

MARCIN SMIERZ
University of Silesia in Katowice
ORCID: [0000-0002-1150-1711](https://orcid.org/0000-0002-1150-1711)

THE CONTRIBUTION OF THE POLISH COAL MINING INDUSTRY TO THE ECONOMY OF INTERWAR EUROPE

POLSKIE GÓRNICTWO WĘGLOWE W STRUKTURZE GOSPODARCZEJ EUROPY MIĘDZYWOJENNEJ

ABSTRACT: The article describes the importance and position of the Polish coal mining during the inter-war period in the structure of the European economy. The Polish mining industry at that time was subject to concentration processes in order to establish coal sales companies and cartel organisations for representation before government authorities and joint price setting. Regarding the source base, the basic research material was the archives stored in the State Archives in Katowice and Warsaw, supplemented by statistical data.

KEYWORDS: Upper Silesia, history of economy, Polish industry, Polish coal mines, Polish foreign trade

The end of the First World War and the collapse of the Central Powers coalition resulted in territorial changes, mainly in Central Europe. As a result of the disintegration of Tsarist Russia and Austria-Hungary, the following states were formed: Poland, Czechoslovakia, Hungary, Lithuania, Latvia, Estonia, and the Kingdom of Serbs, Croats and Slovenes. The consequence was also a change in the social and economic structure, visible in Poland, which emerged from the lands of the three Partitions with varying degrees of economic development. This also applied to coal mining, whose organisational structure varied from advanced forms of commercial companies to individual enterprises without a specific legal status.

Changes also occurred in the global mining industry. The United States became the leader in coal mining, but Great Britain still remained the largest exporter¹.

The role of Upper Silesian industry in the European economy

The First World War and the subsequent partition of Upper Silesia affected its position in the existing economic relations. Previously, it had been one of the three large centres of heavy industry in the Second Reich, whose ownership structure was mostly linked to the estates of local noble families with the backing of banks. However, the geographical location of the deposits in the eastern part of the state and their much smaller resources, in comparison to the Ruhr and Saarland, resulted in its low competitiveness, effectively closing off access to the markets of western countries. Shipping was concentrated in the eastern provinces of Germany and Berlin, as well as to Austria-Hungary and the Russian Empire. This situation collapsed with the outbreak of the First World War, when Germany and Russia found themselves in opposing camps: Triple Alliance and Triple Entente. As a result of switching the economy to the war mode, the losses in coal exports were compensated by higher consumption in domestic and occupied industrial plants. The years 1918–1921, due to the unsettled legal status of the region, left major investment uncertainties among the holders. The Bolshevik Revolution in Russia and its subsequent conflict with Poland resulted in the collapse of previous economic ties and export opportunities to the east. Despite Germany's deteriorating economic situation, Upper Silesian mining provided coal shipments after the loss of the Saarland and war reparations quotas. The high level of coal shipments was also maintained in the first years after the partition of Upper Silesia, due to the provisions of the Geneva Convention of May 1922, as a result of which Germany was obliged to receive coal duty-free from the Polish part, in view of the low level of coal consumption in the Polish market (Table No. 1).

¹ *Die Kohlenwirtschaft der Welt in Zahlen*, Essen 1952, pp. 96, 138.

Table No. 1: Comparison of transports of Upper Silesian coal [in tonnes], directed to the Polish^a and German markets in the years 1920–1925

Year	Poland	Germany (with Austria)
1920	2,589,815	1,847,052
1921	2,475,128	2,045,533
1922	1,770,816	1,146,951
1923	3,066,539	2,274,877
1924	3,587,804	2,566,652
1925	4,949,901	2,410,706

^a - applies to all recipients, with the exception of railway employee allowances and Upper Silesian industrial plants.

Source: *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1921*, Kattowitz 1921, p. 42; *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1923*, Katowice 1924, pp. 69–70; *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1924*, Katowice 1925, p. 72 *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1926*, Katowice 1927, pp. 71–72.

The situation collapsed in mid-1925, with the expiry of the transitional period associated with the application of the most favoured nation clause in trade with Germany and duty-free imports of Upper Silesian coal. The toughening of the German economic policy resulted from purely political reasons, in connection with the financial reform introduced by Władysław Grabski's government in 1924, as changes were made in the customs policy by increasing duties on a number of imported products². The change in customs tariffs was a flashpoint in relations between the two states, as during the several post-war years, Germany had made the Polish economy dependent on exports of industrial goods. The German side therefore maintained that Poland was a precarious state without a stable economic situation, thus fostering its revisionist attitude and hopes for regaining Upper Silesia. Though both states were aware of the expiry of the period mentioned in Article 264 of the Treaty of Versailles and Article 224 of the Geneva Convention ensuring Poland

² Zbigniew Landau, Jan Tomaszewski, *Gospodarka Polski Międzywojennej*, vol. 2: 1924–1929, pp. 271–276, Warszawa 1971; *Regulation of the President of the Republic of Poland of 9 February 1924 on amendments to the Customs Tariff*, "Dziennik Ustaw" ("Journal of Laws", hereinafter: DU), 1924, No. 14, item 129; *Regulation of the Ministry of Treasury and the Ministry of Industry and Trade of 23 May 1924 on Customs Relief*, DU, 1924, No. 47, item 482; *Regulation of the President of the Republic of Poland of 26 June 1924 on the Customs Tariff*, DU, 1924, No. 54, item 540.

a privileged position in trade with Germany³. However, Germany did not start trade negotiations until January 1925, and the conclusion of the agreement was hindered by the German demand to accept by Poland a most-favoured-nation clause for Germany and the resignation from expelling persons opting for Germany, while at the same time opposing Polish demands for the lifting of the ban on imports of Polish goods and restrictions on coal imports⁴. Whereas Germany, by decree of the German Coal Commissioner had already on 3rd June 1925 limited the import of coal from Poland to 250,000 tonnes in the current month, and from 15th June suspended its total import until the end of negotiations. In response, the Polish government issued a decree on 17th June prohibiting the import of goods from countries applying similar bans⁵. On 1st and 2nd July, Germany banned the import of most Polish goods, charging high customs duties on them. In this state of affairs, the customs war affected the Polish economy much more than the German one⁶, so it was expected on the German side that Poland's payment and export difficulties would force it to make concessions. Instead, its situation improved in October 1926, following the signing of an agreement between the state railways of Poland, Czechoslovakia and Austria. A reduction in the price of railway tariffs for the transport of Polish coal followed, enabling its export to Austria, Italy and the Balkans⁷. In addition, the outbreak of a miners' strike in Great Britain in May 1926 opened up markets for Polish coal in the Scandinavian countries. This resulted in a revival of Polish coal exports (Table No. 2).

