependent on outside sources, particularly West Germany, for a part of its requirements.

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Production of mining machinery covers only a small portion of the country's requirements and it has been limited primarily to such auxiliary items as pumps and electric motors. The scheduled 1948 output of 24,330 metric tons of mining equipment and machinery, contrasting sharply with a 1937 production of only 91 tons, represents only a small part of the country's requirements. The 1949-50 trade agreement between Poland and West Germany, providing for imports of \$600,000 worth of mining machinery, attests to continued dependence on outside sources.

In order to expand and maintain its economy, Poland will continue to depend upon imports of production equipment. The future rate of industrial expansion will probably rest upon the extent to which the Soviet Orbit is willing to supply equipment, particularly in the fields of mining and agriculture.

9. Fuel and Power.

a. Coal.

The coal industry holds a most important position in Poland's economy. Total proved and probable reserves are about 67 billion metric tons of bituminous coal and about 18 billion tons of brown coal. Furthermore, geologic conditions are more favorable for coal mining in Poland than in any other nation in Europe. Coal is the country's major item of export and the prime commodity of foreign trade, both with Western and Eastern Europe. The country is now the largest coal exporting nation of Europe and the second largest in the world. The rising European coal shortage, resulting from the rearmament program and increasing industrialization needs, has strengthened Poland's bargaining position against its Western European trading partners.

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Throughout the war, Germany carried on desperate, intensive exploitation, disregarding all rational mining and conservation policies for the sake of forced production. Fresh veins were constantly subjected to shallow excavation, and plants and machinery were destroyed. Rehabilitation of the mines thus required heavy investment in machinery, which has not always been forthcoming. Equipment shortages have been compensated in part by longer working hours and increased numbers of employees. The 1955 goal is 100 million tons, which is a moderate annual increase that can probably be attained. In general, the industry is beset by long-range problems that will be difficult to surmount.

Coal Production
(thousands of metric tons)

	<u>1938</u>		<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950 (Estimate)</u>
	<u>Prewar</u>	<u>Postwar</u>				
	<u>Boundaries</u>	<u>Boundaries</u>				
Bituminous	38,000	69,000	59,130	70,260	74,081	78,000
Lignite	none	5,022	4,796	4,621	4,621	5,000

Polish coal goes to twenty-one European and other countries. The USSR and Sweden are the largest customers.

Exports of Bituminous Coal
(thousands of metric tons)

	<u>1946</u>	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>Planned</u> <u>1950</u>
Total exports	14,039	17,800	24,700	25,460	27,000
Exports to USSR	n.a.	8,556	7,300	7,000	n.a.

During 1949, the industry substantially increased exports to Italy and Czechoslovakia, with smaller increases to the Netherlands and France. After a temporary decline of exports, demand for coal revived and in September 1950,

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the price for Polish coal to Western Europe was raised \$2 per ton. In recent trade negotiations with Scandinavian countries Poland indicated that it may attempt to allocate coal to its OEEC customers with the objective of obtaining strategic materials. At the same time exports to the USSR and orbit countries, particularly Czechoslovakia, have risen.

Poland's potential for developing its coal industry with production costs comparing favorably with that of other coal areas in Europe, remains very great, but there are several obstacles to further increases in production and exports beyond the high level already attained. Labor shortages, absenteeism, and a lack of technical skills will continue to be a deterrent to production. Further expansion will be impossible without heavy investment in machinery and other equipment. Equipment arriving from the UK and Switzerland has been of excellent caliber, but insufficient in quantity; equipment from the USSR has been less useful. The equipment bottleneck can, however, be eased whenever the Kremlin orders increased deliveries to Poland of Soviet and Czech mining equipment, which is current going to coal mines in the Soviet Union.

b. Petroleum.

Production of crude oil in 1948 was only about one-fourth that of 1938. Although this is partly the result of depletion of the oil fields and general wartime disruption of the industry, the reduction is primarily attributable to boundary changes. Territorial adjustments deprived Poland of from two-thirds to three-fourths of its petroleum resources and forced the country to become an importer of crude oil.

Refined products must also be imported now as a result of the territorial

loss. Before the war there was an excess of refining capacity in relation to crude oil production and output of refined products was sufficient to permit exports. With the transfer of the eastern sector to the USSR, Poland lost its three largest and most modern refineries. Consequently, present domestic processing capacity of 200,000 tons of crude annually is no longer sufficient to meet estimates domestic requirement of 500,000 metric tons. Imports are currently procured from Rumania and the USSR. A synthetic oil plant is under construction at Dwory, near Oswiecim. Although Poland is not known to be producing synthetic oil at present, its vast resources of coal would make such an industry very feasible in the future.

Extensive exploratory drilling has been undertaken by the government in an effort to counteract the loss of oil fields to the USSR. Although oil prospecting has checked the decline in old fields, it has met with little success and has been retarded by the lack of equipment.

c. Electric Power.

Among the Satellites, Poland shares with Czechoslovakia leadership in production of electric power. Together they account for over 60 percent of total Satellite output. (Excluding the German Soverona).

Electric stations and transmission networks suffered severely in the war. Repair parts and new equipment which are vitally needed must largely be imported. Because imports are delayed and in other ways inadequate, reserve capacity is at a minimum and existing equipment subject to heavy use and overload. Hence, the industry is faced with the problem of accelerated depreciation. Nevertheless, electric output since the war has shown steady growth. Official figures for kilowatt hours produced

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show that output in 1947 increased 16 percent over 1946, and in 1948 increased 13.5 percent over 1947. Production in 1949 was estimated at 8.1 billion kilowatt hours. The revised Six-Year Plan provides for a production of 19.3 billion kilowatt hours in 1955, but production will probably fall short of this goal by 15 to 20 percent.

10. Textiles.

Textiles rank first among industries in the number of persons employed, engaging more than 300,000 workers. Current production has approached prewar levels. Although it is still below capacity, owing to difficulties inherent in the maintenance of old equipment, exports are substantially above prewar because of the reduced population. Textiles are an important export of Poland, particularly to Eastern Europe. About 20 percent of all cotton textiles production is shipped to the USSR as part payment for raw materials.

Insufficient raw materials pose the most immediate difficulty for continuous operation. For example the cotton mills, entirely dependant upon imports, were not maintained at full production during 1949 because of inadequate supplies. This is attributable to the Eastward orientation of trade and lack of dollars. Whereas 75 percent of requirements were formerly obtained from the US, the cotton goods industry must now depend in large part on irregular imports of cotton from the USSR. The other major textiles industries--wool, flax, and hemp--are also dependant upon imports of raw materials. Only 2.5 percent of wool requirements are met by domestic production and imports are limited by foreign exchange shortages. The UK is the primary source of supply for wool. Prewar Poland was second in world production of flax, but as a consequence of territorial losses to the USSR, 40 to 60 percent of its potential production

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area was cut off. In an attempt to overcome the general supply problem synthetic fibers are being developed. Production in 1949 was double that of the prewar annual average, and further increases are planned.

In the long run the chief bottleneck will not be raw materials. Unless investment funds are considerably increased, output may be expected to decline as the machinery currently in use, which has seen ten years of heavy operation with little replacement, becomes unusable.

11. Transportation.

Poland's present transportation system has capabilities superior to those of the prewar system. Traffic is heavier, networks are more extensive, inventories are at higher levels, and equipment factories are more numerous and more productive. These improvements are due largely to postwar boundary changes by which Poland acquired a dense road and rail network in ex-German territories, two major Baltic harbors, and the Odra River system, as well as several shipyards and railway equipment plants.

The railways, which carry 97 percent of Poland's internal traffic, were virtually paralyzed by the war. In the reconstruction period, railways were given first priority, and by 1947 the system was moving more tonnage over more miles of track with more locomotives than ever before. The rail network totalled 27,358 kilometers in 1948, compared with 21,634 kilometers in 1938, and is planned to exceed 30,000 kilometers by 1951. Railway traffic in 1949 was 46 percent above the 1938 level: 10,994,000 tons of freight were moved for an average haul of 243 kilometers for a total of 2,726 million ton-kilometers of freight traffic. Passenger traffic was 181 percent above 1938 with 1,752 million passenger-kilometers performed. By 1948, locomotive and rolling stock

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inventories were 5,860 units and 147,815 units respectively, 15.3 percent and 1.1 percent respectively above 1938 levels.

This restoration of railway inventories was due in part to the large acquisition of German equipment and to the less significant contributions of UNRRA equipment. Another factor has been the production of rolling stock in domestic plants, increased by the acquisition of plants at Wroclaw and Zielona Gora, formerly in Germany. Much of the new production goes to the USSR. By the end of 1950 it is estimated that Poland will have delivered new and used equipment to the USSR totalling 51,000 freight cars and 1,060 locomotives.

Poland has no Soviet broad-gauge track except for the few kilometers that separate the Terespol and Zurewica transloading stations from the Soviet frontier and the little-used 30-mile line from Elblag to the frontier at Braniewo.

Inland shipping, also virtually paralyzed by the war, received low priority for restoration. The inland fleet was restored by construction, salvage, and purchases, to only 71 percent of prewar inventory by the end of 1948. Traffic is increasing gradually and may reach prewar levels by 1951. The newly acquired Odra River system has displaced the Wisla as principal waterway, and completion of the Goplo-Warta canal has given an east-west waterway connection between the USSR and Eastern Germany across Poland. In addition to the Polish inland fleet of 461 vessels in 1948, the USSR operated 650 small vessels on Polish inland waterways and Czechoslovakia had 104 vessels in service on the Odra River.

