

# The Essence of Economic Relations between Poland and Russia

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In many cases the political factor has, to a smaller or bigger extent, decided and decides upon development, stagnation or crisis of economic relations with individual partners. Still, this refers fully to the Polish-Russian relations that can be extended also to Ukraine, Byelorussia or Lithuania. For Poland and its economy, contacts with Russia are apparently most important although we do not have a common border after the Soviet Union had broken down, except a border specific for the European situation with enclave of Królewiec, that is the Kaliningrad Region.

The Russian economy covers the largest area in the world. This is about 40 per cent of Europe and almost 30 per cent of Asia. The area of Poland is 3 per cent of the area of Europe. Russian population is about 146 million, and that of Poland is less than 39 million. It can be estimated that the gross national product of Russia is nearly twice as much as that of Poland although it is difficult to have more detailed data if one takes into account differences in unregistered economic activities, small possibility to compare currency exchange rates and various differences in levels of prices of products and services. Two neighbouring economies differ significantly in their scales<sup>1</sup>.

While taking into consideration external economic links, there are also numerous and significant differences. The Russian economy has showed recently a surplus of export over import, to a high extent due to limited import of investment or production materials, which of course cannot be treated as a positive phenomenon of development. On the other hand, the Polish economy shows considerable, about 10 billion USD per year, surplus of import over export what, if this phenomenon continues, should be evaluated as dangerous. In relation to relatively big monetary reserves still this has no considerable negative meaning yet. The Polish export is mostly directed to the Western markets (70 per cent to UE countries), and it does not stay away much in this respect from the Russian proportion. Nevertheless, it seems that bigger interest of Russia in trade with countries of Asia, Ukraine, East Europe countries and the USA should be seen as a positive diversification phenomenon.

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<sup>1</sup> See Interstate Statistical Committee: *Commonwealth of Independent States 1995. Statistical Portrait*, Moscow 1995.

On the other hand, the structure of Polish imports and exports are much more favourable than that of Russia, both from the point of view of bigger share of investment goods and raw materials and semi-products in import, and also much higher percentage of ready industrial products, semi-products and food in exports (natural gas, petroleum, metal ores and metals are predominant in Russian export).

Finally, one should also stress much bigger interest of foreign partners in direct investment in Poland, i.e. so far nearly 60 billion USD. This situation should change in the future if one takes into account the absorptive power of the Russian domestic market and its vast natural resources.

Both Poland and Russia belong to the category of medium-developed economies that generally stay behind the economic development of Western Europe, North America and Japan. Still, Russia has partly managed over the years to reach and at least keep some parameters comparable with the Western ones. This refers mainly to armaments industry and connected branches, and also chosen scientific branches, especially basic research in the exact sciences. In the first years of transformation, international involvement in most branches of Russian economy lowered to an extent higher than in the case of the economic position of Poland.<sup>2</sup>

Poland could make co-operative connections with developed markets better than Russia, and do it astonishingly quickly. Now quite a wide assortment of various ready products, components, parts and elements for production are both exported to the West and imported from the West. This phenomenon can be partly explained by the relative short distance, partly by political stabilisation in Poland, and partly by stronger than in the case of Russia connections and personal links with the West, and also relatively bigger enterprising activities what has been kept in Poland despite several dozens years of arbitrary centrally planned economy.

Human factor is still a decisive determinant of economic life despite the apparent importance of technique, resources or capital. It has just decided upon economic success of the Swiss, the Dutch, the English or the Scandinavians in the face of the lack of their own resources. It is difficult, of course, to compare especially in minute details the average advantages of Polish and Russian workforce, because of external differentiation in regions and branches. Generally, one could have stated that the Russians are more disciplined, devoted and conscientious in favourable conditions, and the Poles are more adventurous, show much initiative and have aversion to typical solutions. These features have, depending on conditions, had slightly different usefulness. In the years of centrally planned economy, the Russian workforce possibly appeared more adequate to accepted estimations, while in system transformation the features of the Polish workforce bring quicker re-

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<sup>2</sup> See *Nowe szanse Wschodu (New Chances of the East)*, M. Dobroczyński, Z. Madej (eds.), Warsaw 1993.

sults. One should also pay attention to more numerous and closer contacts of the Poles with the Russian market, due to the fact that Poland stayed in the rigid, centrally planned economy shorter, but since October 1956 it has had an incomparably more open international character, including especially flow of knowledge and information as well as relatively numerous visits abroad.

