Natural Resources

Poland's economy has been shaped by three important assets. The first is the country's natural resource base. It includes huge endowments of coal as well as significant deposits of copper, silver, sulphur, zinc, rock salt, limestone, gypsum, and ceramic clay. The second asset is the country's fertile plains, the foundation of its agricultural wealth. The third asset is Poland's industrial strength in such sectors as steel, chemicals, pharmaceuticals, shipbuilding, and electronics.

Figure 3.1
Place in the World Economy, 1990

	As a percent of total	Rank
Area	0.2	63
Population	0.7	25
Exports (current prices)	0.4	37
Production of:		
Agricultural Goods		
Wheat	1.5	13
Rye	16.8	2
Oats	2.3	11
Potatoes	13.1	2
Cattle	0.8	25
Hogs	2.3	6
Meat	1.8	18
Beef	3.3	6
Sugar beets	5.5	5
Raw sugar	1.8	15
Energy		
Coal: hard coal	4.9	5
brown coal	5.6	6
All fuels	1.7	12
Electrical energy	1.3	15
Raw Materials		
Sulphur	8.2	4
Refined copper	4.5	9
Steel	1.9	11
Sulphuric acid	2.2	12
Cement	1.6	14
Paper and cardboard	0.6	22
Manufactured Goods		
Vehicles: personal cars	0.9	13
trucks	0.4	15
Ships	1.1	13
Television sets	0.7	20

Source: Rocznik Statystyczny 1991.

In the past, Poland has relied heavily on its rich endowment of mineral resources. It possesses the world's fifth largest reserves of brown coal, and is a significant producer and exporter of copper, sulphur, zinc, lead, silver, and rock salt (see Figure 3.2). Plans are underway to more fully exploit local deposits of chalk, kaolin and potash. There are also plans to direct greater exploration efforts at possible natural gas and oil reserves.

Coal: On a per capita basis, Poland is the leading producer of coal in Europe. Coal remains the foundation of Polish industry, and its extensive reserves, especially of hard coal, have made it one of the world's major producers. Currently, 80% of the hard coal is used for domestic consumption. In fact, Poland's overall energy consumption has remained roughly in balance. Its imports of oil are generally offset by its exports of coal. Nevertheless, the coal extraction industry is inefficient and dangerous. As a consequence, the wages of Polish coal miners are significantly higher than the rates for Polish industry as a whole.

Oil and Gas: Poland does have small reserves of natural gas and even a tiny amount of oil, but not enough to cover domestic needs. Before 1991, Soviet gas and oil dominated energy imports. Thereafter, the move

Figure 3.2
Annual Production of Poland's Principal Extractive Industries
(in 000s tons)

	1989	1990
Hard Coal	178,000	148,000
Brown Coal	71,800	67,600
Copper Ore	26,528	24,359
Lead/Zinc Ore	5,320	4,875
Electrolytic Copper	390	346
Zinc	164	132
Lead	78.2	64.8
Aluminum	47.8	46.0
Silver	1.0	.8
Sulphur Ore	2,592	2,732
Pure Sulphur	4,864	4,660
Salt	4,670	4,055
Petroleum	159	163
Natural Gas (million m^3)	5,368	3,867

Source: Rocznik Statystyczny, 1991.