Motor transport is still limited largely to short hauls and urban drayage, but is planned to handle 10 percent of all internal freight by 1955. The condition of highways has been greatly improved since the war and will impose no great obstacle to the motor transport plan. Automotive manufacture,

however, is largely restricted to the assembly of imported components, chiefly of Soviet and Czechoslovakia origin. Civil aviation, although now double its prewar activity level, accounts for only an insignificant fraction of the total traffic.

The merchant marine is 45 percent greater than it was in 1939. In June 1950, there were 45 vessels of 1000 gross tons and over, compared with 31 in 1939, and 165,608 gross tons registered, compared with 114,000 tons registered in 1939. Most of the ships burn coal and about 30 percent are over 20 years of age. The Six-Year Plan calls for the merchant marine to be more than doubled by 1955, but this plan will not succeed without heavy purchasing abroad, despite increased shipbuilding capacity, largely because the USSR has recently begun acquiring ships from the Polish merchant fleet. Prewar shipbuilding was not extensive, and the lack of engineers and technicians as well as inadequate supplies of steel, will continue to limit production for years.

None of the three major harbors, Szczecin, Gdansk, and Gdynia, has fully recovered from the war, but the current program of enlarging facilities will considerably augment port capacities. Improvement of Szczecin is being advanced by agreements with Czechoslovakia and East Germany, whereby these countries are developing customs-free ports on unimproved land south of the city.

12. Trade and Finance.

a. Domestic Finance.

In the past twelve years the zloty* has depreciated in relation to the dollar from an exchange rate of 5.28 to 406. But in the past two years the inflationary trend has been checked by the application of effective techniques for monetary management, reorganization of the banking structure, forced savings and wage and price controls.

* This estimate was made prior to the revaluation of the Polish zloty on 28 October 1950.

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The banking system has changed drastically since 1945. Banking is now a nationalized function conducted by a State bank, the Narodowy Bank Polski, and six specialized institutions. The Narodowy Bank Polski handles foreign transactions, currency issues, and over-all credit policies. The others, besides performing normal fiscal and credit practices, oversee investments and, through control over credits, the day by day implementation of the Six-Year Plan.

Between 1948 and 1950 the Polish federal budget has been doubled from 406 billion to 843 billion zloty. The Three-Year Plan has been the principal cause of the increase. Also important was the initiation in 1949 of a system whereby industrial profits can no longer be retained but are incorporated into the budget to ensure proper use. In fact, the largest increase in the budget has been in investments, which were allotted 374 billion zloty in 1950 compared to 40 billion two years ago. The other major expenditure categories are national security and defense, and social, welfare, and cultural services. The principal source of revenue is the turnover tax (a levy on all sales, particularly consumer goods); other imports such as income taxes, excises, and property levies are partly designed to complete the elimination of propertied classes.

b. International Trade and Finance.

The objectives and techniques of Poland's foreign commerce have changed radically since World War II. Soviet, not Polish, interests are now the determining factor. A comparatively free system of international interchange carried on by experienced private traders has given way to State

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trading within bilateral agreements. Trade is being reshaped along the lines laid down for the Orbit by the Kremlin in the fall of 1949. Commercial relations with capitalist countries are no longer developed on a long-term cooperative basis but are continued as a necessary evil, justified by the need to import certain essentials that Communist countries lack. Intra-Orbit trade receives preference, and as a result now about equals that with the West. Both exports and imports, after more than doubling between 1947 and 1949 (from a combined total of 566 million of \$1.2 billion), are now leveling off. A 10 percent increase over 1949 has been planned for 1950 and will be attained.

Territorial adjustments have caused a considerable change in Poland's export potential. Postwar resources of coal, lead, zinc, and certain agricultural products are greater than prewar, while the ability to export petroleum, potash, and forestry products has either vanished or declined. One important development of the last two years is the changeover of Poland from the status of a net importer to net exporter of agricultural products. Coal and coke make up approximately 40 percent of the total value of current exports, followed by agricultural products (meat, grains, dairy products, vegetables, and timber), iron and semi-finished steel items, zinc and lead, railroad cars, cement, and textiles. Current imports are primarily industrial raw materials and equipment. Certain of these -- iron ore, chemicals, general machinery, motor vehicles, textile materials, and paper and pulp -- Poland can obtain at least in part from within the Orbit. For others, such essentials as rubber, petroleum products, and tin, Poland must rely entirely on sources outside the Orbit. Poland also imports

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from outside the Orbit, some semi-luxury agricultural products, such as fruits, fats, and tobacco.

The USSR has replaced Germany as Poland's leading trading partner. The Soviet supply iron, chrome, and manganese ores, petroleum, cotton (often purchased in the US for delivery to Poland) potash, aluminum, motor vehicles, and tractors; in return, the Poles ship chiefly ferrous products, textiles, coal and coke, sugar, railroad equipment, and cement. These shipments are governed by a five-year (1948-53) trade pact calling for an exchange of 500 million dollars worth of goods each way and a 450 million dollar long-term Soviet loan, the largest ever granted by the USSR. The Soviet Union also acts as middleman in an 80 million ruble tri-lateral pact with Poland and Finland, whereby Polish coal compensates Finland for a variety of commodities shipped to the USSR for which the latter pays by exporting wheat, fats, and oils to Poland. Furthermore, the Soviet Union has been receiving large annual shipments of Polish coal, and coke (1-1.5 million tons) at much less than prevailing world prices. These annual shipments, governed by "reparations" agreements are due to continue till the signing of the peace treaties concluding World War II.

Polish trade with the Orbit, as with the USSR, is on the increase. Polish commerce within the Orbit in 1950 will be approximately 15 to 20 percent greater than the 340 million estimated for 1949. In general, Poland ships coal, coke, and metal goods to other Orbit countries and receives precision equipment, chemicals, machinery, petroleum, and tobacco. Finished exports, such as machinery, railway equipment, and textiles go predominately to the Balkans, the raw materials to the northern Satellites. Eastern

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Germany is the most important Satellite trading partner. Between 1948 and 1949 commerce doubled. Recently concluded pacts envisage a long term welding of the economy of the two countries following the pattern of the Kremlin inspired Polish-Czech trade agreement.

Until the middle of 1949 Poland's trade with Western Europe increasingly emphasized long-term agreements for export by the former of hard fuels and agricultural products against extended deliveries by the latter of industrial and transport equipment. The West also furnished many essential raw materials, such as rubber, wool, iron ore, and chemicals. Moreover, conclusion of compensation agreements for nationalized properties, providing for payments through Polish export surpluses, tended to establish a base for future trade. Since the middle of 1949, the character of trade with Western Europe has been changing, and the total volume has been reduced. The shift was in part the result of decreasing demand in Western Europe for coal, Poland's principal commodity for export in postwar commerce. During the initial years of reconstruction, coal was sorely needed in Western Europe and could be exchanged there for both essential materials and dollars. This demand fell off as Western countries expanded their own coal output and converted to substitute fuels. But the trend was reversed late in 1950 and Western demand for coal is increasing. Poland is taking advantage of the rising world demand for coal and is bargaining with Western European countries for economic and political interest. Recently the Poles have reportedly reduced coal exports to Denmark because of the latter's participation in NATO.

The leading trading partner in the West is the United Kingdom, which in January 1949 concluded a five-year pact with Poland involving £260

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million worth of goods, the largest amount involved in any agreement so far signed between a Cominform country and Western Europe. Trade with Sweden, featuring Polish coal for Swedish iron ore and bearings, is next important. The major shift in direction during 1950 will be a sharp drop in commerce with France and a marked rise in trade with West Germany.

Non-European external commerce accounts for approximately 10 percent of foreign trade. Direct Polish-US trade is small, as desired imports are largely blocked by export controls and the US is a poor outlet for most Polish products. Expectations in Latin America, particularly under the three-year \$150 million Polish-Argentine pact, have not materialized. Non-European trade is, therefore, mainly with Egypt, Israel, Pakistan, and India. Even this trade fell considerably short of the planned 1949 figure of \$75 million, primarily because of delayed Polish deliveries, inexperience on both sides, and currency devaluations. Principal commodities exchanged was Polish fuel, iron and steel, textiles, and chemical products for cotton, jute, and feedstuffs such as tea, citrus fruits, and nuts. Interchanges with Near and Middle East will expand in 1950. Indonesia may prove an important supplier of strategic tin, rubber, and copra. Business with China, however, will probably be well below claims.

Poland's chief foreign trade problem is placing exports in such a manner that they will finance the acquisition of Western materials required under the Six-Year Plan. The chief obstacle hampering non-Orbit purchases is US and parallel export controls. Also, potential peasant resistance to any acceleration of collectivization could jeopardize fulfillment of existing substantial agricultural commitments to Western Europe.

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Poland's international financial status is unsatisfactory, with foreign exchange holdings estimated at less than \$40 million as of June 1950. This is partly caused by the servicing of short Western credits and nationalized properties claims. Since cash acquisitions usually benefit the USSR as much as Poland, the former will undoubtedly supply the exchange required for their continuance. There is specific evidence of the merging of Polish financial operations with those of the Soviet Union - the publication in rubles of figures for Polish commerce in 1949, and Polish withdrawals from the International Bank and Monetary Fund. These developments indicate that Poland's future external financial operations will come under increasingly greater Soviet control.

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CHAPTER III

FOREIGN AFFAIRS

1. Origins of Polish Foreign Policy.

Poland is not a free agent in the conduct of its foreign relations. Under the direction of the USSR, Poland pursues a foreign policy aimed at spreading Soviet influence and conversely at opposing all forces blocking the achievement of Soviet goals.