Agriculture is another field of national differences. Collectivisation covered in Poland only a part of agricultural economy, and in a larger scale it lasted no longer than a couple of years. Individually organised Polish village has thus created and kept specific mentality that differed from that in the Russian village. Although Polish agriculture is still too much dispersed and it employs too high percentage of the national workforce (about 20 per cent), the food economy of Poland has not approached and does not approach problems similar to the Russian ones. It brings relatively low dependence on foreign supplies of agricultural products, creates considerable export possibilities and sometimes makes Polish agriculture look like the Western one, where the policy to protect their own markets has other meaning than caring to fulfil domestic needs of consumers with import.

The problem of consumption needs of the population is connected both in Russia and in Poland with import of industrial products, too. Both countries are now in quite a considerable need for foreign consumption goods. There are differences, though, in some conditions. For the first, Polish industry that increases production quickly replaces import step by step even in the scope of more complex products, among others with foreign investment in the country, that makes it possible to replace import of ready products with import of only some components. For the second, the Polish market is mostly interested in industrial consumption goods assigned for the middle class, while the Russian market is full of imported luxury goods for the wealthy, and foreign simple goods for those with humble purchasing power.

The change in this structural situation could be connected with general improvement of the Russian economic condition, and especially with processes of convergence of the Russian armaments industry. This relatively internationally developed part of the Russian economy raises interest of, among others, Western investors ready to co-operate in joint ventures after making some investment, just so as to produce mostly consumption goods assigned for sale in the vast Russian market.

Generally it can be said that both national economies, Polish and Russian, have some similarities that result from the past history and specific period of transformation, but also some differences that arose and still arise out of numerous system, historical, geographical, structural, psychosocial or political differences.<sup>3</sup>

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<sup>3</sup> See M. Dobroczyński, *Międzynarodowe związki gospodarki z polityką (International Connections between Economy and Politics)*, Toruń 2003.

## Basic conditions of the Polish-Russian economic co-operation

Wide economic co-operation between neighbouring countries is regular for international relations now, independent of development especially in computer science, communication and transportation that makes it possible to co-operate fast and efficiently even with the most distant regions of the world economy. This is also true in relations between Poland and Russia. Close distance between important areas of both countries influences not only the costs of maintaining commerce or other forms of international economic relations, but also the size and frequency of social contacts that ease the search and finding of transaction solutions advantageous for the two parties. Characteristic illustration of this regularity can have especially strong relations with the Kaliningrad region (Królewiec), the part of Russia closest to Poland geographically. In this context, it is worthwhile mentioning now that Germany is the biggest partner in the Polish economy, operating about one third of the Polish foreign trade.

Apart from the distance factor, the essential influence on economic co-operation between Poland and Russia had and still can have significant structural complementarity of both parties. Russia has natural resources incomparably bigger than Poland, especially of petroleum, natural gas and metal ores, part of which can be exported for many years to come. Also Poland can offer Russian partners some raw materials and fuel, especially copper, sulphur and coal. There are some problems of course with quality and transportation, as much as with Polish backup as to safety (stability) of Russian supplies; since, as well known, most of developed national economies used to prefer the rule of diversification of purchasing foreign strategic products so as to avoid an excessive dependence on just one supplier. Along with the improvement of international climate this problem starts to lose its meaning, the more that as in case of Poland an excessive switch to import of materials from other directions would have demanded investment in transportation every time, and partly in processing as well.

Russian export of raw materials to Poland was for many years dictated to a great extent by political conditions. In the years of European division, the Soviet Union had to take, just for political reasons, the burden of supplying strategic materials those countries that belonged to its area of influence. It does not mean that it did not want to draw the maximum possible economic advantages what can be illustrated by a radical and surprising change of, after the so-called oil crisis in 1973, export prices, i.e. transformation to a unified level of flexible prices for five years that were changed every year. Nevertheless, it supplied the COMECON countries with particular, although relatively or absolutely diminishing, quantities of these raw materials that could be sold in free-market countries. Russia, wanting to keep at least relative stabilisation of influence resulting from the international situation of 1944, could not bring up political and social tensions to grow in regions where

it forced a model of socialist economy of low efficiency. And Poland belonged in this respect to specifically touchy cases.