³ See German-Polish Convention on Upper Silesia signed in Geneva on 15th May 1922 (DU, 1922, No. 44, item 371), cf. Witold Marcoń, *Unifikacja województwa śląskiego z II Rzeczypospolitą*, Toruń 2007.

⁴ A. W., *Rokowania handlowe z Niemcami*, "Przemysł i Handel", 1925, p. 1267; Kazimierz Kasperski, *Tymczasowy układ gospodarczy polsko-niemiecki*, "Przegląd Gospodarczy", 3 (1925).

⁵ *Regulation of the Council of Ministers of 17 June 1925 on the prohibition of importation of certain goods*, DU, 1925, No. 61, item 430.

⁶ Polish regulations applied to 47% of German goods imported into the country, but this accounted for only 3% of their annual exports. In turn, German restrictions applied to 57% of Polish goods, which constituted 29% of total annual exports. For the Upper Silesian industry, the closure of the German market came as a shock; coal exports, which still in 1924 accounted for 59% of the exports of the Upper Silesian mines, in the second half of 1925 decreased to 0.6%. Józefa Heinrichówna, *Wojna celna polsko-niemiecka*, Warszawa 1928, typescript at the SGH Warsaw School of Economics (hereafter: SGH); Józef Popkiewicz, Franciszek Ryszka, *Przemysł ciężki Górnego Śląska w gospodarce Polski Międzywojennej (1922–1939)*, Wrocław 1959, p. 143.

⁷ Władysław Gieysztor, *Wojna o niezależność gospodarczą Polski*, "Przemysł i Handel", 30 (1925).

Table No. 2: The volume of Polish coal exports in the years 1923–1928 (in thousand tonnes)

Year	Volume
1923	12,560
1924	11,532
1925	8,227
1926	14,704
1927	11,564
1928	13,394

Source: *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1922*, Katowice 1923, p. 38; *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1924*, Katowice 1925, p. 72; *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1926*, Katowice 1927, pp. 71–72; *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1928*, Katowice 1929.

The crisis in relations with Germany led to changes in Polish economic policy, as German goods were replaced by products of domestic industry or from other countries. Moreover, both sides used to import goods by a circuitous route, via Czechoslovakia. It was only in November 1927 that a divergence protocol was signed regarding the volume of Polish coal exports, as well as meat and slaughter animals to Germany. Later, agreements were signed concerning seasonal workers and the export of Polish timber to Germany. As Poland renounced the right to liquidate German estates, a bilateral trade agreement was agreed in Warsaw on 17th March 1930, with a most-favoured-nation clause and a guarantee of Polish coal and bacon quotas. The provisions on quotas gave an advantage to the German side, and the agreement gave the impression of being temporary⁸, yet due to anti-Polish sentiments, it was not ratified by the German Reichstag⁹. In Poland, too, its adoption encountered difficulties, but for internal reasons, due to the existing conflict between the government and the *Sejm*, and it was not ratified until 11th March 1931, at a moment of deep crisis. In Germany, the attempt to ratify the agreement coincided with the introduction of a policy of protectionism and rationing in trade. The government revised the trade agreements: with France, Sweden and Finland, while the one with Poland was unfavourable for Polish coal exports. Since 1st March 1930, there was an agreement concluded for a period of

⁸ Karol Błachut, *Polsko-niemieckie stosunki gospodarcze w latach 1918–1939*, Wrocław 1975, pp. 208–210.

⁹ Jerzy Krasuski, *Stosunki polsko-niemieckie 1926–1932*, Poznań 1964, pp. 274–276.

3 years between the Polish Coal Convention and German coal producers associated with *Oberschlesische Steinkohlen Syndikat GmbH* in Gliwice. It regulated the transport of coal from the German part of Upper Silesia to the Polish Customs Territory and the import of coke by Polish companies. Polish companies agreed not to give hidden discounts and not to sell German coal and coke at prices lower than those of its purchase from a German supplier. However, in the absence of ratification of the agreement of 17th March 1930, Polish-German relations deteriorated again and in December 1931 and January 1932 mutual maximum customs duties were introduced¹⁰. An exception was the bilateral protocol of March 1932 on the admission of quotas for coal and pigs. A change in mutual relations took place only after Adolf Hitler came to power in Germany, and in October 1933 economic negotiations were undertaken, which ended with the conclusion of agreements concerning the export of Polish agricultural products to Germany and the lifting of bilateral restrictions¹¹. The final agreement normalising economic relations was concluded on 4th November 1935¹².

Long-term effects of the strike of English miners and the dominant role of Polish coal in Scandinavian markets

The sustained boom in the coal trade after the war led to an increase in workers' demands for improved social conditions in most mining districts. Faced with the resistance of the mine owners, the trade unions organised strikes resulting in the suspension of coal mining¹³. In Great Britain, the termination of the previous collective agreement by the mine owners, with the simultaneous announcement of wage reductions and extensions of working hours, caused an outbreak of a miners' strike on 1st May 1926. Suspension of production and export of coal by Europe's largest producer created opportunities for Poland's export policy, which, due to the German-Polish tariff war, was looking for other recipients of coal. A small domestic market forced the Polish mining industry to increase exports, and thanks to a strike of British miners, at their expense, Polish exporters in the years 1926–1929 captured the markets of the Scandinavian countries after the Polish government

¹⁰ *Ibidem*, pp. 20–21, 283–284.