The USSR began taking steps to insure its control over Poland in the closing days of World War II. On 5 January 1945 it recognized the so-called Provisional Government of Poland at Lublin, which comprised Polish Communists indoctrinated in the USSR and completely loyal to the USSR. The USSR signed a Twenty-Year Mutual Assistance Treaty with this Lublin Government on 21 April 1945, even before the puppet regime had been recognized by the UK and the US, and steadfastly opposed the US and the UK in insisting that the Lublin Government be the nucleus of Poland's postwar government.

Strategic as well as political factors made it important for the USSR to gain firm control over Poland and to bind Poland closely to its other Satellites. Poland is located in the broad, accessible northern plain which connects Eastern and Western Europe. This plan would be vital to the USSR in the event that it should undertake offensive action against Western Europe, or be forced to defend its western borders.

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With current Soviet expansionist intentions in Europe primarily focused on Germany as the key to control of Western Europe, Poland offers the USSR the easiest and most direct avenue of approach toward Germany. At the same time, Poland's agricultural, mineral, manufacturing, and manpower resources are an important addition to the Soviet economic potential.

2. Operation of Poland's Foreign Policy.

a. Relations with the Soviet Orbit.

Poland is tied to the Soviet orbit through its membership in the Cominform and the Council of Economic Mutual Assistance and its participation in an inter-orbit system of cultural, economic, and twenty-year mutual assistance pacts binding Poland to the USSR and the other Satellites.

Poland is a member of the Soviet-dominated interlocking military and potential bloc created by the series of Mutual Assistance Pacts negotiated within the Soviet sphere during the postwar period. Following the Soviet-Polish Twenty-Year Treaty of Friendship and Mutual Aid signed by the puppet Polish Provisional Government on 21 April 1945, Poland negotiated similar bilateral agreements with Yugoslavia in 1946 (abrogated by Poland after Tito's defection), Czechoslovakia in 1947, Bulgaria and Hungary in 1948, and Rumania in 1949. The specific treaty terms are "to prevent danger of aggression on the part of Germany, or any other country which would unite with Germany directly or in some other form" and to provide for mutual consultation on "all important international problems which may concern the interests of both countries, or peace, and international cooperation." The treaties are so inclusive that

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almost any pretext would be sufficient for Moscow to justify action allegedly taken in accordance with their terms.

Poland is also geared into the Soviet orbit through its membership in the Cominform. Poland has participated in all known conferences of the Cominform since its founding in September 1947. Although Poland has lagged behind other Satellites in adherence to the Cominform line, it is rapidly catching up with them. Polish Communists have been sharply divided over the issue of nationalism as evidenced by the weak Polish criticism of Tito following his denunciation by the Cominform, as well as by the defense of Tito before the Cominform by Gomulka, Poland's leading national Communist. More recently, however, nationalist elements in the Polish Socialist and Communist parties have been repeatedly purged. Gomulka has been twice deposed, and the Socialist and Communist parties united. These measures have effectively submerged or eliminated nationalist groups in the Party and Government and brought Poland more into line with Cominform policies. The marked deterioration in Polish-Yugoslav relations illustrates Poland's adherence to the Cominform line. Poland not only abrogated the Polish-Yugoslav twenty-year non-aggression pact and its trade pact with Yugoslavia but also followed the other Satellites in a concerted propaganda campaign against the Tito regime and in ousting most of the Yugoslav diplomatic staff from the country.

Soviet control over Poland was further strengthened by the appointment in November 1949 of Soviet Marshal Konstantin K. Rokossovsky as Polish Minister of National Defense and as a member of the Central Committee of the United Polish Workers (Communist) Party. Before Rokossovsky's

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appointment, Communist control over Poland was sufficient to prevent serious anti-Soviet outbreaks; his appointment to the Central Committee and subsequently (May 1950) to the Politburo of the PZPR gives the USSR very direct control over Poland and sets the stage for the development of the Polish Army into a politically reliable and effective fighting force along Soviet lines.

The major problem confronting both the Soviet Union and the Polish Government in integrating Poland into the Satellite orbit is that of overcoming traditional Polish fear of Germany in order to bring about a Polish-East German rapprochement. Polish fear of such a rapprochement stems from: (1) experience with past German expansion eastward; (2) memory of the brutal Nazi occupation; and (3) apprehension over possible return to Germany of the "recovered territories."

All elements of the Polish population are united on the necessity and justice of retaining the western territories allotted to Poland for administration under the Potsdam agreements. Poles regard this area as partial compensation for the eastern Polish territories lost to the USSR after World War II. Even the Communist Government repeatedly emphasizes this theme in all propaganda media, betraying its concern lest the USSR favor Germany at Poland's expense. Although the agreement signed by the East German regime with Poland on 6 July 1950 recognized the legality of the Oder-Neisse line and will help to allay Polish fears regarding their new territory, popular enmity toward Germany is still strong and has not been eradicated by such actions as: the signing in 1948 of a Polish-German trade treaty, exchange visits of journalists,

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propaganda campaigns, and, most significantly, the recent signing of a series of economic, political, and cultural pacts in Warsaw.

3. Relations with the West.

In accordance with the Yalta and Potsdam agreements, the Polish Government "agreed to the holding of free and unfettered elections ... on the basis of universal suffrage and secret ballot, in which all democratic and anti-Nazi parties shall have the right to take part...." Yet, from the recognition of the Polish Government by the US and the UK on 5 July 1945 until the rigged elections of 19 January 1947, Polish relations with the US and UK revolved around Poland's determined non-implementation of this international commitment. The Polish Government used organized coercion and intimidation against opposition political groups and rejected repeated US-UK protests as "undue interference" in purely internal affairs.

Another unfavorable aspect of Polish-US relations has concerned Poland's western boundary. At Potsdam the Big Three recognized Polish administration of the former German lands east of the Oder and Neisse Rivers, but affirmed "that the final delimitation of the western frontier of Poland should await the peace settlement." Restatement of this policy by Secretary of State Byrnes at Stuttgart, on 6 September 1946 caused unfavorable popular reaction in Poland and further strained official Polish-US relations.

The Communist regime in Poland, following the standard Soviet pattern, has endeavored to reduce ties with the West to a minimum. It has directed virulent anti-US propaganda in order to discredit this

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country with the Polish people. It has harassed Western missions in Poland by attempts to isolate the Polish people from any contact with them. Enforcement of the Decree on State Security, promulgated in November 1949, has further reduced Polish contacts with Western representatives, inasmuch as severe penalties are provided for giving as well as receiving any type of information.

Poland, as a dutiful Satellite, rejected participation in the Marshall Plan in July 1947. Despite this action and despite its drive to reduce Western influence, the Polish Government has consistently sought Western economic assistance, without strings attached, for the reconstruction of certain vital industries. Examples are Poland's trade agreements with the UK and the Scandinavian countries.

2. Participation in International Organizations.

Poland's participation in the United Nations is guided by two considerations: (1) politically, Poland follows instructions of the Soviet Union, with little or no evidence of independence of action; (2) economically, Poland has tried to follow a policy of expanding trade relations with the West, particularly through the Economic Commission for Europe. Poland has acted in the General Assembly, the Security Council, and the UN's subsidiary organizations as an instrument of Soviet policy and as a mouthpiece for Soviet propaganda. Poland's thorough Soviet orientation has also been evident in the ILO (International Labor Organisation), OEEC (Organization for European Economic Cooperation), and UNICEF (United Nations International Children's Emergency Fund) from all of which Poland materially benefits, and in which the Soviet

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Union does not participate.

3. Probable Trend of Polish Foreign Policy.

Poland's foreign policy will probably continue to be dictated by the USSR and the Polish Government is not likely to take an independent stand on any important foreign policy issues. UNICEF operations have been terminated by Poland, as have those of IBERD (The International Bank for Reconstruction and Development), the IMF (International Monetary Fund), the FAO (The Food and Agriculture Organization), and the WHO (World Health Organization) during 1950.

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CHAPTER IV

MILITARY SITUATION

1. Genesis of Present Military Policies.

In the period between World War I and World War II, Polish military policies were defensive in purpose save for the campaigns to advance its eastern frontier in 1919 and 1920. Based on traditional French concepts of fixed lines of defense and the counterattack, they aimed at the protection of national sovereignty. Under the current Communist regime, however, Polish military policies are no longer basically nationalistic; they are part of the over-all Soviet policy for the entire Soviet orbit. The Soviet policy for Poland within this framework is based on the following considerations:

- (a) Protection of the Communist regime's internal security;
- (b) Development of political reliability of armed forces personnel toward the Communist regime;
- (c) Development of a sizeable defense force adaptable for Soviet employment, in the event of war, in line of communications and zone of the interior missions, and for offensive or defensive purposes within the limitation of the nation's military manpower resources consistent with economic requirements;
- (d) Reorganization and training of the armed forces under Soviet supervision¹ to achieve conformity with Soviet organization and requirements;
- (e) Modernization of the armed forces in direct proportion to the Soviet Union's confidence in their loyalty.

1. Seven out of nine top staff posts in the Polish Army are held by Soviet Army personnel

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The extent of Soviet control of Polish military policy and the importance which the Soviet Union attaches to that control are attested by the appointment in November 1949 of Soviet Marshal K.K. Rokossovsky as Polish Minister of National Defense. Rokossovsky, who heads a unified military establishment directing land, sea, and air elements, reorganized his staff and made immediate plans for extensive military and political training programs in order to insure political reliability and increase the rate of improvement in combat effectiveness of the Polish armed forces.