Artificially created international construction brought another result in Polish-Russian economic exchange. The Polish processing industry was ready for sales in the Russian market, proportional to import; and similar to the Polish export to Russia it referred to, to some extent, some factories of the Russian machinery industry (armaments, machine tool, aircraft, etc.). International specialisation thus created had its economic advantages but significant isolation from Western markets caused that the quality of common supplies was many a time much lower than high international standards. So the ease of sales could not fully compensate for losses resulting from excessive closing off in an own group; on the other hand, after 1956 the Polish economy could develop its contacts with the West quicker than making turnover with East European countries.

Disintegration of the Soviet Union, liquidation of COMECON, transformation to a new social and economic system, and big crisis of the transformation period—all this influenced Polish-Russian economic co-operation, too. Economic turnover collapsed radically, and many Polish enterprises that had aimed for years at sales on Russian market, found themselves temporarily in a simply dramatic situation.

Generally, international political situation made for both development of Polish-Russian economic relations that had just been marginal for both parties before the Second World War, and for later break-up. Some specialised production abilities of adequate export approach, created over several dozen years still remained in both national economies but the different situation could not allow for their full reconstruction for the needs of a new system yet. In new conditions, hitherto exchange structure could only partly find its economic grounds, because of various reasons: economic disclosure and competition of European or other world markets, changed structure of needs (strong limitation of demand from the army, interest in high quality products both in the level of investment and consumption, etc.), and also in the results of unfavourable market conditions, present in Poland not so long ago, and still present in Russia.

Apart from this, attention should be paid to political and psychosocial conditions. Long lasting, although diminishing since 1956, dependence on imperial pressure from Moscow connected with apologetic pro-Russian propaganda atmosphere, brought about in the most of Polish public opinion the reluctant but understandable attitude towards our Eastern neighbour, its institutions and authorities. This attitude stayed in a limited sense also in the 90-ies which is when Russia or other independent countries of the Commonwealth of Independent States started to move to radical political changes, market economy, democratic system, and foreign economy free of imperial arrogance.

It is hard in this complex psychosocial case to state precisely the consequences of climate that partly came from the sphere of camouflaged feelings to a plane of decisions. One can apparently suppose that detriment, humiliation and restrictions imposed on Poland since September 17<sup>th</sup> 1939, could find its roots in the process of shaping economic co-operation with the transformed Russian state. It means that independent of objective, material reasons laying mostly on the part of Russian economy, aversion or at least restraint of some of Polish decisive bodies could influence the level of exchange with Russia. The more so that after having broken through difficulties of many years, Polish economy began to strengthen its presence in Western markets pretty effectively and dynamically, and also made stable institutional connections with Western countries.

### **Polish-Russian co-operation of the transient period**

Among problems with economic foreign co-operation of Poland and Russia, the most important now is the matter how to integrate their national organisms with other economies. So it is the question of joining economic lives of chosen foreign partners and mutual functioning of possibly varied planes. Both countries set for different group of co-partners in this respect—member countries of concerned integration groups, but both accept, despite some limitations, the need of liberating their trade with all modern national economies, in Europe and in the whole world, while appreciating more and more the importance of relations with neighbouring countries.

A strategic aim of Poland is to enter UE with full rights in the nearest future. Russian aspirations to integrate, on the other hand, concentrate on the countries of the Commonwealth of Independent States which in their structure are strongly complementary to Russia not only in the years of planned economy but before as well. Leaders of the Commonwealth of Independent States created in 1991, signed in September 1993 an agreement to set up an economic union. Its realisation is a matter of time, so a more detailed agreement on customs union was signed (Euro-Asian Economic Union) between Russia and Byelorussia, Kazakhstan, Kirghizstan, and Tadzhikistan, the countries which are closer not so much economically but politically. Russian is the dominating body of this group although only slightly more than 20 per cent of its exports and imports are with the Community. For historical structural reasons, and also political ones, continuation of intensive economic co-operation between the twelve Commonwealth countries is well grounded and necessary although serious treatment of internal partners seems a natural need too, apparent need of economies that search for its new and independent place in the world.

This is the reason why Russia or Ukraine are interested in contacts with developed countries in the West, and rapidly getting economically more important Asian countries, but also with economies of Central and East Euro-

pean countries that were structurally close to the Russian republic for many years in the past.

Successful tendency of reconstructing contact with the East does not change much the still secondary importance of Polish economic relations with Russian, Ukraine and Byelorussia, the more so with other countries of the Commonwealth of Independent States.

More stable, and less dependent on uneconomic situation, is structure of trade between Poland and Russia.

