

activities were interrupted several times. The entire tax collection apparatus was normally in the spring of 1921. It was completed by the unification

very low and the expenditures of the government from the beginning Poland faced were insufficient to cover the large budget deficit. Poland was indebted to the central bank of the Russian Empire (Polska Krajowa Kasa Pożyczkowa) and by the German occupation authorities. In December 1916 to issue Polish currency was guaranteed by an equivalent of German marks. When the German government collapsed, this guarantee proved worthless. The PKKP headquarters in Warsaw were headed by Stanisław Karpiński. He served as ministers of the treasury. The PKKP was decreed to be the only bank of Poland. The personnel of the bank were transferred from 18 regional branches of the bank in 1920 there were 41 PKKP branches in Poland. In April and May 1919 the reorganization of branch offices of the bank in the partition zone and the Bank of Poland in the partition zone was carried out at the

beginning the PKKP was merely an administrative body. In the first three years after the war the PKKP was under the administration and military supervision. The bulk of the PKKP credits went to the government. The PKKP credits were used for government loans who were encouraged to recon-struct the economy. In the inflation conditions the PKKP credits were valued at \$ 91 000 000.<sup>23</sup> In 1920 the monetary reform of Władysław Gomułka and the role of the bank of issue of Poland (Bank Polski), a private

was reconstructed after 1918 made

the army a prerequisite of independence. In November 1918 the Polish army in Poland numbered 6000 soldiers of the so-called Polish Force (Polska Siła Zbrojna). At that time the three Polish Corps in Russia had already been dissolved by the Germans for moving through revolutionary Bessarabia. The Polish Legions were either interned – the First and Third Brigade – or dispersed in Russia. In France, the relatively well armed and disciplined 'Blue Army' of about 70 000 soldiers was organized by General Józef Haller under the auspices of the Entente.

On 27 October 1918 the Józef Świeżyński government of the Regency Council decreed the formation of a national army, whose ranks began to swell after the return of Piłsudski and the creation of the Moraczewski government. Local volunteer groups organized insurgent troops in Great Poland and Upper Silesia. The major role in this process was played by the Polish Military Organization which provided officer cadres. Absorption of Polish officers from the German, Austrian and Russian armies began. Thus at the beginning of 1919 the Polish army had already expanded to 170 000 officers and soldiers, while the Great Polish insurrection troops included a further 60 000. In mid-1919 the General Haller army returned to Poland and Polish troops from Bessarabia under General Lucjan Żeligowski also joined the main body of the army, which thus amounted to about 304 000 men. A general conscription of several classes, as well as a mass inflow of volunteers, brought this number up to about 740 000 men by early 1920. At the height of the Polish-Soviet war the Polish army numbered almost a million officers and soldiers.<sup>24</sup> It was an impressive achievement for such a poor and ruined country to arm, dress, and supply such a huge army within a short length of time. This was made possible partly by foreign deliveries of arms and supplies. Most of the armaments came from disarmed German and Austrian troops, but there were also French, Russian, English, Italian, Japanese, and even Mexican arms. General Aleksander Litwinowicz, who was responsible for army supplies, wrote: 'In 1920 the Polish army . . . made the greatest improvisation known in the history of warfare'.<sup>25</sup>

Apart from Upper Silesia, whose resources could not be fully used by Poland before 1922, there had been no armament production in the Polish territories since 1831: the partitioning powers made sure that the Poles could not produce arms. Therefore in 1918 the Polish state emerged without a modern armament industry. There were only five small repair workshops. Some military production was soon started by modified private metal-processing works but this was