2. The Armed Forces.

In time of peace, the Minister of National Defense is empowered by the President, as the Supreme Commander of the National Armed Forces, to control all the armed forces, i.e., Ground Force, Navy, Air Force, Anti-Aircraft Force, and Security Forces. In his turn, the Minister of National Defense empowers the Chief of Staff to exercise command and administrative control through the respective commanders of the Ground Force, Navy, and Air Force. In the event of war, the structure is modified by the appointment of a Commander in Chief, who exercises the President's command function, but who is constitutionally responsible to the Sejm (Legislature) for all matters pertaining to the command.

In actual practice this command structure is believed to be a formality. It is likely that the Polish command follows the Soviet system which tends to grant authority to small committees rather than to individuals. Marshal K.K. Rokossovsky, the present Minister of National Defense, has four vice-ministers who are charged with: (1) Political Education of the Army; (2) Staff Affairs; (3) Military Instruction; and (4) Supply. Of these four vice-ministers, who are ostensibly of equal rank, the Vice-Minister

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for Staff Affairs, General Wladislaw Korczyke, formerly of the Soviet Army, is believed to be the most powerful, since he is also Chief of Staff of the Polish Armed Forces.

The strength of the Polish armed forces is distributed in the following manner: Army, a minimum of 180,000; Navy, 7,336; and the Air Force 8,200. These forces are supplemented by two organizations under the control of the Ministry of Public Security: the Internal Security Corps (KBW) with a strength of 50,000 men; and the Frontier Guard with a strength of 25,000. Including all these elements, Poland has a mobilized force of approximately 255,000 men.

a. Army.

(1) Genesis in World War II.

The present Polish Army originated in April 1943 when an infantry division was organized under Major General Berling in the Soviet Union on Soviet patterns. By March 1944 the original division had been expanded to an army consisting of infantry, cavalry, and armored elements. It emerged under the leadership of Marshal Rola-Zymierski after the Soviet summer offensive of 1944.

(2) Strength and Organization.

The minimum strength of the Polish Army is approximately 180,000, consisting of 15 infantry divisions, 1 armored division, six independent brigades, 45 independent regiments, and six independent battalions, representing all arms and services. (It is believed, however, that a re-organization is contemplated which will establish infantry and armored corps, thereby absorbing many of the independent regiments and battalions.)

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These units are immediately subordinate to four military districts, apparently for administrative purposes. It is a matter of conjecture whether the military districts have an operational responsibility as well. The number and type of subordinate tactical units in each district suggest that tactical groupings are possible within the present framework of the district organization. Since army units are deployed with relative uniformity throughout Poland, disposition has apparently been motivated in the main by administrative considerations such as existing barracks, supply lines, and training requirements, rather than by tactical considerations. The Anti-Aircraft Force is believed still in the planning stage. Attached to the Polish Army are three AAA regiments, each located in a different military district and believed to be GHQ troops under the command of the military district in which they are located.

(3) Quality of Personnel.

The discipline, morale, and efficiency of the Polish Army have not been high because of repeated purges of officer personnel, dislike of the Soviet officers in command throughout the Army structure, and the relative failure of the political-education program to indoctrinate personnel with loyalty toward the Communist regime.

(4) Training.

Training is primarily of the small unit variety. Maneuvers on a divisional level, of an inconclusive nature, took place for the first time during the summer of 1949. The Polish Army has had only limited combat experience, a weakness which has been increased by the successive purges of those prewar officers who had combat experience with the Western allies during World War II. Although extensive basic

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training programs have been in effect, it is believed that the lack of experienced instructors in both commissioned and enlisted ranks will cause the programs to fall short of objectives. The situation is likely to continue since political reliability rather than military proficiency is the criterion for advancement to positions of responsibility in the Polish Army.

(5) Weapons.

The Polish Army, through Soviet influence, has emphasized artillery, with the result that there has been a substantial increase in the artillery fire power of infantry elements. It is estimated that the infantry divisions alone contain 960 artillery pieces, 76.2-mm or larger, and 480 mortars, 82-mm or larger. In addition, independent artillery units are believed to be receiving limited training with Soviet 152-mm self-propelled gun-howitzers (JSU-152). Polish artillery is largely of Soviet origin. The small arms issue is believed to be the latest type. The armored arm is estimated to possess over 200 tanks (T-34's and JS-2's or JS-3's). In addition, the Polish Army has approximately 150 SP's of various caliber.

Polish anti-aircraft artillery material consists of equipment furnished by the Russians or left behind by the Germans. The Poles are known to possess Soviet 37-mm, 76-mm and 85-mm AA guns. Soviet fire control equipment is standard in the Polish Army.

(6) Capabilities.

Exclusive of the Internal Security Corps and the Frontier Guards, the Polish Army is a force of questionable dependability at the

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time of this report. It is continually subject to political purges. It has lacked an adequate higher tactical command structure, trained officers of ability, and modern armor and artillery. By itself it is incapable of sustained offensive or defensive action. Despite these limitations, the Polish Army constitutes an addition to the Soviet defensive and offensive potential.

b. Navy.

(1) Development.

The Poles have never been primarily a seafaring people, and during the period between World War I and II, their attempt to become naval masters of the Baltic was unsuccessful. During World War II Polish vessels and Polish-manned British vessels under the operational control of the British Navy fought well for the Allies on many occasions, but most of the Polish naval personnel who fought with the British and gained valuable experience in modern naval warfare did not return to Poland after the war. The relatively few naval personnel who returned now exert negligible influence in the Polish Navy and are gradually being forced out of the service because of alleged disloyalty toward the Communist regime. The Polish Navy has been undergoing organizational and personnel changes to bring it into conformity with the organization and requirements of the Soviet fleet.

(2) Mission.

The mission of the Polish Navy is to provide for Poland's defense in cooperation with the ground and air forces in time of war, and to protect the state's maritime interests in time of peace. The composition of the fleet and its small size emphasize the defensive character of

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the mission, as does the limited capability of the Navy's amphibious forces.

Because Poland has no Coast Guard, the duties normally assigned to such an organization are performed by the Navy. These duties include coast watching, anti-smuggling and anti-escape patrols, and light-house operations. In addition, the coastal defense batteries are under the control of the Navy.

Polish naval strategy and tactics are gravitating toward the basic Soviet concept that the navy is the maritime counterpart of the army. This policy is borne out by the sizeable allocations of naval personnel to the Marine Corps and coast defense organizations, far out of proportion to those assigned to the seagoing units.

(3) Strength.

The personnel strength of the Polish Navy is estimated to be 7,336 divided as follows: General Service, 2,586; Air, 975; Marines, 750; and Coastal Defense, 3,025; plus a reserve of 3,360. In addition it is estimated that there are 2,500 men in the reserve training program and 2,000 in the State-owned Merchant Marine.

The Polish fleet consists of one destroyer, three submarines, four auxiliary motor minesweepers (AMS), 13 coastal minesweepers, 12 small submarine chasers, and other minor coastal craft. All naval units are stationed in Polish home waters. All of these ships are in poor to fair condition. The three submarines are obsolescent and lack modern equipment. In the summer of 1949 the Polish Navy received from the USSR 4 to 6 motor boats, submarine chasers (PTC), and three modern auxiliary craft.

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(4) Quality of Personnel.

Domination by the USSR and use of inferior equipment for training have reduced the efficiency of the Polish personnel considerably below wartime standards. Soviet domination has resulted in discrimination against qualified naval personnel who are not politically aligned with the Communists, and in selection of politically reliable personnel for responsible positions without regard to their professional qualifications. Furthermore, attention is devoted to political indoctrination at the expense of professional training.

(5) Amphibious Forces, Coastal Defense System, and Naval Bases.

The amphibious forces of Poland are designed for defensive operations. Presently there are three groups of 250 Marines each. Their operations would be strictly limited because of their small numerical strength, lack of suitable landing craft, shortage of equipment, and deficiency in trained personnel.

The strong points of the naval-operated coastal defense system are located at Swinoujseie (Swinemünde) at the entrance to Szczecin Bay and the Gdansk (Danzig) Bay area, with lighter fortifications along the coast between these two areas. The Hel peninsula is being refortified extensively and will constitute another strong position when completed. The recent imposition of security regulations prohibiting foreigners from these areas may indicate that more extensive fortifications are planned.

The principal naval bases are located at Gdynia and Gdansk. There are indications that Ustka (Stolpmünde) is being considered as a possible location for a third naval base to be developed when the economy

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of the country will permit. Polish naval shipbuilding and repair facilities provide for little more than routine maintenance of available vessels. This situation is likely to continue until Polish industry has sufficiently recovered to satisfy priority demands of the USSR, the national economy, and the Polish Army.

(6) Capabilities.

The Polish Navy possesses only limited effectiveness for contributing to the coastal defense of Poland, and is of little value to the Soviet war potential. Its activities would be restricted to coastal minelaying, minesweeping, inshore patrol, and beach defense at selected strong points. Its period of activity would be confined to the initial phases of an assault against the Polish coast lines.

c. Air Force.(1) Development.

The nucleus of the Polish Air Force, is now organized, consists of those Polish air units which were incorporated into the Soviet Air Force after the partition of Poland in 1939. These units fought with the USSR during the World War II.¹

Control of the Polish Air Force is and will continue to be in Soviet hands. Many of the high-ranking positions in the Polish Air Force are held by Soviet officers. Originally, many positions even down to squadron level were held by Soviet personnel. Some of the Soviet officers in the

1. Many Polish airmen escaped to England during the early months of the war and fought with great distinction in the Royal Air Force. However, of those few who elected to return to Poland for postwar service in the Polish Air Force, only a handful have survived the many purges.