As in the past when our trade was based on centrally set basic prices of fuels and raw materials, Poland is still an important importer of Russian petroleum and natural gas (over 70 per cent of total import from Russia), non-ferrous metals and chemical semi-products (and also Ukrainian metal ore). These supplies are still important for the functioning of the Polish economy although in the light of free currency payments, after having settled adequate infrastructural accommodations and overcoming many technical problems, appropriate purchase in other markets would have been possible, though hard to be imagined in the near future. On the other hand, import of Russian machinery, equipment, transportation means and armaments has been considerably reduced, while it was developed on a relatively large scale in the years of a 'socialist community'.

In Polish export to Russia and also some part of other countries of Commonwealth of Independent States, a dominating place is taken by agricultural goods, products of engineering industry, chemical and pharmaceutical products, and furniture. Clothing and other common use products are in a smaller range. Polish traditional export materials like coal, sulphur, copper and paper wood do not play an important role. Altogether the balance of trade with Russia remains strongly adverse for Poland.

From the point of view of a real balance of trade between Poland and Russia, and also Ukraine and Byelorussia, one should nevertheless pay attention to evaluations which are hard to be verified but along with which substantial unregistered border trade (so called 'bag trade') done solely with consumption goods, brings Poland high currency surplus. In the past when market prices of some goods as the remnants of the system of official indicators were still low in Russia, the situation was quite different.

Despite successful reconstruction of Polish-Russian trade exchange, that acutely broke down in the years 1990–1991 and stayed unchanged for the next few years, relations are still characterised by economic, legal and technical inconvenience in many respects. Not only in trade but also in capital turnover.

Poland is interested now in intensive attraction of foreign capital, most important as direct investments and, to a lesser extent, portfolio ones. On the other hand, Russia was so far more successful in attracting credits than direct investments. Achievements of both countries in related scopes refer only a little to mutual relations.

Many Russian commercial companies operate in Poland; on the other hand, there are several thousand Polish or joint-venture companies in Russia and they operate mainly in the neighbouring regions, Kalinigrad and St. Petersburg. Still, they are small or even tiny structures that deal mainly in trade or similar intervention while avoiding bigger investment especially in production. This situation has various reasons, and the most important is insufficient private capital indispensable to set up investment activity big enough to fully operate. There are also fears of taking up risk to invest in Russian markets that undergo a stage of radical transformation, economic solutions which still change, that are partly politically stabilised, that shape their new economic and social regulations not always in a consistent and precise way. What's more, their administration is badly organised, and they do not have any necessary regulatory experience. If we add to this list corruption and bureaucracy of many officials, high rate of delinquency and the lack of adequate credit guarantees of the authority, limited Western interests in investing in Eastern markets, this situation should be legible.

### **Prospects of rapprochement**

The future of Polish co-operation with Russia depends, in a longer run, on consistency of carrying out reforms in both countries, that lead to complex creation of a market system while keeping up necessary proportions between advanced liberalised economic processes and interventive role of the state. Rational influence of public administration in the market is a necessary completion of private operation, especially in low and even medium-developed countries such as the case of Poland and Russia. One can assume when monitoring present public opinion and the most of political parties of both countries that, apart from political arrangements and temporary set-backs, the process of building market economy will be continued and it will approach the most of Western solutions as well as Polish-Russian system similarities. This should evidently work for the rise of mutual exchange in trade, capital or any other, both through general improvement of economic development and better adaptation to the requirements of intensive external co-operation.

A lot will also depend on the level of system openness of both economies, it means on the share of foreign relations in creating gross national product and on institutional connections with the world. It could be generally expected that in the first case both countries will follow the world regularity, thus they will direct more and more economic operations beyond their own markets. As it refers to international institutional connections, the countries will apparently under the rules suggested by the World Trade Organisation, International Monetary Fund or other UN specialised organisations. It means they will liberate their contacts with abroad and strive to reach required currency flow. There will be still differences because of Poland joining UE, and specific integration contacts of Russia with some or all countries



of CIS. It means that Poland or other East European economies, despite their geographical situation and many common system features, cannot be identified with Russia, Ukraine, Byelorussia in borders of some homogeneous region. This refers at least to the nearest future as later one can imagine some institutionalised Euro-Asian integration group of analogous membership political and economical parameters, that for example uses some elements and experience of the existing Organisation of Security and Co-operation in Europe. An important task now that reaches to the future international structures is to have Russia and other economies of CIS develop the widest possible contacts with countries-members of UE, both present and expected, thus creating complementary structures. The improvement of the economic situation does not only mean increased possibilities of Polish-Russian trade exchange but also capital co-operation, stronger co-operation in various services like transportation, banking, insurance, and tourism, as well as facilitating non-currency operations and currency flow etc. The acceleration of system reforms, connected with improved economic situation, makes the private sector more important because of spontaneous activities that usually show much initiative in any conditions one can imagine. The revival of Russian spirit of initiative and economy requires longer time anyway but undoubtedly it will show more and more.