¹¹ *Polsko-niemiecki układ żytni*, "Polska Gospodarcza", 48 (1933); Stanisław Gryziewicz, *Polsko-niemieckie porozumienie rolnicze*, "Przegląd Gospodarczy", 11 (1934); Tadeusz Garczyński, *Układ kompensacyjny polsko-niemiecki*, "Przegląd Gospodarczy", 20 (1934).

¹² DU, 1935, No. 83, item 512.

¹³ *Strajk węglowy w Pensylwanii*, "Przegląd Gospodarczy", 8 (1926), pp. 390–392.

concluded trade treaties with Norway¹⁴, Estonia¹⁵, and Latvia¹⁶. Moreover, thanks to the agreement with Czechoslovakia concluded on 21st April 1926, Poland obtained the opportunity to export coal to southern Europe bypassing Germany. The Polish mining industry gained two interesting directions of sales: Scandinavia and the countries of Central and Southern Europe (Table No. 3)¹⁷.

Table No. 3: Directions of Polish coal exports in the years 1923–1937 (in %)

Year	Region of Europe				
	Scandinavia	Baltic countries	Southern Europe	Central Europe	Western Europe
1923	0.33	0.02	1.19	-	1.23
1924	0.09	0.12	1.84	-	0.54
1925	6.86	1.75	3.6	-	0.30
1926	22.38	7.62	9.30	32.02	25.21
1927	35.68	6.73	14.60	40.22	4.10
1928	36.83	8.77	7.48	40.13	4.88
1929	52.29	4.09	40.68	10.27	
1930	49.99	3.80	25.97	13.54	
1931	52.49	-	23.35	17.81	
1932	52.50	1.82	8.62	18.03	12.50
1933	45.51	1.17	11.45	14.81	19.00
1934	32.93	0.21	17.63	13.56	25.59
1935	38.14	0.55	17.73	12.72	17.90
1936	36.95	0.60	13.42	9.46	23.59
1937	31.76	1.20	15.56	7.58	24.97

Source: *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1921*, Kattowitz 1921; *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1923*, Katowice 1924; *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1926*, Katowice 1927; *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1928*, Katowice 1929; *Statystyka przemysłu węglowego w państwie polskim za rok 1933*, Warszawa 1934; *Statystyka przemysłu węglowego w państwie polskim za rok 1934*, Warszawa 1935; *Statystyka przemysłu węglowego w państwie polskim za rok 1936*, Warszawa 1937; *Statystka przemysłu węglowego w państwie polskim za rok 1937*, Warszawa 1938.

¹⁴ Signed on 22nd December 1926, DU, 1927, 84 item 747.

¹⁵ Signed on 19th February 1927, DU, 1931, No. 38, item. 298. The treaty was supplemented by the protocol of 5th July 1929, DU, 1931, No. 38, item. 298; DU, 1931, 38 item 300.

¹⁶ Provisional treaty signed on 22nd December 1927, DU, 1931, 30, item 209. Treaty signed on 12th February 1929, DU, 1931, 31, item 217.

¹⁷ *Obecna faza zagadnienia węglowego*, "Przegląd Gospodarczy", 10 (1926), pp. 480–484; *Wobec konfliktu w angielskim przemyśle węglowym*, "Górnolaskie Wiadomości Gospodarcze", 8 (1926).

Exports, however, generated a number of difficulties due to the long distance between the mines and the Baltic Sea, with the greatest financial burden being the high cost of transport and the overloading of the railway lines to Gdańsk and Gdynia. There was also a lack of an adequate number of freight wagons which caused delays in deliveries. In view of the renewed competition with British exporters for markets in the Scandinavian countries, the proper fulfilment of contracts was of great importance to Polish companies. The high level of sales of Polish coal was also important for the government, which was keen to obtain foreign currency. This was particularly evident during the Great Depression, when the government agreed to maintain high prices on the domestic market at the expense of covering losses in dumped exports. For this reason, the Polish State Railways lowered the railway tariff and public funds were involved in the construction of a coal main line connecting Upper Silesia with the port of Gdynia. In turn, the coal companies: Robur, Progress, Skarboferm, Giesche, interested in the extraction and wholesale trade of coal, concluded agreements with the Ministry of Industry and Trade to lease the wharves of the port of Gdynia, in exchange for equipping them with coal handling facilities¹⁸.

The great economic depression and pressure from many countries forced the Polish authorities to renegotiate the existing agreements. As a result, new agreements were concluded or existing ones were modified with: Belgium¹⁹, Sweden²⁰, the Netherlands²¹, Denmark²², Switzerland²³, Estonia²⁴, Persia²⁵, Finland²⁶, Spain²⁷, Abyssinia²⁸,

¹⁸ Adam Staniszewski, *Po dwóch stronach Bałtyku: polityczno-gospodarcze stosunki polsko-szwedzkie w latach 1918–1932*, Toruń 2013.

¹⁹ Additional Agreement to the Trade Treaty of 10th June 1933. (DU, 1934, 27 item 212; DU, 1934, 78 item 726); *Rokowania handlowe*, "Polska Gospodarcza", 40 (1933), p. 1224.

²⁰ Protocol of 21st October 1933, (DU, 1934, 26, item 197; DU, 1934, 70 item 671–672); *Układ handlowy ze Szwecją*, "Polska Gospodarcza", 43 (1933), p. 1326.

²¹ Tariff agreement of 11th December 1933 (DU, 1935, 22, item 124; DU, 1934, 79 item 489–490); *Traktat handlowy z Holandią*, "Polska Gospodarcza", 47 (1933), pp. 1465–1466.

²² Protocol on commercial relations with Denmark of 10th January 1934. (DU, 1934, 30, item 267; DU, 1934, 70, item 673–674).