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tactical units are now being replaced with Polish personnel. These Polish officers are apparently limited to those whom the Soviets regard as politically reliable. Many have served in the Soviet forces. There has also been continued integration of Soviet personnel, both enlisted men and pilots, into the Polish Air Force, with the result that a large percentage of enlisted men and pilots are former Soviet airmen.

Prior to the winter of 1947-1948, the Polish Air Force was not an independent organization, but was an integral part of the Polish Army. During this period, however, the Polish armed forces were re-organized under a single Minister of National Defense, at which time the Air Force was given independent status. Nominally, at least, the Air Force now ranks coequally with the Army and Navy, although the Army actually continues to be the predominant service.

(2) Strength.

Personnel of the Polish Air Force are estimated to number 8,200. Of these, 600 are believed to be pilots, 400 air crew personnel, and the remainder ground personnel.

The Polish Air Force has some 450 obsolescent aircraft, many of which are non-operational, owing to improper maintenance. Nearly all tactical aircraft now used by the Poles are of Soviet manufacture. Aircraft strength and types are as follows:

Light Bombers	41
Attack Bombers	135
Fighters	170
Transports	17
Trainers	<u>89</u>
TOTAL	452

SECRET**(3) Training.**

Training methods used in the Polish air schools are considered roughly the same as those employed in the US, so far as purely flight training is concerned. Operational training is entirely different and is predominantly of a ground support nature in accordance with the Soviet doctrine of concentration on tactical support training for the Air Force. Because of purges of personnel the standard of skill is not up to US or USSR standards. It is believed, however, to be higher than that of any other Satellite. Ground training is probably better than flight training, since very little flying is being accomplished. It is believed that more pilots are available than can be used with existing equipment. Some Polish personnel have been sent to the USSR for training. As in the case of other branches of the armed services, political indoctrination has a prominent place on the curriculum of all Air Force training establishments. It has been estimated that probably as much time is devoted to this as to all other subjects combined.

(4) Ground Facilities.

Of the hundreds of airfields known to have been used in Poland and the western territories acquired during World War II, only 81 are believed currently available for use, in addition to six seaplane bases on the Baltic coast reportedly in usable condition. Existing airfields are well distributed with complexes around the larger cities and have either hard-surface runways or usable natural surfaces with some facilities. Many of the so-called wartime airfields have reverted to their former agricultural state, and there is a noticeable pattern that more

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airfields, even those with hard-surfaced runways, are reverting to agriculture, probably because the combined military and civil requirements do not include their use.

Hard-surfaced runways are known to exist at 40 airfields, most of which were laid down by the Germans and 10 of which are in the Polish western territories taken from Germany. Other than plans for further development and modernization of the two large Warsaw airfields, little is known of projected airfield development in Poland. Information indicates that these fields are being provided with concrete runways, or in some cases, that existing runways are being extended. Airfield installations are being improved to some extent, particularly radio and lighting facilities. The airfields at Warsaw/Bornorowe and Warsaw/Okecie are known to be suitable in weight bearing capacity and length of runways for medium bomber operations. These fields are also suitable for jet operations. For jet operations the USSR is currently using other fields which do not meet US standards. Current airfield construction and improvement is apparently limited at the present time, although Poland possesses over 400 sites apparently offering excellent locations for field improvement when and if desired.

Unless an extensive program of rehabilitation and construction is launched, the capability of Polish airfields will remain for some time restricted to light bomber (B-17) type operations. However, B-29 type operations could probably be maintained for a brief period on a limited scale from such large airfields as Warsaw, Okecie, Biala Podlaska, Gdynia, Praust, and Brieg.

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(5) Air Defense.(a) Warning and Intercept System.

A warning and intercept system as such is not known to exist in Poland. Some radar equipment was abandoned by the retreating Germans during the later stages of World War II, but most of this equipment is estimated to be unoperational at the present time. The Poles are not capable industrially of equipping, operating, or maintaining an effective radar defense system.

Poland is not known to be operating a sonic and visual early warning system. Though the civil telephone network is extensive and could be used for early warning communication, there is a marked shortage of telephone instruments and central equipment. The over-all operational efficiency of the Polish telephone network is low.

No Polish radar warning system is known to exist, although it is possible that a few scattered and inefficient radar installations may be in operation for training purposes along the Baltic coast. The USSR has established overlapping radar coverage along the east Baltic coast, in the Soviet Zone of Germany, in Austria, and in Czechoslovakia, which presumably would give radar warning of any flights directed towards Polish territory from areas other than the USSR. This radar network is believed to be capable of intensive tracking and to be in a constant state of alert. Soviet forces are also believed to maintain mobile radar equipment in Poland.

Poland is believed to have no Polish ground controlled interception radar, and no airborne radars with the possible exception of token quantities of IFF (Identification Friend or Foe) Mark III, which

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received wide distribution in Europe after World War II.

(b) Passive and Civilian Defense.

Extensive ground defense measures for the protection of air equipment have not been apparent in Poland, although unconfirmed reports have indicated the availability of underground hangar and maintenance facilities.

Measures for defense of the civil population against air attack have not been authoritatively noted.

(6) Capabilities.

At the present time the Polish Air Force has only limited capabilities, although it is considered to be the strongest of the Satellite Air Forces. Its primary capability lies in the field of ground support. Based on Polish resources alone, it could maintain its present effectiveness only for a very limited time. The capabilities of the Polish Air Force should be judged not in the light of the limited resources which Poland now possesses but as a Satellite force which the Soviet Union might choose to support and expand.

3. Security Forces.

In addition to the Polish Army, the Internal Security Corps (KBW), with a strength of 50,000, and the Frontier Guard (WOP) numbering 25,000, are a part of the effective fighting force of Poland. The personnel of these organizations are better trained, better equipped, and have higher political reliability than the personnel of the Polish Army. These organizations provide a trained manpower pool capable of performing military missions to supplement the Polish Army. Both organizations are controlled by the Ministry of Public Security, but are under the operational

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command of the Ministry of National Defense.

Of the various security agencies, the Internal Security Corps (KEW) has the greatest military importance. Charged with the suppression of any overt resistance to the government, the organization is the Polish counterpart of the Soviet MVD. Its 50,000 personnel is divided into twenty regiments which are motorized, well-trained, equipped with small arms, artillery and, in some regiments, with armor. Recruits are carefully selected from screened Army personnel who have high political reliability and military ability. In general, KEW units are better prepared for combat than comparable units in the Polish army.

Another security force of importance is the Frontier Guard (WOP). Although it appears that this organization is trained and administered by the Polish Army, it falls under the operational control of the Ministry of Public Security. Charged with the mission of guarding the Polish land frontiers and Baltic coast, WOP elements are stationed at all points of entry, including airfields to prevent the illegal exit or entrance of persons or goods. All personnel have been procured by voluntary enlistments from the Army. The organization is well equipped with standard Soviet small arms and miscellaneous vehicles, but has no light artillery or armor. Nevertheless, it is estimated to be a trained force capable of effectively supplementing the Army.

Other security forces of military significance include the Citizen's Militia (MO), which has a strength of 107,000, and the Militia Reserve (ORM), which has an estimated strength of 70,000. Both organizations are charged with part-time rural police and constabulary duties and

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are trained and equipped with small arms only. Their major value to the national defense would be in releasing other troops for combat by assuming internal security duties.

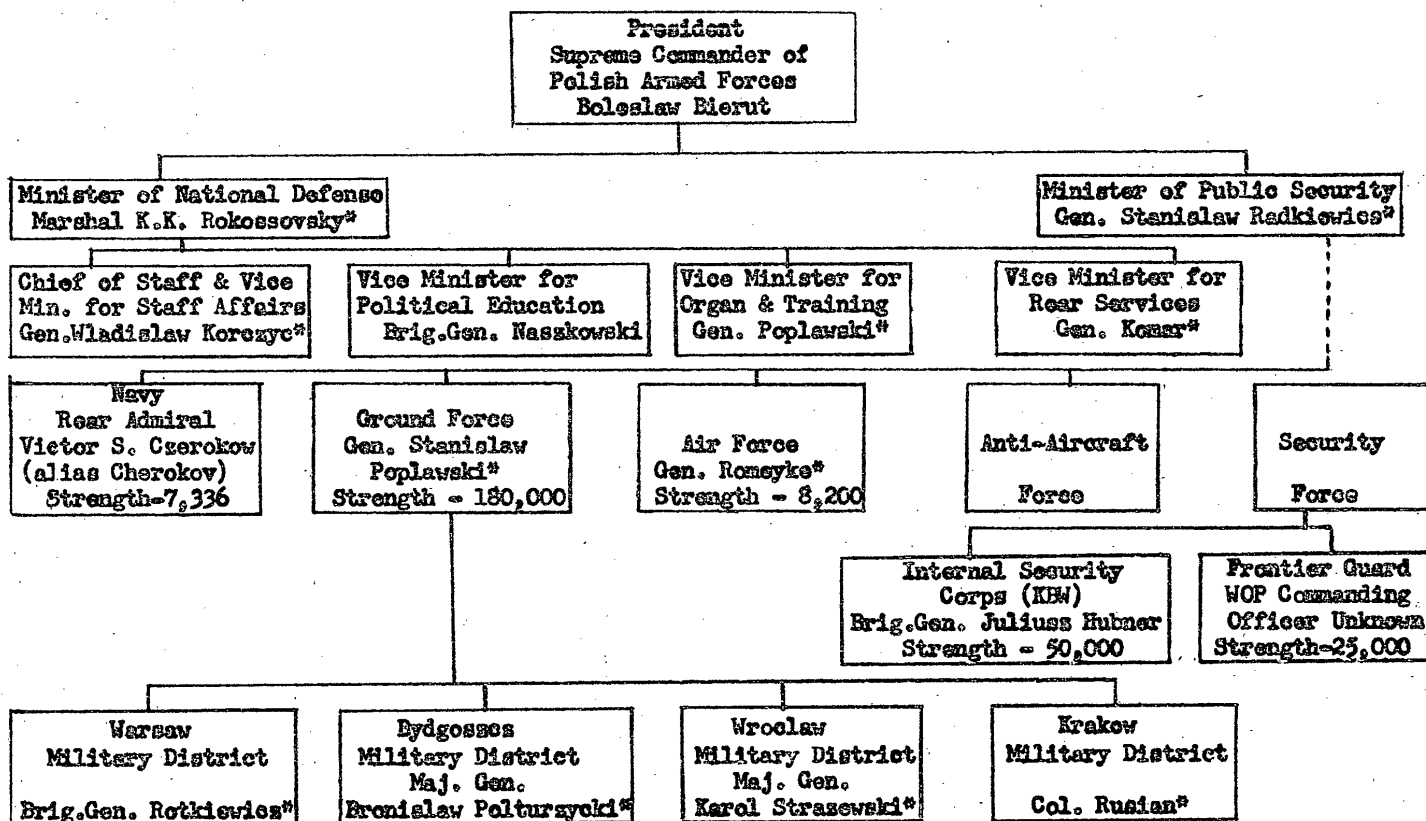
4. Future Trends.