In this context one should pay attention to some essential conditions that could make for the further fast rise of Polish-Russian trade, but also for some dangerous aspects for the range of the future co-operation. Political atmosphere in relations between Poland and Russia is not indifferent here. One should remember that for example before the First World War export from the 'Kingdom of Poland' to Russia amounted to about 90 per cent of its total exports, compared to very low importance of trade with Russia between the world wars. Again in the years 1945–1956 trade was much improved, and went down a little in the years 1957–1989.<sup>4</sup> Later breakdown and recent revival of trade was not void of, at least partly, political conditions. Thus one can draw a conclusion that political climate will be essential for the future dynamics of economic co-operation, that would dominate both in European scale and direct relations between Poland and Russia.

A more successful state of Russian economy and very friendly international political atmosphere can not be interpreted solely as factors working in favour of Polish-Russian economic rapprochement. In conditions of social and political stabilisation, also stronger trade and capital expansion of the Western companies, i.e. European and American, to the Russian market seems inevitable, along with growing improvement in relations between Rus-

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<sup>4</sup> See L. Pączewski, "Bilans handlowy Polski" ("Trade Balance of Poland"), in: *Dzieje gospodarcze Polski porozbiorowej (Economic History of Post-Partition Poland)*, Warsaw 1922; J. Krynicki, *Problemy handlu zagranicznego Polski (Problems of Foreign Trade of Poland)*, Warsaw 1958; P. Bożyk, R. Wojciechowski, *Handel zagraniczny Polski 1945–1960 (Foreign Trade of Poland 1945–1960)*, Warsaw 1971.

sia and economies of Commonwealth of Independent States, China, Japan, Korea or other dynamic Asian countries. There is one open question to what extent Polish goods, credits and direct investment could effectively compete with the economically developed world. Compared to numerous goods of many countries, Polish goods or services can be relatively more attractive for the Russian market only when their quality and price are more suitable for specific import requirements of the medium-developed economy.

Poland, having realised much better than before the fact of specific fragility of Russia that has become in crisis conditions as an independent country just on the part of tsar and Soviet Union empire, has showed for some time readiness to shape proper relations with its eastern neighbour. This general standpoint does not seem to be sufficient, as in fact it is necessary to express maximum precise understanding, feeling and respect for specific human, political and economic characteristics of Russia, much different from that of the West Europe but also Ukrainian or Byelorussian. On the other hand, new post-imperial Russia should not in any case disregard Polish historical remembrance and stable cultural identity, factors that to some extent has had some influence recently on various aspects of relation of Poland to its Eastern neighbour, to integration with UE, or membership in NATO.

In fact, despite numerous elements of dubiousness the balance of expected successful processes and undesirable tendencies seem to speak in favour of the majority of positive phenomena conducive to the development of the Polish-Russian co-operation on a wider and wider scale, and in any case characterised by much political partnership and economically rational.

The situation in Russia, similarly to that of Ukraine and Byelorussia, is still far from stabilised. Russian income from export of petroleum and natural gas is temporarily quite high but its durability cannot be seriously guaranteed. Political changes, such as transfer of power to other leaders or parties can rise some anxiety. Generally speaking, one should at least expect further civilisation development and more successful transformation or political changes in all post-Russian states but new achievements will not arise in a fast linear rate. Thus a given *quantum* of uncertainty for external partners, also Poland or Hungary.

The improvement of the situation would moreover depend on many conditions both in the East and in UE, in successes or failures of the Polish economy, but also in the sphere of economical globalisation and the world economy.