²³ Additional Agreement to the Commercial Convention with Switzerland of 3rd February 1934, (DU, 1935, 26, item 187; DU, 1934, 46, item 312–313, DU, 1934, 80, item 493–494).

²⁴ Convention of 26th September 1933 (DU, 1934, 30, item 264; DU, 1934, 63 items 528–529).

²⁵ Protocol of 22nd May 1934 (DU, 1935, 23, item 150; DU, 1935, 45, items 303–304).

²⁶ Tariff protocol with Finland of 30th March 1934 (DU, 1935, 24, item 160; DU, 1935, 87, items 540–541); *Umowa handlowa polsko-fińska*, "Polska Gospodarcza", 16 (1934), pp. 591–592.

²⁷ Trade Convention with Spain of 14th December 1934 (DU, 1936, 5, item 39; DU, 1936, 35, item 273).

²⁸ Treaty of friendship, trade and settlement with Abyssinia of 26th December 1934, has not been ratified due to Italian aggression (DU, 1935, 26, item 188).

Romania²⁹, Norway³⁰, Hungary³¹, and Canada³². They included duty reductions in exchange for allowing a number of their products to enter the Polish market³³. The overall changes were meant as a response to competition from third countries, mainly Germany and the United Kingdom.

UK-Poland coal agreement

The involvement of Polish mining companies in coal exports to Scandinavia began during the coal crisis in Great Britain. With its dumped prices and low own costs, the Polish mining industry held more than a 50% share of the northern European coal market at the outbreak of the global economic crisis (Tabele No. 4).

Table 4: Poland's contribution to coal exports to northern countries in the years 1930–1937

Year	Poland		Germany		Great Britain	
	in thousand tonnes	in %	in thousand tonnes	in %	in thousand tonnes	in %
1930	6,403	51.22	618	4.94	5,480	43.84
1931	7,443	63.12	676	5.73	3,673	31.15
1932	5,629	48.97	647	5.63	5,219	45.40
1933	4,529	37.68	581	4.83	6,910	57.49
1934	3,448	27.13	615	4.84	8,646	68.03
1935	3,548	28.22	784	6.24	8,240	65.54
1936	3,313	23.62	1,553	11.08	9,158	65.30
1937	3,727	23.27	1,902	11.88	10,385	64.85

Source: *Statystyka przemysłu węglowego w państwie polskim za rok 1931*, Warszawa 1932, p. V; *Statystyka przemysłu węglowego w państwie polskim za rok 1933*, Warszawa 1934, p. X; *Statystyka przemysłu węglowego w państwie polskim za rok 1934*, Warszawa 1935, p. XII; *Statystyka przemysłu węglowego w państwie polskim za rok 1937*, Warszawa 1938, p. XVI.

²⁹ Quota Agreement with Romania of 14th December 1934; *Układ z Rumunią*, „Polska Gospodarcza”, 51–52 (1934), pp. 1584.

³⁰ Tariff protocol with Norway of 8th January 1935, introduced as provisional in February 1935. (DU, 1935, 26, item 190; DU, 1935, 74 item 463–464); *Układ taryfowy z Norwegią*, „Polska Gospodarcza”, 4 (1935), p. 127.

³¹ Quota agreement with Hungary of 28th April 1935; F. S., *Porozumienie polsko-węgierskie*, „Polska Gospodarcza”, 18 (1935), p. 581.

³² Trade Convention with Canada of 3rd July 1935 (DU, 1936, 15 item 135; DU, 1936, 41 items 446–447).

³³ Stefan F. Królikowski, *Zarys polskiej polityki handlowej*, Warszawa 1938, p. 217; Jakub Lubelski, *Związek Bałtycki i Trzecia Europa. Koncepcje reorganizacji Europy Środkowej w polityce zagranicznej II Rzeczypospolitej*, „Nowa Europa”, 2010, pp. 195–196.

The significant position of Poland in the Scandinavian market and the subsequent efforts of the British to regain their lost influence resulted in the efforts of the Polish authorities to regulate the Polish-British trade relations. As the beginning of the talks it should be regarded the visit of the representatives of the British Central Collieries Commercial Association (CCCA) to Upper Silesia in June 1928. In fact, the British came in order to discern the local conditions of coal exploitation allowing low sales costs³⁴. This discernment resulted in interventions made by the United Kingdom in the years 1928–1930 through the International Labour Office, with demands for the conclusion of an international convention regulating working conditions. The pretext was a desire to ameliorate the situation of workers during the coal crisis, including improving the working conditions and pay of Polish miners. In fact, they were concerned that the competitive price of coal sold by Poland was driven by low wages and the high productivity of workers employed in the mining industry. In the absence of an agreement at the international forum, the British made certain efforts in Scandinavia, but these did not bring any significant results³⁵. As the worsening economic crisis meant an increase in competition, and the awareness that the British mining industry extracted much more coal and had the means of non-economic pressure on other countries, deprived of this raw material, forced Polish exporters to look for other solutions. The lowering of the costs of coal extraction was to be facilitated by the finalisation of commenced investments and efforts were also made to conclude an international agreement. Their first effect was the conclusion on 10th January 1930 of an agreement under the All-Poland Coal Convention (representing about 98% of coal producers in Poland) with the CCCA, extracting in Great Britain about 40% of coal³⁶. The main result of the agreement was that the Polish and British coal industries ceased to sell coal on foreign markets at prices lower than those prevailing in their own countries. The agreement also provided for the creation of a permanent 10-person Joint Consultative Committee and International Coal Bureau, based in Copenhagen. Its purpose

³⁴ The CCCA brought together mines in the counties of Yorkshire, Nottinghamshire, Derbyshire, Lancashire, Cheshire, North Staffordshire, Connock Chaser, Leicestershire, Warwickshire. Witold Paszkowski, *Organizacja polskiego przemysłu węglowego, ze szczególnym uwzględnieniem Zagłębia Górnośląskiego*, Warszawa 1931, pp. 190, 222.