The recent appointment (November 1949) of Soviet Marshal K.K. Rokossovsky as Polish Minister of National Defense indicates Soviet determination to correct the lagging progress of military and political training in the Polish armed forces. The Soviet Union appears prepared to make an all-out effort to mold the Polish armed forces into a reliable fighting force along Soviet lines, under Soviet command, and at Soviet disposition. Rokossovsky's background leaves little doubt that he can do the job. It is estimated that once Rokossovsky has achieved reasonable success in his mission, the Soviet Union will supply the Polish armed forces with additional modern military equipment.

So far as the Polish Air Force is concerned, some modernization has already occurred. A total of 20 YAK planes were received from the Soviet Zone of Germany early in 1950. One type 16 jet fighter is believed to be attached to the Polish Air Force. As the Soviets replace the piston-driven fighters and light bombers of the Soviet Air Force with jets, it is believed that the Polish Air Force will receive the supplanted material. The speed of the re-equipment of the Polish Air Force with new, modern equipment, including jets, appears to depend primarily on the availability of such equipment in the USSR for delivery to the Satellites.

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CHAIN OF COMMAND, POLISH ARMED FORCES



* Soviet Officers

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CHAPTER V

STRATEGIC CONSIDERATIONS AFFECTING US SECURITY

1. General.

The domination of Poland by the Soviet Union affects US security for the following reasons: (1) located on the Baltic coastal plain and possessing a temperate climate which enables year round military operations, Poland is a natural land corridor linking Western Europe with the strategic Minsk-Smolensk and Lwow-Kiev corridors of the Soviet Union; (2) the extensive industrial, agricultural, and manpower resources of Poland significantly augment the Soviet war potential; and (3) the Polish Government is useful as an agent of Soviet policy and propaganda.

2. Political.

Effective use of Poland by the USSR in its strategic plans depends upon the absolute subordination of Poland to the Kremlin's will. The present degree of control exercised by the USSR is satisfactory and insures Poland's cooperation as an instrument of Soviet foreign policy. In the event of an East-West war, the USSR could continue to control Poland effectively by increasing Soviet occupation forces in the country. The strong nationalism of the Polish people, however, as well as their intense dislike of all things Russian, will continue as forces inimical to the interests of the USSR.

An element of strategic importance to the US is the now latent resistance of the Polish population, even including considerable elements of the Communist Party, to the ever-growing Soviet domination of Poland.

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The Polish Communist leaders have endeavored to eliminate this resistance through terror and propaganda. They have made but little headway, however, particularly against the Catholic Church and the peasants, who constitute the two largest and most potent groups opposing the Communists. If the Kremlin's control apparatus over the Poles should be weakened, Polish resistance would quickly become active and would be a serious threat to continued Communist domination. Without external support from the West, however, Polish resistance could successfully be contained by the USSR.

3. Economic.

The sizeable Polish industrial and agricultural production is a valuable asset to the Soviet war potential. The current and potential surpluses of Polish coal, coke, zinc, steel, foodstuffs, and other basic commodities aid the economies of the other Satellites and thus add to the economic potential of the entire Soviet orbit. Furthermore, Poland has a balanced economy and a growing manpower potential, both of which enhance Polish capabilities for continued economic expansion.

Poland is also of vital importance to the Soviet Union because the Polish railway system is the main link between the USSR and Central Europe. Locomotives now being built in Poland are designed either for use on Soviet broad gauge or Polish standard gauge track. Moreover, Polish trackage and rolling stock have increased and improved as a result of increased efficiency in operation and greater government interest in the transport field.

SECRET**4. Military.**

Poland's geographical position astride the Baltic coastal plain, which provides the most direct land route between the USSR and Western Europe, gives Poland an important position in Soviet strategic planning. In any Soviet military venture, the war potential represented by control of Poland's industry and manpower will be an added strategic advantage for the USSR. Poland also provides sites for air operations against Western Europe and serves as a strong defensive outpost for the Soviet Union.

Although the present political reliability of the Polish Army would circumscribe its usefulness to the USSR in any offensive action, it would probably be capable of guarding supply lines and depots and of maintaining internal security under the scrutiny of the reliable Polish security forces. Other manpower not used in the Polish armed forces or for essential production would probably be organized into labor battalions for use in Poland or the USSR. If the Soviet Union should succeed in overcoming the many technical deficiencies of the Polish Army, Polish troops might be used for local offensive operations in such areas as Germany, where traditional hatreds would provide additional incentives for action.

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CHAPTER VI

PROBABLE FUTURE DEVELOPMENTS AFFECTING US SECURITY

The effectiveness of Soviet control of Poland and, therewith, the strategic usefulness of Poland to the USSR will probably continue to increase. The Soviet-oriented Polish Government will gradually strengthen its hold over the country. Although sporadic resistance to the Communists will continue and may increase, it will not be sufficient seriously to threaten Communist control.

Although nationalism is strong in Poland and affects even the leadership of the Polish Communist Party, the penetration of Party and Government by trusted Soviet agents, as well as the presence of the Soviet in the country, will prevent any Titoist defection in Poland. The potential threat of a nationalist deviation will, however, present a continuing problem for the Communist government as it gradually sovietizes Poland, despite the periodic removals from Party and Government of individuals considered untrustworthy.

Of paramount significance in any plans of the Government to sovietize Poland will be Communist success in overcoming the resistance of the Church and the peasants. Thus far the Government has moved cautiously and gradually against these two groups and this tempo can be expected to continue. It is not believed that the Communists will succeed for some years to come in making the Church neutral and the peasants submissive.

The Government, which has already nationalized the means of production and distribution, will exercise ever tighter control of the nation's economy,

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and in so doing will proceed with the gradual elimination of the middle class. Further plans, such as the collectivization of agriculture, will only be pushed as the Communist regime becomes more confident of its ability to carry out its programs without seriously interfering with the operation of the nation's economy.

Soviet planning provides for integrating the Polish and Czechoslovak industries, embracing the Silesian area, into an "Eastern Ruhr." The specialized production of this area will be increasingly integrated with that of the USSR and the other Satellites under an over-all plan. Although the plan has been in existence for several years, its implementation will continue to move at a slow pace because of the shortage of necessary capital goods and the lack of co-operation between the two nations.

Because of certain deficiencies in the Polish economy, such as lack of skilled industrial labor and shortages of electrical equipment and some of the basic materials required for an industrialized economy, Poland is vulnerable to the curtailment of exports from the West. Although loss of trade with the West has not as yet damaged Poland's economy, in the long run it will serve to disrupt Soviet planning.

Under the command of Soviet Marshal Rokossovsky, Poland's armed forces are expected to become an asset of more military value to the Soviet Union. Rokossovsky, appointed Polish Minister of National Defense in November 1949, has been charged with developing the Polish Army into a politically reliable and technically trained military force available for Soviet use. The Soviet Union is already materially aiding the Polish Government in the construction of new military establishments and the improvement of those now in existence.

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Available evidence indicates that the Soviet Union has long-range plans for the military development of Poland.

Given enough time, the USSR will be able to consolidate its political, economic, and military position in Poland and will, to an increasing degree, derive the benefits that result from such control. The imposition of stricter export controls by the West, plus the growing shortage of capital goods might, however, cause a revision of the long-range Soviet plans for exploiting Poland.

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APPENDIX A

TERRAIN AND CLIMATE

1. ~~Terrain.~~

Poland, a "plains-land" about the size of the state of New Mexico, is the major land route between Western and Eastern Europe. It is situated between Germany on the west and the Soviet Union on the east; across the Carpathian and Sudeten Mountains in the south lies Czechoslovakia; on the north is the Baltic Sea.

Broad, almost level plains occupy nearly 90 percent of Poland. The vast Central Plain is a continuation of the North German Lowland, which in Poland widens eastward, crosses the Pripet Marshes, and merges into the lowlands of European Russia. At the German border the Plain is 80 miles wide; at the Soviet boundary it is more than 200 miles wide. North of the Central Plain is the Baltic Lake District, a zone 50 to 100 miles wide consisting of lakes and sandy hillocks. The north-flowing Vistula River divides the Lake District into two nearly equal parts. Although the Lake District is the second largest of the physical regions of Poland, it is the least important economically. South of the Central Plain are the hilly plateau regions of Lublin and "Little Poland," which are completely surrounded by upland plains, including the Sandomierz Plain between the two plateaus and the Silesian Plain in the west. Within the hill lands and western upland plains are the most highly industrialized areas of Poland. The only mountain areas in Poland -- the Carpathian and Sudeten mountains -- lie along the southern and southwestern fringes.

