

## **Economic Expansion of the HASAG Concern in the Radom District (1939-1945) and Its Impact on Częstochowa Labor Camps for Jews**

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The development of the Hugo Schneider AG Leipzig (HASAG) German armaments concern has only recently attracted historians' interest. The neglect might have been also due to scarceness of sources. Recovered documents point to the general director Paul Budin as the main driving force behind the growth of the company under Hitler's rule. Beside being a member of the Nazi party and an ardent SS-man, Budin was also fully qualified in metallurgy and economy. These skills helped to transform a minor lamp factory into a major German company.

A major chink in German war industry's armor was the permanent shortage of ammunition and Budin, having enthusiastic support of the land forces command, was ready to switch some of Hasag production to infantry ammunition as early as 1934. At the outbreak of WWII HASAG had already a status of a Rüstungsbetrieb (armament industry plant) and was known in upper military circles as the factory specializing in ammo.

Compared to other companies active in Generalgouvernement (GG) at the time when the final solution of the Jewish question was executed, several aspects of the history of HASAG proved unique:

a. Hasag was the first company to establish six company labor camps for Jews (Betriebslager, Firmenlager) on the premises of its factories (in Skarzysko-Kamienna, Kielce, at Peltsey, Warta, Raków steelworks, and Czestochowianka.)<sup>1</sup>

b. In summer 1943 HASAG was the biggest employer of Jews in the Radom district (region) due to its 14,000 strong Jewish workforce, which was 73 per cent of the entire Jewish labor in the local armament industry.

c. All HASAG camps continued up to the final evacuation (Skarzysko and Kielce camps till summer 1944, Częstochowa camps till January 1945). Inmates were prevailingly deported to other HASAG camps in the Reich territory (Germany proper), such as Schlieben, Colditz, Leipzig, Meuselwitz, etc.

What enabled the HASAG company to get hold of six industrial sites in the Radom district and how come that some of „their” Jews in general, and Częstochowa Jews in particular, were not predestined to be killed?

It is known that before WWII major Polish armament factories belonging to the Central Industrial Area (COP) were located in the Radom district. With the occupation of Poland German companies started to divide the spoils by the previous, precisely devised blueprint. The companies included HASAG, whose focus was to obtain plants, which would ensure continuous production of ammunition. The process involved providing metal raw materials, production of gun shells and rifle cartridges, and, finally, filling them with explosives. Another objective was to dominate the market by increasing production constantly and maintaining low prices. Vital to the success of the operation

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<sup>1</sup> Firmenlager (company camps) differed from “regular” labor camps in three respects: 1) they were established at the factory premises; 2) camp administration and guard were in the hands of factory security (Werkschutz), whose staff consisted of Ukrainians, Latvians, etc., whose German commandant was responsible to the factory chief executives and not to the SS officers; 3) although labor camps for Jews in the Generalgouvernement were officially under the jurisdiction of a district SS and police headquarters (SSPF), but in fact it was the civilian management of a factory who determined the number of workers and their life and work conditions.

was steady and qualified workforce who could be transferred according to the production demands. Budin's ultimate aim was to purchase plants that were under HASAG's control.

The abovementioned objectives seemed distant from the Final Solution process, but did in fact, affect the fate of the HASAG camps. The objectives determined Budin's policy of economic expansion. Its major stages involved:

1. Founding the HASAG "empire" (October 1939 – end of 1941) which involved Budin being appointed the administrator of the five factories: Ammunition Factory in Skarzysko, Granat Factory in Kielce; Rakow steelworks in Częstochowa, Peltser wool mill (adapted to produce ammo as Apparatebau factory from August 1942), Warta linen mill (another textile mill, Czestochowianka, was acquired by HASAG in mid-1944)<sup>2</sup>.

2. Heyday of HASAG (from the invasion of the Soviet Union to mid-1944); empire development with the establishment of company camps for Jews in Skarzysko, Kielce, and Częstochowa. In 1942 Hasag was granted monopoly on the production of light infantry ammo in GG.