³⁵ *Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1930*, pp. 6–7; Popkiewicz, Ryszka, *Przemysł ciężki*, pp. 344–345.

³⁶ The State Archives in Katowice (Archiwum Państwowe w Katowicach, hereinafter: APK), coll. 331, ref. 144, pp. 76–85.

was to collect statistical data on the quantities of coal exported, its grades and prices. The English side tried to ensure the participation of the South Wales Basin and Northumberland and Durham counties in the Committee, which participated in the signing of the agreement as observers, but due to their resistance no English representatives were appointed and the agreement did not enter into force³⁷. Despite this, representatives of the Polish Coal Convention, established in 1931, continued, but unsuccessfully, to apply to the Mining Association of Great Britain – the compulsory organisation of the British coal industry – for the conclusion of an agreement. In their view, an agreement was only possible once the Scandinavian markets had been regained by them³⁸. They had some success in this endeavour, as in 1933 they concluded an agreement with the Federation of Scandinavian Importers, as a result of which they gained greater influence on the Scandinavian market and the possibility of depositing larger quantities of coal³⁹. The devaluation of the English pound on 21st September 1931 also had a significant impact, increasing the competition of the English mining industry in relation to other exporters⁴⁰. The devaluation of the British currency facilitated the conclusion of trade treaties with the Scandinavian countries in 1933. Under these agreements, Great Britain, in exchange for quotas of agricultural products, secured for itself market shares: 80% in Denmark, 47% in Sweden, 70% in Norway and 75% in Finland, as so-called carbon clauses⁴¹. In effect, Polish exporters, threatened with the loss of influence in the market of northern Europe, exerted pressure on the government to intensify efforts to regulate trade relations with the British⁴². Polish negotiators had managed to link treaty negotiations concerning the export of bacon and timber to Great Britain with negotiations on the sharing of the coal market. Their result was the conclusion of a trade agreement on 27th February 1935, which guaranteed Polish exports at

³⁷ *Ibidem*.

³⁸ Andrzej Jałowiecki, *Konkurencja węglowa polsko-brytyjska na rynkach skandynawskich*, Toruń 1935, pp. 70, 179, 120–121, 181; Zenon Szmidtke, *“Skarboferm” 1922–1939: związki polityki z gospodarką*, Opole 2008, pp. 263–264.

³⁹ APK, coll. 331, ref. 126, Export Commission 1932–1939, Minutes of the meeting of 23rd November 1933, pp. 1–10.

⁴⁰ Janusz Kaliński, *Historia gospodarcza XIX i XX wieku*, Warszawa 2004.

⁴¹ Jan Kostanecki, *Polityka handlowa Anglii*, “Polityka Narodów”, 5 (1934), pp. 327, 404–407.

⁴² Rondo E. Cameron, *Historia gospodarcza świata. Od paleolitu do czasów najnowszych*, Warszawa 1996, pp. 390–392.

a minimum level of 41.5% of the quantity transported in 1932⁴³. In return, Polish exporters were to reduce their coal shipments to Scandinavian countries.

The pushing of Polish coal out of Scandinavian markets from the end of 1932 resulted in a shift of coal exports to southern European markets, which threatened the position of the Welsh mines. However, this threat led to breaking the resistance of the British and to the conclusion of negotiations⁴⁴, after which the representatives of the Polish and British coal industries signed an agreement in London on 6th December 1934, which ended the mutual competitive struggle for a period of 3 years⁴⁵. It was agreed that Polish exports, excluding Czechoslovakia, Austria, Hungary and Germany, and ship's coal loaded at the ports of Gdynia and Gdańsk, were calculated as: 1) 21% of English exports in the previous quarter excluding Ireland and the Americas, up to 8.75 million tonnes per quarter, and 2) a 10% surplus on English exports exceeding 8.75 million tonnes per quarter⁴⁶.

The exclusion of British coal exports to Ireland, following the conclusion of a compensation agreement between British coal exporters and Irish cattle exporters, which increased British exports to that market by about 550,000 tonnes, at the expense of a decline in Scandinavian markets included in the agreement⁴⁷. The conclusion of the agreement in the mid-1930s was too late and disadvantageous to Polish companies in view of the decline in British exports. It was the result of the passive stance of the government, in the face of the increased expansion of German exporters and the closure of the Italian market, due to the economic sanctions of the League of Nations after the aggression against Ethiopia and the increase in coal consumption on the domestic market due to the economic boom caused by the intensification of armaments. Polish companies, bound by the agreement, had to limit their exports, leaving the space for German mining. However, the decline in trade with Great Britain resulted in a renegotiation of the previous agreement and on 15th December 1937 a new two-year Polish-British coal treaty was concluded. The 21% level of Polish coal exports in relation to British exports in the previous quarter was maintained, excluding Ireland⁴⁸. The coal agreement could only

⁴³ Trade Agreement between the Governments of the Republic of Poland and the United Kingdom of 27th February 1935 (DU, 1935, 59, item 380).

⁴⁴ Jałowiecki, *Konkurencja*, pp. 173–174.

⁴⁵ APK, coll. 334, ref. 373; "Polska Gospodarcza", 45 (1934), p. 1376; Szmidtke, "Skarboferm", pp. 289–291; Jałowiecki, *Konkurencja węglowa*, p. 173.

⁴⁶ APK, coll. 331, ref. 145, pp. 22–26.

⁴⁷ "Śląskie Wiadomości Gospodarcze", 1 (1935), p. 8.

⁴⁸ APK, coll. 331, ref. 145, pp. 3–4.

be beneficial if British coal exports increased, but this did not happen. The agreement was still unfavourable for Poland, due to the dominance of agriculture in the Polish economy and Poland's striving to obtain the most favourable conditions for exporters of agricultural and timber products.