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A. Plains Areas.(1) The Central Plain.

The Central Plain is the heartland of Poland. It is predominantly an agricultural region. Despite the vastness of the Plain, there are no outstanding differences in landforms or type of land use throughout its extent. The area is characterized by fields of grain and fodder crops stretching for miles across the gently undulating surface.

Despite its general uniformity, the Polish Plain may be divided into three sections. (1) West of Poznan the plain is rolling. Hilltop elevations range between 200 and 350 feet. The broad and intensively cultivated valleys are normally about 100 feet below the general level. The less fertile hilltops are wooded. State forests cover large areas in the westernmost part of the area and between the Notec and Warthe rivers. (2) Between Poznan and the Vistula River, the gently undulating plain is prairie-like in character. Eighty percent of it is under cultivation; rye, potatoes, and hogs are the principal products. The sugar beet industry is important on the rich clay-loam soils of the Poznan District. (3) East of the Vistula River, marshes and swampy areas become more conspicuous features of the landscape. Less than 50 percent of this area is arable, and livestock raising is the major industry. Oats and potatoes occupy a relatively high proportion of the cultivated land. In the extreme southeast, near the Lublin Upland, is a zone of rolling plain with fine, fertile soils. This is one of the most important wheat-producing areas of Poland.

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The Central Plain supports 45 percent of the population of Poland. The majority of the people live in small farm villages. Population is densest in the west, thinning out to the east where the plain is more marshy and the climate more severe. The three largest cities of Poland -- Warsaw, Lodz, and Poznan -- are located on the Central Plain. Warsaw, the national capital and a cultural and industrial center, is situated on a terrace of the Vistula River. Lodz, at the southern edge of the low plains, is especially noted for textile manufacture.

(2) The Baltic Lake District.

The Baltic Lake District lies between the Central Plain and the Baltic Sea and is divided by the Vistula River into the Pomeranian Lake District in the west and the East Prussian Lake District in the east.

The wide Vistula Valley from Torun to Dansig provides an excellent route from the Central Plain to the Baltic Sea. The artificially drained Vistula trough and delta are fertile and intensively cultivated. Wheat, sugar beets, and lush meadow lands occupy most of the area. The flat delta, 25 miles wide, is crossed by a maze of drainage channels. Danzig, the most important port of Poland, is on the northwestern tip of the delta. Gdynia, the second port, is 15 miles north of Danzig. The terrain of the Lake District is characterized by an intermixture of lakes, undulating sandy hills, marsh and heath-filled depressions, and hummocky ridges covered with pine; patches of sands, clay, gravel, and boulders are also scattered irregularly throughout the area. The population density in the Lake District is the lowest in Poland.

Most of the Pomeranian Lake District lies between 300 and

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500 feet in elevation. The northern and southern parts of the area are sloping plains of mixed gravels, sand, and clay. These plains have been deeply cut by numerous small streams.

Forty to fifty percent of the Pomeranian Lake District is forested - mostly with pine. Infertile soils, numerous lakes, and soggy depressions restrict crop cultivation to less than one-third of the total area. Grazing, however, is important.

The East Prussian Lake District rises gradually northward from the Central Plain. The southern part of this District is a sandy plain with many swamps and peat bogs. Hills and ridges are prominent only in the central part of the District, and they are more subdued than the hills of Pomerania. To the east, the East Prussian Lake District becomes lower and flatter, and lakes and swamps are larger and more numerous.

Crop production is of little importance except north of Olsztyn. Grazing of sheep, cattle, and swine is important throughout the area.

(3) The Southern Plains.

Poland, south of the Central Plain, is made up of two plateau areas surrounded by upland plains. To the southwest is the Silesian Plain and to the southeast the Sandomierz Plain. Elevations in these higher plains range from 450 to over 800 feet. The terrain is characteristically rolling, but some low hills rise above the general level. Streams flow through narrow winding valleys. Although marshy areas are numerous, soils are generally coarser and better-drained than in the Central Plain.

Agriculture is most important on the fertile loessal soils of the treeless central part of the Silesian Plain, where over 80 percent

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of the land is under cultivation. Wheat is the chief crop, but sugar beets are also important. North of the Oder River and in the extreme northwest, livestock raising is the chief occupation. Scattered areas of higher land, although sandy and infertile, support some crops -- mainly potatoes, oats, and rye. Near the base of the Sudeten Mountains, mining, quarrying, and manufacturing are more important than agriculture.

In the southern corner of the Silesian Plain, a wide pass known as the Moravian Gate separates the Sudeten and Carpathian mountains and provides a low-elevation route from Poland to Czechoslovakia.

The Sandomierz Plain is a triangular-shaped area bordered by the plateaus of Lublin and "Little Poland", and the Carpathian Mountains. West of Krakow, a corridor about 12 miles wide connects the Sandomierz and Silesian Plains.

The northern part of the Plain is nearly level, and most of it is in open pasture. Farther south, the land is gently rolling, more fertile, and more widely cultivated. Several large sandy areas on the plain have remain forested. The Vistula and lower part of the San River meander across the Sandomierz Plain along wide, flat-bottomed valleys. Most of the Plain is well-drained, but the lower areas are subject to spring flooding.

The San River is of great potential importance as a route of communication, since its headwaters rise within a few miles of the Dniester River which flows into the Black Sea.

(4) Plateau Areas.

The two plateau areas of southern Poland differ markedly.

"Little Poland" consists of a broad upland plain bordered on the northeast

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and southwest by hills that rise to elevations of 2,000 and 1,300 feet, respectively. Most of the Lublin Plateau is rolling or hilly, and the general elevation is somewhat lower than that of "Little Poland."

"Little Poland" consists of two groups of hills separated by upland plains. The southwestern group of hills is composed of broad-topped ridges of almost uniform elevation and steep-walled valleys 100 to 150 feet deep. Most of the ridge tops are under cultivation; the steeper slopes and rocky areas are grazed or wooded. Among the scattered outlying hills to the southwest is the Silesian industrial area, the most important mining and manufacturing center of Poland.

The upland plain of "Little Poland" lies at an elevation of about 650 feet. In the north it is undulating; further south the surface has been dissected into low hills. Most of the area is fertile and intensively cultivated, except in some northern parts where swamps and sandy wooded areas are used for pasture.

In general, the soils of the northwestern part of "Little Poland" are infertile and much of the area is covered by dense forest, or dry meadow. Farther east, the surface is richly covered with loess and farming is prosperous. The loess covered section ends north of Sandomierz in a 230-foot escarpment.

Mining, especially of iron, is important in the ridge and valley area. Kielce and several nearby towns are manufacturing centers.

(2) The Lublin Plateau.

The Lublin Plateau lies southeast of the city of Lublin, between the Bug and San rivers. The highest points on the Lublin Plateau

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are about 1,300 feet. Only in the southwestern part of the Plateau is the terrain rugged enough to be an obstacle to transportation. Northward, elevations gradually decrease and the Plateau merges into the Central Plain. The broad-topped spurs, which make up the northern portion of the Plateau, are interrupted by occasional narrow, steep-sided valleys.

Most of the soils of the Lublin Plateau are fertile and well-drained and more than 70 percent of the area is under cultivation. The rich wheatlands of the adjoining Central Plain extend southward onto the Plateau. The population density of the Plateau, though lower than that of "Little Poland," is over 200 persons per square mile in most parts of the Lublin Plateau.

g. The Southern Mountains and Hills.

(1) The Carpathian Mountains.

The Carpathian Mountains are across 200 miles of the southernmost part of Poland. This region consists mainly of mountains with rounded ridges that are separated by wide flat-bottomed valleys. Elevations in the northern foothills average 1,500-1,800 feet. The majority of the southernmost crests are between 2,000 and 2,500 feet in elevation. Rugged mountains are found only in a few small, disconnected areas along the Czech border. The most prominent of these ranges, the High Tatry, has several peaks over 7,000 feet high. The mountains are not a barrier to transportation, since numerous easily accessible passes lead southward to Czechoslovakia. A major highway and railroad route between Poland and Czechoslovakia crosses the Dukla Pass (elevation 1,650 feet).

Agriculture is important in the low northern foothills, the

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broader valleys between ridges, and in the intermontane basins around Krosno, Nowy Sacz, and Nowy Targ. Sheep are raised throughout the area. The steeper slopes and ridge tops are covered with dense deciduous forests, and lumbering is important. Other industries are unimportant except in the western foothills where the Katowice-Krakow industrial region extends into the Carpathian region at Cieszyn and Biala. Several oil fields are located southeast of Krosno, but the total production is not great.

(2) The Sudeten Mountains.

Between the Silesian Plain and the southwestern border of Poland is a small but complex section of the Sudeten Mountains. These mountains in general are more rugged than the Carpathians, although average elevations of the two regions are about the same.

The highest and most rugged part of the Sudeten area is in the northwest, where several peaks, including the Riesengebirge, rise to over 5,000 feet. Elsewhere few peaks exceed 2,800 feet. Within the mountains, sharp-crested, rocky ridges alternate with broad, rounded domes. Trafficable routes across the region are numerous, but many of them follow narrow, winding valleys between the ridges and across gaps.