Detailed story of stage one started with the administration of the Ammunition Factory in Skarzysko appointed to HASAG and Röchling concerns as early as November 1939. It coincided with the nomination of General Maximilian Schindler to the post of Chief Armaments Superintendent (Rüstungsinspekteur) in GG and the latter's success in extending his office control over the entire military industry in the Radom region (despite the opposition of Hans Frank, Governor General of occupied Poland). In June 1940, upon the capitulation of Paris, Röchling renounced his share and Budin agreed to take on full receiver's administration of the Skarzysko factory provided that he got the Częstochowa steelworks in a packet. The steelworks was the first link in the production chain, because it was to provide HASAG with iron and steel. In September 1940 Budin, Schindler, and a Wehrmacht representative General Löve, concluded a deal concerning HASAG's receiver's administration of Rakow steelworks, thereafter Eisenhütte Tschenstochau.

Budin's personal efforts resulted in extending HASAG's control over the Granat factory in Kielce, specializing in production of missile shells and cartridges.

Increased demand for ammo on the part of Wehrmacht, due to the Stalingrad offensive, together with the takeover of Rakow steelworks, strengthened Budin's position and enabled him to include another plant, Peltser wool mill, into HASAG domain and convert it gradually into an ammo factory called HASAG Apparatebau. German war against the Soviet Union brought him yet another loot, Warta linen and jute mill, which was under military administration since the beginning of the occupation. The land force headquarters let Budin restructure the mill into another ammo factory, Warthewerk.

Thus Budin accomplished his main objective, namely to control a chain of industrial units, which would ensure continuity of production at every stage. No wonder then, that the success was enhanced by an economic agency of HASAG set up in Kielce: HASAG's Supplies and Economy Department (Beschaffungs- und Wirtschaftsabteilung der Hasag — Be-Wi). In March 1941 Budin in cooperation with the Braunschweig concern established the East Metallurgic Furnaces Association (Die Eisenhütten Gemeinschaft – Ost).

Early in the occupation all of the abovementioned plants had exclusively Polish workforce at the production units. Jews were forcefully employed (Verschleppung) to perform the most menial jobs. In April 1941 a large ghetto was established in

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<sup>2</sup> Encyclopedia on Nazi camps in the occupied territory of Poland *Obozy hitlerowskie na ziemiach polskich 1939–1945* includes an incorrect information on two alleged camps in Częstochowa (p.146): Apparatebau and Hasag Peltser. In fact it was the same camp called Peltser by the Jews, and Apparatebau, as the factory itself, by the Germans.

Częstochowa and from then on the Judenrat acted as an agency organizing Jewish “auxiliary labor gangs”. These included a 300 men strong group of Jews dispatched on regular basis to work at unloading and transport at the Rakow steelworks as long as the large ghetto existed, that was till autumn of 1942.

As far as labor camps were concerned the next stage began with the invasion of Russia. Since the demand for ammunition was growing steadily, more and more Germans were drafted into the army, and large numbers of Poles were sent to forced labor assignments in Germany proper, the HASAG management faced more and more acute problems with understaffing and had to proceed to the objective number two: providing the factories with steady and cheap workforce, totally controlled by the employer, while unaffected by labor market regulations. Ideal candidates were the Jews massively rounded up in the Radom district ghettos. Budin was aware of their existence and being a high SS officer undoubtedly got the information about the imminent deportations.

In February 1942 there was a political reshuffling in Generalgouvernement: emergence of the SS Chief Administrative and Economic Bureau (SS-WVHA) indicated Himmler’s determination to control the entire Jewish workforce. As the term of the ultimate deportations of Jews drew closer, the SS were gaining more power. According to a June 25, 1942 memo, all matters concerning Jewish labor, including those employed in armament industry, were reassigned to the SS.

Against so powerful rival Budin had to muster up a coalition. Three years of doing business in GG were enough for him to learn the workings of the local political scene. Budin knew that local authorities were not so keen on Himmler’s interfering. Various forms of bribery must have come in handy, too. “Budin’s men” included the very HSSPF in GG Friedrich Wilhelm Krüger, and his subordinate, Dr. Herbert Böttcher, SSPF of the Radom district. Having secured their unofficial collaboration and being backed up by the new head of the Ministry of Arms, Albert Speer, Budin decided to use Jewish workforce on a massive scale in his GG factories.