Negotiations on the International Coal Agreement (1937–1939)

The issue of concluding an international coal agreement emerged in the late 1920s. The Economic Committee of the League of Nations, in 1929, appointed a group of international experts to investigate coal production, coal mining labour and levels of coal trade and consumption. At the same time, it was assumed that discussions would be conducted by major European manufacturers: Great Britain, Germany, France, Poland, Belgium and the Netherlands producing together about 80% of coal⁴⁹.

The economic depression and increasing competition among coal exporters on European markets made it necessary to regulate economic relations. On 30th September 1931, on the initiative of the British Central Council of Colliery Owners, an international coal conference was held in London with the participation of representatives from England, France, Poland, Belgium, the Netherlands and Czechoslovakia. Germany was represented, as observers, by representatives of the Rhine-Westphalian Coal Syndicate⁵⁰. Despite divergent interests, the participants presented a draft of an international agreement, but further negotiations were halted⁵¹. The devaluation of the British pound in September 1931 caused a spike in the competitiveness of English coal against other countries and the negotiations were deliberately protracted. In turn, the Germans postulated the rationing of coal mining, which provoked opposition on the part of Polish exporters. Representatives

⁴⁹ Tadeusz Borkowski, *O międzynarodowe porozumienie węglowe II*, "Przegląd Gospodarczy", 7 (1934), pp. 244–248.

⁵⁰ APK, coll. 334, ref. 383, p. 88.

⁵¹ The agreement was concluded between producer groups for the production and sale of coal, coke and briquettes. The division into quotas was to be done within a given raw material on a quarterly basis. It was important to differentiate the agreements into two markets: those with and without their own production. In the case of markets with their own coal production, local groups demanded the reservation for them to have priority in supply. Convention penalties were also reserved, in the form of reduced quotas and the possibility of allocating part of the quota for a longer period of time, in order to conclude long-term trade agreements (APK, coll. 331, ref. 144, pp. 7–9: Draft agreement between producer groups, dated 1st October 1931).

of companies from Great Britain, Germany, Poland, the Netherlands and Belgium returned to the talks in 1936–1937 and negotiated the International Coke Convention agreement, under which Polish coking plants were allowed 3.2% of the participants' total production. The agreement was monitored by the Executive Committee, which collected statistical data and imposed fines in case of quota overruns⁵². The low quota share placed Polish producers as outsiders, being represented by only one vote in the Executive Committee.

The conclusion of the agreement on the sale of coke made possible negotiations on the coal treaty in late 1937. The seven largest coal producers participated in them: Great Britain, Germany, Poland, France, Belgium, Czechoslovakia and the Netherlands: Britain, Germany, Poland, France, Belgium, Czechoslovakia and the Netherlands, but the talks were limited to Britain, Germany and Poland, whose negotiating position was very weak. Detailed talks were held in the spring of 1939 in Paris and Berlin, during which a consensus was attempted. The British negotiators, as in previous years, tried to force a reduction in the supply of coal on the market in order to raise prices. The Polish delegation, on the other hand, negotiated its share of exports at the level of 11.5% and at the same time demanded that the existing agreement with the British be suspended until a new broader international agreement was adopted. The negotiations were interrupted due to the tense political situation, after Germany had occupied Czechoslovakia and made territorial claims to Poland⁵³.

Establishing business contacts with southern Europe

In the interwar years, Polish coal exporters focused on maintaining their current markets. From the Upper Silesian companies, apart from the traditional German market, coal was sent to Austria, Hungary and Czechoslovakia. It was only the closing of the German market in mid-1925 that forced the company to look for new recipients. The solution was the opening of Scandinavian markets,

⁵² Poland was represented by the companies: Skarboferm, Robur, Katowicka S.A., and Zjednoczone Huty Królewska i Laury. The voting distribution in the Executive Committee was as follows: Germany – 3 votes, Great Britain and the Netherlands – 2 votes each, Belgium and Poland – 1 vote each (APK, coll. 331, ref. 168: International Coke Convention (Międzynarodowa Konwencja Koksowa) 1936–1937).

⁵³ APK, coll. 331, ref. 30, Minutes of General Assemblies 1938–1939, pp. 1–6: Minutes of the General Assembly of the Polish Coal Convention (Polska Konwencja Węglowa, hereinafter: PKW) of 30th March 1939.

but Polish producers also sought out sales opportunities in the Baltic countries and southern Europe. A new destination for coal shipments since the 1920s was Italy, which introduced a policy of diversifying supplies by moving closer to Britain and entering into talks with Poland⁵⁴. English coal was delivered through the ports of Trieste and Genoa. Whereas in Poland Italian representatives of the coal trade conducted in the years 1920–1921 negotiations on the purchase of a mining field in the area of Spytkowice near Kraków and the export to Italy of 300,000 tons of coal per year⁵⁵. After the partition of Upper Silesia in 1922, the Italian consortium of trade and banking representatives was interested in acquiring shares in the Rybnik Coal Guards (Rybnickie Gwarectwo Węglowe). Yet the project did not come to fruition due to the resistance of German industrialists and the growing role of French capital. On the other hand, the markets of the Mediterranean and Balkan countries, close in terms of communication, were dominated by good quality though expensive English coal⁵⁶. Therefore, the contracts were concluded for small supplies of Polish coal, which brought losses, because only the coarse sort was exported at the price of fine coal.

The early 1930s saw a change in coal exporters in the Mediterranean market. The agreement with the Czechoslovak railroads lowered the tariff on the carriage of Polish coal and enabled an increase in its exports to both Austria and the countries of southern Europe. In addition, price differences between Polish and Welsh coal displaced the latter⁵⁷ and the Polish concerns, Robur and Skarboferm, engaged in early 1932 in exporting coal to Italy and Greece, abandoning previous shipments to Hungary, Romania and Yugoslavia. Table No. 5⁵⁸ shows the evolution of trade in coal and related products within European countries during the interwar period.

