

The shortage of capital is one of the biggest challenges faced by peripheral states. Without proper funds economic growth is difficult, yet the easiest solution of obtaining capital on international markets is fraught with danger. It may lead to an erosion of the state's sovereignty, while the potential transfer of foreign profits abroad threatens the country's growth. Interwar Poland also faced this challenge, and the goal of the project is to study how the country coped with these inherent difficulties, based on the case of French capital.

The choice of France stems from her unique position in Polish politics. France was Poland's most important ally in the interwar period, and at the same time the newly reborn country's major source of foreign capital. French loans financed Polish armaments, and crucial infrastructural investments, such as the port in Gdynia or the Silesia-Gdynia trunk line, both also constructed by French companies. Not all French actions were as beneficial to the Polish economy. France used its political position to pressure Poland into extensive concessions, and French companies enjoyed privileges few others did. Their owners at times would circumvent the law, and usually got away with it thanks to political protection. In the most famous case, after a prolonged conflict in the French-owned textile plant in Żyrardów, the murder of its CEO, and the murderer's widely-publicised trial provoked discussions about foreign capital in Poland and the position of the country in the world.

This project will explore these contradictions between different roles of France in the interwar Polish economy, as well as their political and social contexts. In order to achieve my goals, I will answer three questions: how French capital got to Poland, what it did there, and what reactions it provoked.

To answer my first question, I will start by looking at negotiations leading to the French investments in Poland, identify what interests informed the French and Polish positions, and who was the initiator of each proposal. Moreover, I will compare the conditions of French offers to those presented to Poland by other sources, which will allow me to place Franco-Polish relations in a wider context.

Answering my second question, I will start by finding out the sectors and companies in which French capital was present, and then look at their actions from different angles. I want to see how they influenced Polish politics and institutions, using a collection of their diplomatic interventions, and how they operated, which I will do by looking at their official annual reports. Since this information is useless without context, I will compare these results with those of Polish companies with capital from other countries and of companies with French capital operating in Czechoslovakia.

Finally, the third questions means looking at what reactions French capital provoked in Poland. In order to do so I will study the public commentary on the biggest conflicts, including the Żyrardów Affair. I want to know two things: what the Poles thought about the actions of owners of French companies, and how they saw themselves in the context of French imperial actions in Poland.

I will base my research on interwar archival documents, showing governmental positions in negotiations and conflicts, on specialist publications, which presents the companies' point of view, and on the daily press, giving a sample of public discussions of the 1920s and 1930s.

I chose this topic because of the importance of the access to capital in both economic history and economics. Since in Polish interwar history the problem of French capital has never been adequately studied, the choice seemed all the more important. I was also convinced by the unique conditions in which French capital operated: its substantial political rooting, and the ruthless employment of Paris' geopolitical strength by French companies' owners.

My project is deeply connected with wider issues of Central and Eastern Europe modernisation. When we think about imperialism and economic control, we mostly go back to either the XIX century, or communist oppression after World War Two. Understanding how the interwar period was also affected by these processes will allow me to place Poland's economic history in a wider context.

Finally, the subject is interesting because of the social dimension. The spread of foreign capital was perceived in the interwar period as a challenge to the new state, to the wellbeing of the population, and to Poland's position in the world. Looking at reactions to French capital will allow me to better understand Polish identity, and see how it was shaped by a mixture of domestic and international factors.