Contrary to Himmler’s orders, the first company camp for Jews was established in August 1942 at the Ammo Factory in Skarzysko-Kamienna, and another in September at the Granat factory. As early as July 1942 Krüger and General Schindler concluded a deal that committed the former to establish in Częstochowa camps for 8,000 Jews! It is hardly surprising that Budin recommended that the Board of HASAG Supervisors in Leipzig would assign 3 millions marks to purchase the Peltsey factory which was to become the major producer of the light ammunition.

Budin’s initiatives interfered with Himmler’s plans. The latter urged for speeding the deportation of Jews in the Radom district and opposed any compromises and business dealings. Yet the camps in Skarzysko and Kielce were not liquidated and others would follow. Pressure exerted by military circles and Speer in particular, resulted in another agreement drawn in October 1942 between Generals Schindler and Hännicke, the commander-in-chief of GG Military District (who were in fact representing HASAG) and Krüger. The agreement stipulated that everything concerning armaments industry units under the competence of the Arms Inspection, including delivery of the workforce, would be settled by General Schindler in direct consultation with Krüger.

That was all Budin needed. The October agreement legalized the company labor camps for Jews and brought them in fact under the control of HASAG. Consequently, no time was wasted to make use of the new opportunities: in all HASAG plants large numbers of Jews were transferred from auxiliary jobs to machine production, from which they had been previously strictly banned, while simultaneously plans for raising daily quotas were prepared. Meanwhile, after two years of negotiations, Budin persuaded the GG administration to sell him three plants dirt cheap: Skarzysko factory for 10 million

zlotys, Granat factory for one million, and Rakow steelworks for 5,5 million zlotys. In January 1943 a new joint stock company was recorded in the GG trade register: Hasag Eisen- und Metallwerke GmbH — Werk Skarzysko-Kamienna”, with initial capital of 20 millions zlotys.

There is no doubt that during mass deportations of Częstochowa Jews in September through November 1942 some 1,500 young Jews, including the group employed at Rakow steelworks, were “sheltered” at Pelttery factory thanks to the connections with Krüger and General Schindler (it was the so-called first barracking). Upon the liquidation of the large ghetto early in December 1942, the small ghetto was set up and the two abovementioned groups were settled there. Thus Jews working at Pelttery and Rakow plants lived in a sort of “itinerant” camp: in the morning they left for their work and returned to the small ghetto for the night. They were constantly joined by the auxiliary workers from Enro iron foundry.

Krüger’s failure to fulfill his part of the deal and build several camps for Częstochowa Jews after the deportations was due to several factors: Himmler’s protest, shortage of living quarters at HASAG plants, which were being enlarged then, and moreover, spoils system, which involved letting the SS have the small ghetto under their sole control in exchange for having Jewish HASAG employees excluded from deportations. The numerous selections carried out in the ghetto in 1943 by its commander Degenhardt proved how flimsy the SS promises used to be.

With the Stalingrad defeat of the German army and the launching of Soviet counteroffensive the demand for ammunition grew significantly and in May 1943 HASAG’s monopoly for its production was reconfirmed. It did not, however, mean that Jewish workers were altogether safe from the menace of Treblinka. The swing of the war pendulum, Warsaw ghetto uprising, and Polish armed resistance gaining impetus resulted in Himmler’s being commissioned with a special task to “pacify the bands” in GG. Himmler was ready to proceed with it on the condition that the remnants of the Jewish population of GG were liquidated, including the workforce of the arms industry.

Such a move could have slowed down the supply of ammo to the Eastern front and Budin alerted Schindler. Consequently on May 31, 1943, a meeting took place in Krakow with Hans Frank, General Hänecke, Sipo commander-in-chief, and Krüger. When Himmler’s representatives put forward his demand, all present objected. Krüger reaffirmed how vital Jewish workers were for the arms production, calling them “Maccabees”, and requesting the startled representatives to explain to the Reichsführer, that without sufficient amount of Polish labor his demand could not be possibly complied with.