⁵⁴ Bogdan Koszeł, *Niemcy w polityce Włoch w latach dwudziestych XX wieku*, [in:] *Niemcy w polityce międzynarodowej 1919–1939*, vol. 1, ed. Stanisław Sierpowski, Poznań 1990, pp. 277, 279–280.

⁵⁵ Zbigniew Landau, Jan Tomaszewski, *Misja Profesora Artura Benisa*, “Teki Archiwalne”, 6 (1959), pp.29, 42–43.

⁵⁶ Jałowicki, *Konkurencja węglowa*, pp. 173–174.

⁵⁷ Szmidtke, “*Skarboferm*”, pp. 270–271.

⁵⁸ APK, PKW, coll. 331, ref. 155 Export [to] Hungary 1939.

Table No. 5: Polish export of coal, coke and briquettes to Central and Southern European countries between 1921 and 1937 [in thousands of tons].

Year	Countries						
	Hungary ^b	Italy	Yugoslavia	Romania	Bulgaria	Greece	Spain
1921 ^a	98.9	368.7	-	-	-	-	-
1922 ^a	138.0	534.6	3.3	3.7	-	-	-
1923 ^a	341.7	8.4	29.1	121.1	-	-	-
1924 ^a	626.1	13.3	59.3	137.7	0.5	-	-
1925 ^a	631.2	85.9	117.7	89.8	0.5	-	-
1926 ^a	483.2	871.3	194.2	123.8	1.9	-	-
1927 ^a	512.5	1,117.4	291.8	161.3	0.3	-	-
1928	709.7	501.1	316.8	184.1	0.2	0.5	-
1929	881.8	494.3	199.0	117.4	-	-	-
1930	474.7	494.2	78.7	77.6	-	-	2.3
1931	297.2	882.7	75.0	42.7	-	-	30.0
1932	15.0	837.0	25.9	8.0	-	4.8	-
1933	6.4	998.0	16.5	25.0	-	79.6	-
1934	9.0	1,668.8	49.1	17.7	-	84.4	6.8
1935	5.7	1,436.1	72.2	6.5	-	81.6	4.2
1936	11.7	1,024.0	13.8	6.7	-	93.3	4.8
1937	15.9	1,610.3	6.0	0.4	-	93.0	-

^a - data for the years 1921–1927 relate only to exports from the Polish part of Upper Silesia.

^b - Hungary was a natural outlet, covered between 1925 and 1939 by the convention agreement of exporters under the All-Poland Coal Convention, and the Polish Coal Convention after 1931.

Source: *Statistik Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1922*, Katowice 1923, pp. 38, 40; *Statistik Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1924*, Katowice 1925, p. 72; *Statistik Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1925*, Katowice 1926, p. 72; *Statystyka Zakładów Górniczych i Hutniczych na Polskim Górnym Śląsku za 1927 rok*, Katowice 1928, p. 77; *Statistik Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1930*, Katowice 1931, p. 92; *Statystyka przemysłu węglowego w państwie polskim za rok 1931*, Warszawa 1932, p. 64; *Statystyka przemysłu węglowego w państwie polskim za rok 1933*, Warszawa 1934, pp. 64–65; *Statystyka przemysłu węglowego w państwie polskim za rok 1935*, Warszawa 1936, s. 64; *Statystyka przemysłu węglowego w państwie polskim za rok 1937*, Warszawa 1938, p. 62.

It should be added that gaining the southern European markets also enabled Poland to export coal to Egypt, Algeria, as well as to Brazil and Argentina⁵⁹. In addition to “Robur”, a significant position as an exporter in the aforementioned outlets was gained by “Skarboferm” mine companies, which entered into cooperation with “Vlasov”⁶⁰ and through this company obtained a contract for servicing Italian gas plants in Naples, Rome, Milan and Bologna. In turn, the mine companies “Robur” and “Progres” established cooperation with the company “Consorzio Carbonifero Italiano”, and a significant expansion of the sales possibilities of Polish coal in Italy occurred after the conclusion of the contract on 13th December 1933 by the Upper Silesian mines with the company “Ferrovie dello Stato S.p.A.” for the delivery of 1,600,000 tonnes of coal as a payment for the building of two deep-sea passenger ships for the Polish Transatlantic Shipping Company (they later became MS Batory and MS Piłsudski) by the Monfalcone shipyard in Trieste⁶¹.

Conclusion

Polish hard coal mining in the interwar period functioned on the basis of the organization of production and trade developed back in the second half of the 19th century. Large mines operated as joint stock and limited liability companies. At the same time, in terms of organisational development, as well as mining and export rates, Upper Silesian mining played a leading role. Despite the partition of Upper Silesia, the majority of heavy industry plants remained within the Polish borders, linked by ownership relations and mutually supplying each other with raw materials or semi-finished products. The Geneva Convention, which was in force for fifteen years, ensured that the owners of the mines continued to be predominantly German capital. In addition, the owners of the mines associated themselves in branch organisations whose activities concerned the development of technological potential and joint representation in employee matters before public administration bodies and the government. Of major importance was also the

⁵⁹ The main customers for coal in overseas markets were state-owned public institutions, primarily railways. Jałowicki, *Konkurencja węglowa*, pp. 175–176.

⁶⁰ The company was based in Bucharest, acting as an intermediary in the coal trade. It belonged to Alexander Vlasov, who in the interwar years created, within it and a number of his own companies, a merchant fleet for the transport and sale of Polish and Turkish coal in Romania and the Mediterranean countries. Cf. Szmidtke, “Skarboferm”, pp. 272–273.