The main economic value of the Sudeten area is in its mineral resources and forest reserves. Coal, iron mines, and rock quarries are numerous in the northern hills and around Liebau. Lumber camps and small factory towns are scattered throughout the area. Agriculture is unimportant except in the hilly basin areas and in the northern foothills.

2. Climate.

The climate of Poland is transitional between the mild, humid west-

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European type and the severe, drier Russian type. Winters are long, cold, and cloudy. Temperatures for the three coldest months average between 26° and 30° F. Below-freezing temperatures prevail for about 3 months; and rivers, lakes, and marshes are frozen solidly almost that long. In general, the winters are longest and most severe to the east and in the higher altitudes to the south. Poznan, in the western part of the Central Plain, averages 4 degrees warmer in winter than Lublin, farther east; and Dansig, on the coast, is 8 degrees warmer in winter than Zakopane in the southern mountains. Protected lowland areas, such as the Sandomierz Plain and southeastern Silesia, are usually several degrees warmer than the surrounding uplands.

In the Warsaw area, snow falls on about 60 days each year and the ground is usually snow-covered for about 2 months. In the plateau regions, the snow cover may last for 3 months. In the Carpathians, 30-60 inches of snow are not uncommon. These deeper mountain snows normally remain on the ground four or more months.

Summers throughout most of Poland are warm. July averages in the plains, hills, and plateaus are between 63° and 66° F. Temperatures over 90° are almost unknown. The northern littoral, which is warmest in winter, is several degrees cooler than the plains in summer, and the eastern Lublin Plateau, which is very cold in winter, is the hottest part of Poland in the summer. In the far south, the mountain summers are mild or cool - temperatures are sometimes more than 20 degrees below those on the plains.

The growing season is about 170 days long, but it varies according to altitude, exposure, and soil conditions. The richest agricultural areas,

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on the southern upland plains, have 174-180 consecutive frost-free days; the central plain to the north of it has 155-170; and the Baltic coast has 180 or more.

Western Poland and the Central Plain normally receive 19-21 inches of rainfall annually. The amount increases slightly to the eastward and averages 23 inches near the Russian border. To the south the increase is more pronounced. The plateaus receive 25-32 inches, whereas the higher Carpathians receive 44 inches or more.

Summer rains account for almost two-thirds of the total annual precipitation, most of which falls in the form of thunder showers. July is the rainiest month. Rainfall is normally adequate for grain crops, and droughts are rare.

Spring and autumn are short, stormy intervals between winter and summer. The heavy spring rains, together with melting snow, are often the cause of severe flooding in the piedmont and plains areas.

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APPENDIX B*

POPULATION OF POLAND ACCORDING TO NATIONALITY¹

<u>Language Group</u>	<u>1930</u> (Percent)	<u>1946</u> (Percent)
Polish	69	85.7
Ukrainian	14	
Jewish	8	
White Russian	4	
German	4	9.6
Other	<u>1</u>	<u>4.7</u>
	100	100.0

¹The figures for 1946 were incomplete and subject to alteration as the result of further movements of population. The population of Poland is estimated to be 97 percent Polish as of 1950.

POPULATION OF POLAND ACCORDING TO AGE

<u>Age Group</u>	<u>1929</u> (Percent)	<u>1950</u> (Percent)
Under 19	44.6	43
20-59	48.0	49
60 and over	<u>7.4</u>	<u>8</u>
	100.0	100

POPULATION OF POLAND ACCORDING TO RELIGION

<u>Religious Affiliation</u>	<u>1930</u> (Percent)	<u>1950</u> (Percent)
Roman Catholic	64.0	96
Greek Catholic	10.9	—
Greek Orthodox	12.4	—
Protestant	2.7	—
Hebrew	9.7	—
Other	<u>9.3</u>	<u>4</u>
	100.0	100

* This Appendix contains information available to CIA as of 26 October 1950.

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APPENDIX C*

PRODUCTION INDEX FOR SELECTED POLISH INDUSTRIES, 1947-50^{1/}
(1938 = 100; old boundaries)

	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950</u> Est.
<u>Minerals and Metals</u>				
Iron, Steel, and Ferro Alloys				
Iron Ore	69	80	88	101
Pig Iron	98	124	146	169
Raw Steel	110	128	139	157
Rolled Steel		345	440	469
Non-Ferrous Metals				
Lead	65	93	100	100
Zinc	67	83	101	102
Cadmium	66	93	131	131
Cement	111		116	116
<u>Fuel and Power</u>				
Coal	86	102	106	112
Crude Oil	25	28	30	30
Electric Power	169	192	208	230
<u>Chemicals</u>				
Calcium Carbide	70	160	165	165
Caustic Soda	101	141	195	201
Soda Ash	108	142	146	154
Ammonia (as N)		78	95	97
Phosphate Fertilizer		140		150
Sulphuric Acid	79	99	117	128
<u>Textiles</u>				
Cotton Cloth	68	90	98	101
Woolen Cloth	71	92	115	110
Linen	42	49	49	54

^{1/} The wide range shown by the indices in some categories may be partly attributed to postwar boundary changes.

* This Appendix contains information available to CIA as of 26 October 1950.

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	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950 Est.</u>
<u>Rail Transportation</u>				
Freight Traffic (metric tons kilometers)	95	126	147	156
Freight Traffic (thousand tons)	117	152	172	189
Passenger Traffic (passenger kilometers)	240	262	251	250
Passenger Traffic (passengers)	147	172	173	170

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AGRICULTURAL PRODUCTION INDEX, 1947-50
(1935-39 average - 100)

	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950</u>
<u>Commodities</u>				
Wheat	57	76	83	87
Rye	61	92	93	98
Barley	77	74	87	93
Oats	62	78	80	81
Sugar		77	89	89
Potatoes		70	78	89
<u>Livestock Numbers</u>				
Cattle	48	53	58	60
Hogs	46	52	60	67
Sheep and Goats	50	72	82	85
Horses	64	73	84	95

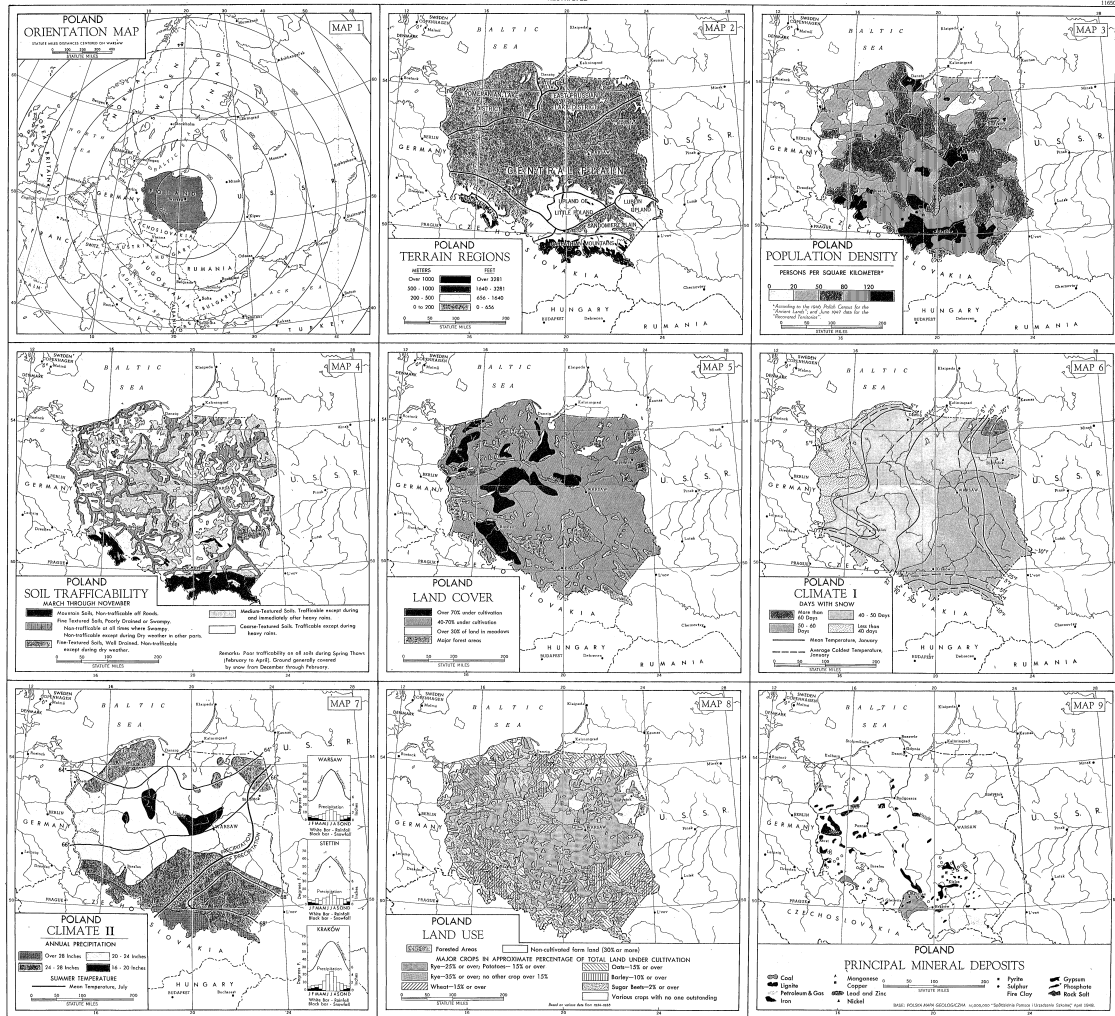
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