Faced by such concerted opposition Himmler gave in, and the company camps were no longer threatened by immediate and total liquidation. The consequences were far reaching as other armaments companies in the Radom district using Jewish workforce from local ghettos did also set up company camps at their premises during summer 1943. When early in November 1943 the SS units murdered 42,000 Jews in the deadly Erntefest action at the Majdanek, Trawniki, and Poniatowa camps, the life and work at company camps went on “as usual”...

The effect of Himmler’s concession for HASAG was enormous, especially in Częstochowa. When the small ghetto was liquidated in June 1943, several hundred Jews were barracked at Rakow steelworks, where a camp was ready for them. During the liquidation Director Lüth, HASAG’s administrator of Pelttery factory, wrenched 30 boys of eleven to fifteen from the hands of Degenhardt. The boys were included in the workforce of the factory, where a camp was being constructed for several hundred Jews,

men and women. Jews from Braland factory were also brought there. According to official Betriebskarten records of June 30 1943, Apparatebau plant employed 3,350 Jewish and 985 Polish workers, while Rakow steelworks had 521 Jews and 2,551 Poles. Since autumn 1943 new shipments of Jews were arriving to the Peltser camp from Piotrkow, Plaszow, Lodz, Skarzysko etc.

Even at that point, marking the beginning of the ultimate fall of the Third Reich, HASAG management did not abandon plans for expansion: in autumn 1943 a new camp was set up at Warthefabrik factory, first for a group of local Jews, moved from Peltser, soon to be expanded by Jews deported from the Plaszow camp in November. Successive shipments of Jews were arriving from Deblin, Lodz, and Skarzysko. The last asset of HASAG was the Czestochowianka factory camp, set up in summer 1944, where some workers from Peltser were put in, along with evacuation shipments from Skarzysko, Piotrkow, Pionki, and Radom.

To the very last phase of their existence, when the SS took over the control of the camps, the production of ammunition did not stop at HASAG factories and it calls for a further study to determine whether the concern management was motivated by patriotic impulse alone. Even more surprising is the fact that as late as in spring 1944, at a meeting called by SSPF Böttcher with Budin, the participants decided to raise food rations for Jews in the company camps.

Just before the liberation, groups of Czestochowa camps' inmates were deported, mainly to various HASAG factories in Germany. It was undoubtedly due to Budin's efforts. Still, these were the last strokes. In January 1945 the Red Army entered Czestochowa and liberated over 5,000 surviving Jews.

To sum up: the survival of the HASAG camps was essentially due to the line of industry, in which Jews were engaged. The ammunition production had been the weakest link of the armaments industry chain in Nazi Germany since the 1930s, because the major industrial concerns were not interested in getting commissions for light ammo, whose production was labor consuming and not very lucrative. It was the essential factor which contributed to HASAG's success in controlling industrial units in GG and gaining monopoly for such production. General-Gouvernement exceeded other Nazi occupied European countries in the ammunition production and in summer 1944 HASAG factories met one third of the entire German infantry demand for ammo at the Eastern front.

HASAG was backed up by the GG administration on every level, because local authorities were apprehensive about Himmler's power encroaching on their territory; thus they were interested in having at hand strong industrial assets. Neither Hans Frank with his administrative apparatus, nor Wehrmacht and its business agencies, nor even local SS units were keen on supporting Himmler's centralist ambitions.

HASAG plants were the mainstay of the Arms Inspection and Budin availed himself of that strong position to demand the cheapest – Jewish – workforce. Free labor of Jews in inhuman conditions, starving and freezing, with no social benefits, was much cheaper than Polish labor. Therefore the production was so cost-effective that HASAG could maximally reduce prices and eliminate any competition, in accord with the best interests of Wehrmacht business agencies. On the other hand HASAG's profits were huge thanks to the sale of mass quantities of its goods.

In view of all there was nothing amazing in the establishment, functioning, and liberation of the Czestochowa camps: they owed it to the particular interests of HASAG company and favorable economic situation in the German armaments policy. Even this cursory survey of the history of HASAG and its Jewish slaves shows that the profits and stock market, shares and dividends were involved, as in any normal capitalist enterprise.

And us, the slaves of HASAG? Starving, beaten, tortured, dying of typhoid on lousy camp bunks... and finally sent to gas chambers?...