Of course maximum improvement of economic, social and political relations between countries of the East, both European and Asian, is important for international stabilisation and balance. It apparently does not mean that negative conditions of subjects that moved away from their antidemocratic traditions to some extent, are to be accepted. After many years of significantly cool Polish-Russian and Polish-Ukrainian relations one can notice more objective contacts. It can be added that Poland had much better con-

tacts with Ukraine in many aspects. These new contacts are set in trade exchange and to some other economic relations, and to political agreements. The improvement of relations between Russia and the West has added to this in a way. Still, it should be stressed that because Polish historical remembrance is much different from West European or American experience, accrued prejudice had to require and still requires extra effort.

It would be worthwhile mentioning here relatively most successful Polish-Ukrainian contacts. Their constructive atmosphere strengthens systematically despite still painful remembrance of the past, especially the sixtieth anniversary of exterminating 70 thousand Poles in the eastern regions of Republic of Poland, by Ukrainian nationalists aiming at setting up their ethnically homogeneous country. The position of governments of both countries allows for, despite all this, political and social rapprochement. Good relations of Poland are backed up by contacts with the great Ukrainian economy that undoubtedly has serious transformation and structural problems, i.e. armaments industry too much developed in the past, but unlike with Russia or Byelorussia, Poland can clearly see its future with far-reaching European integration.

This question is, to a great extent, still more verbally expressed than practically taken up.<sup>5</sup> Yet it constitutes an important starting point in the programme to enter pro-Western changes even in conditions of substantial dependence on the Russian supplies.

Distinct lack of trade balance will remain an essential problem in the sphere of the Polish trade exchange with Russia. It results from known structural reasons such as vast imports of petroleum or natural gas, that were regulated in a mostly centralised way before the Soviet Union broke down, but which would have required quite new solutions in the period of transformation. The Polish export to Russia has had indeed bigger success recently but there was still a detrimental deficit of current exchange by about 3 billion USD a year till 2001, and by about 2 billion USD presently. So it is expected that bilateral political agreements make for a given reduction of drastic proportions. In practice though, vague expression of goodwill from the Russian party is not followed by sufficiently concrete steps, the more so that cool attitude to Poland dominates on several levels of Russian public administration. Despite the fact that Poland has been largely independent since 1956 but treated not so long ago as a region of imperial influence of Moscow in some strategic matters.

The mechanism and the way of rapprochement of Poland to its eastern neighbours in the light of integration with UE is another problem. Russia, and dependent on it Byelorussia, are not interested now and will not be in far-reaching European integration. In effect we have much limited, despite

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<sup>5</sup> Opinion by J. Jefcharunow, the chief of economic commission in the Ukrainian highest board, *Gazeta Wyborcza*, of March 18, 2003

generally positive declarations, possibilities of developed co-operation with Moscow based on institutional steps. There is another question whether even carrying out of deep institutional rapprochement between EU and Russia<sup>6</sup> would mean for Poland much substantial quantitative and qualitative jump in economic relations with its eastern neighbour, in the market of which are interested both powerful and huge UE powers and smaller member countries such as Scandinavian, Austrian, and Dutch economies. This would mean strong competition of Polish economy with UE partners that have still bigger capital possibilities. Geographical distance and better knowledge of Russian reality itself is not enough for really dynamic Polish export expansion to the East.

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The new arrangement of political forces in the world scale, especially connected with system transformation in Russia, also pragmatic governmental operations of Putin and some common interest of Russia and the USA versus serious imperial conflict with most of Muslim countries, have brought up, among others, some rapprochement in relations between EU and its main powers with Russia<sup>7</sup>. This rapprochement seems, in some planes, even warmer than in the case of Polish and Russian relations that are still shadowed by some hidden factor of psychosocial prejudice. They are stronger on the part of the Poles who still remember 123 years of Russian annexation (1795–1918), the Ribbentrop–Molotov agreement (August 23<sup>d</sup> 1939) when the Soviet Union took over half of the territory of Poland, and later cruelty of Russian invaders. Despite all this, the Polish and Russian relations are politically proper, especially if one takes into account transformation changes and economic modernisation of Poland in the light of joining UE. These proper relations can add to the reconstruction on economic, cultural, scientific and educational relations step by step, based on membership in UE on one side, and expected union with UE on the other.

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<sup>6</sup> See K. Żukrowska, “Partnerstwo Unia Europejska–Rosja” (“European Union–Russian Partnership”), *Polityka Wschodnia*, 2002, No 2.

<sup>7</sup> See M. Dobroczyński, *Ekonomiczne mocarstwa Unii Europejskiej (Economic Powers of UE)*, Toruń 2002.