⁶¹ Jerzy Gołębiowski, *Sektor państwowy w gospodarce Polski międzywojennej*, Warszawa–Kraków 1985, p. 94.

entrusting this trade in Upper Silesian coal to separate companies, which formed a sales network by developing cooperation with smaller traders and intermediaries abroad. The peak of the Upper Silesian mining industry's activity as an exporter in the interwar period came at the turn of the 1920s and 1930s. In subsequent years, as a result of the Polish-British agreement allowing Polish agricultural products, the export of Polish coal to Scandinavian markets was limited in order to re-allow British coal. The pressure of the Polish government to conclude an unfavourable agreement with the British led to the gradual displacement of Polish coal from northern markets. This situation was exacerbated in the second half of the 1930s by a rapid increase in coal exports from Germany as a compensation for Swedish iron ore. Difficulties in coal exports forced Polish exporters to look for new outlets in southern Europe but also on other continents: in Africa and South America. These efforts were interrupted by the outbreak of the Second World War.

STRESZCZENIE

Celem artykułu jest określenie roli i miejsca polskiego przemysłu węglowego w gospodarce europejskiej w latach międzywojennych w warunkach zmian na mapie politycznej kontynentu i rozmaitych komplikacji spowodowanych powstaniem nowych organizmów państwowych. Analiza dotyczy trzech zagłębi przemysłowych, reprezentujących różny stopień rozwoju, a wcześniej należących do Niemiec, Austrii i Rosji. W obliczu niskiej chłonności rynku wewnętrznego, niepodległa Polska podjęła starania o zwiększenie sprzedaży węgla na rynkach zagranicznych, zdominowanych przez eksporterów brytyjskich i niemieckich.

BIBLIOGRAFIA / REFERENCES

ARCHIVES

The State Archives in Katowice (Archiwum Państwowe w Katowicach)
coll. 331 Polish Coal Convention (Polska Konwencja Węglowa),
coll. 334 (Skarboferm).

PUBLISHED SOURCES

“Dziennik Ustaw” (“Journal of Laws”)

Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1922, Katowice 1923.

Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1923, Katowice 1924.

Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1924, Katowice 1925.

Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1925, Katowice 1926.

Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1926, Katowice 1927.

Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1927, Katowice 1928.

Statistik der Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1928, Katowice 1929.

Statistik Berg- und Hüttenwerke in Polnisch-Oberschlesien für das Jahr 1930, Katowice 1931.

Statystyka przemysłu węglowego w państwie polskim za rok 1931, Katowice 1932.

Statystyka przemysłu węglowego w państwie polskim za rok 1933, Warszawa 1934.

Statystyka przemysłu węglowego w państwie polskim za rok 1934, Warszawa 1935.

Statystyka przemysłu węglowego w państwie polskim za rok 1935, Warszawa 1936.

Statystyka przemysłu węglowego w państwie polskim za rok 1936, Warszawa 1937.

Statystyka przemysłu węglowego w państwie polskim za rok 1937, Warszawa 1938.

Statystyka Zakładów Górniczych i Hutniczych na Polskim Górnym Śląsku za 1927 rok, Katowice 1928.

PRESS

“Polska Gospodarcza”, 1933, 1934, 1935

“Przegląd Gospodarczy”, 1925, 1926, 1934

“Górnośląskie Wiadomości Gospodarcze”, 1926

“Polityka Narodów”, 1934

STUDIES

Błachut Kazimierz, *Polsko-niemieckie stosunki gospodarcze w latach 1918–1939*, Wrocław 1975.

Cameron Rondo, *Historia gospodarcza świata. Od paleolitu do czasów najnowszych*, Warszawa 1996.

Die Kohlenwirtschaft der Welt in Zahlen, Essen 1952.

Garczyński Tadeusz, *Układ kompensacyjny polsko-niemiecki*, “Przegląd Gospodarczy”, 20 (1934).

Gieysztor Władysław, *Wojna o niezależność gospodarczą Polski*, “Przemysł i Handel”, 30 (1925).

Gryziewicz Stanisław, *Polsko-niemieckie porozumienie rolnicze*, “Przegląd Gospodarczy”, 11 (1934).

- Jałowiecki Andrzej, *Konkurencja węglowa polsko-brytyjska na rynkach skandynawskich*, Toruń 1935.
- Kaliński Janusz, *Historia gospodarcza XIX i XX wieku*, Warszawa 2004.
- Kasperski Kazimierz, *Tymczasowy układ gospodarczy polsko-niemiecki*, "Przegląd Gospodarczy", 3 (1925).
- Koszel Bogdan, *Niemcy w polityce Włoch w latach dwudziestych XX wieku*, [in:] *Niemcy w polityce międzynarodowej 1919-1939*, vol. 1, ed. Stanisław Sierpowski, Poznań 1990.
- Krasuski Jerzy, *Stosunki polsko-niemieckie 1926-1932*, Poznań 1964.
- Królikowski Stefan, *Zarys polskiej polityki handlowej*, Warszawa 1938.
- Landau Zbigniew, *Edward Rose (1893-1969)*, [in:] *Encyklopedia Historii Drugiej Rzeczypospolitej*, ed. Andrzej Garlicki, Warszawa 1999.
- Landau Zbigniew, Tomaszewski Jan, *Gospodarka Polski Międzywojennej*, vol. 2: *1924-1929*, Warszawa 1971,
- Landau Zbigniew, Tomaszewski Jan, *Misja Profesora Artura Benisa*, "Teki Archiwalne", 1959, 6.
- Marcoń Witold, *Unifikacja województwa śląskiego z II Rzeczypospolitą*, Toruń 2007.
- Paszkowski Witold, *Organizacja polskiego przemysłu węglowego, ze szczególnym uwzględnieniem Zagłębia Górnośląskiego*, Warszawa 1931.
- Popkiewicz Józef, Ryszka Franciszek, *Przemysł ciężki Górnego Śląska w gospodarce Polski Międzywojennej (1922-1939)*, Wrocław 1959.
- Sierpowski Stanisław, *Stosunki polsko-włoskie w latach 1918-1940*, Warszawa 1975.
- Staniszewski Adam, *Po dwóch stronach Bałtyku: polityczno-gospodarcze stosunki polsko-szwedzkie w latach 1918-1932*, Toruń 2013.
- Szmidtke Zenon, *"Skarboferm" 1922-1939: związki polityki z gospodarką*, Opole 2005.