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Denmark and the 'European New Order', 1940–1942

JOACHIM LUND

Between 1939 and 1945 Germany proved itself capable of waging a war based on an economy which was much stronger than that of the hunger-stricken and disintegrating nation that had emerged from the Great War (1914–1918). It was an effort which would not have been possible without the thoroughgoing, generally efficient, and often violent exploitation that was the everyday experience of occupied Europe during the war years. In the German policy of occupation throughout Europe, the exploitation of labour, raw materials, foodstuffs and production facilities involved a constant conflict between short-term and long-term planning. The latter was a major source of inspiration to the decision makers of party and state in Berlin during the first three years of the war. It aimed at the establishment of a self-sufficient area (*Raum*) in continental Europe, secure from any blockades.

In German planning agencies, official statements and media, the overall concept of long-term planning for peace was embodied in the 'European New Order' (*Europäische Neuordnung*) and the 'Greater European Economic Area' (*Europäische Großraumwirtschaft*) or 'Greater German Economic Area' (*Großdeutscher Wirtschaftsraum*). Rooted in the *Kaiserzeit* (imperial period), its fundamental principles were to some extent tested in the First World War during the short-lived German expansion in eastern Europe. After the Great War, the German 'geopolitical school' continuously promoted the idea of building an economically united Europe under German leadership. The ideas gained new strength after the collapse of the international economy after 1929. At that time, struggling to survive the crisis in international trade, national economies turned inwards, aiming at a greater degree of self-sufficiency and a lesser dependency on foreign and overseas supplies in order to mitigate the internal effects of the international depression. In Germany, the shift was marked by Schacht's 'New Plan' of 1934 and the introduction of the Four-Year Plan in 1936. Meanwhile, within the National Socialist regime, the conviction grew that the solution to Germany's problems was to be found in territorial expansion – the acquisition of *Lebensraum*. The war to establish German hegemony in continental Europe, which the leading Nazis thought was inevitable in the long run, would require a German economy very different from that of the Great War. It would have

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to be self-sufficient, immune to blockade, and directed solely at the fulfilment of German needs. And, of course, it would all be controlled from Berlin.[1]

The German concept of a European New Order acquired different objectives as it passed through different stages. From the idea of establishing a planned economy free from the weaknesses of liberalism, it passed to the Nazi concept of an economy isolating itself from global trade and gradually preparing itself for a war during which it would inevitably be cut off from overseas supplies and become the target of an allied blockade. This idea became increasingly prominent during the last stage of planning for the Greater European Economic Area. Following the German military victories of 1940, a number of ministries and agencies began an almost feverish search for a way of securing economic hegemony in Europe, beginning with the exploitation of industry in the German-occupied territories for war production. In 1940, when it seemed as if victory was just around the corner, the approach was strongly focused on postwar planning, that is, the final establishment of a peacetime economy for continental Europe, controlled by Germany. After the war, the German people would no longer be a 'Volk ohne Raum' – a people without a space.[2] In eastern Europe there would be plenty of space for German settlers to farm the land with modern methods, while continental Europe would be supplying Germany with an abundance of food, raw materials and industrial products.

The preparations for a peacetime economy were definitively cancelled after the military setbacks of 1942, but the concept of a German *Großraumwirtschaft* persisted. In his standard work on Nazi economic theory and practice, Avraham Barkai noted that during winter 1941–2, as a direct result of the failure of 'Operation Barbarossa', German economic planning was changed and adjusted to the prospect of a long war. From then onwards, the economies of the occupied countries were treated as part of what was for propaganda reasons now called the 'European war economy': 'The Nazi preconception of a "Central European Greater Economic Area" which would at first be brought about through victory in war was therefore realised while the war was still in progress.'[3] In other words, the boundary between short-term and long-term economic planning in Nazi occupation policy became blurred, and measures which originally related to postwar planning were now undertaken from sheer military necessity. German capital soon began to penetrate industry, banking and insurance

[1] Early, still valuable introductions to this topic are Achim Bay, *Der nationalsozialistische Gedanke der Großraumwirtschaft und seine ideologischen Grundlagen. Darstellung und Kritik* (Cologne: Photostelle der Universität, 1962), and Lothar Gruchmann, *Nationalsozialistische Großraumordnung. Die Konstruktion einer 'deutschen Monroe-Doktrin'*, Schriftenreihe der Vierteljahreshefte für Zeitgeschichte 4 (Stuttgart: Deutsche Verlags-Anstalt, 1962). For later evaluations, see Ludolf Herbst, *Der Totale Krieg und die Ordnung der Wirtschaft. Die Kriegswirtschaft im Spannungsfeld von Politik, Ideologie und Propaganda 1939–1945* (Stuttgart: Deutsche Verlags-Anstalt, 1982); Woodruff D. Smith, *The Ideological Origins of Nazi Imperialism* (New York: Oxford University Press, 1986), 127–67; and Götz Aly *et al.*, eds., *Modelle für ein deutsches Europa. Ökonomie und Herrschaft im Großwirtschaftsraum*. Beiträge zur nationalsozialistischen Gesundheits- und Sozialpolitik 10 (Berlin: Rotbuch Verlag, 1992).

[2] The title of Hans Grimm's bestselling novel published in 1926.

[3] Avraham Barkai, *Das Wirtschaftssystem des Nationalsozialismus. Ideologie, Theorie, Politik 1933–1945* (Frankfurt am Main: Fischer Taschenbuch Verlag, 1988), 224. All translations are mine.

companies in the occupied countries. In 1940 a central clearing system was set up in Berlin to control international capital transactions. 'The New Order economy did not remain on the drawing board; the foundations and much of the scaffolding were set up during the war', as Richard J. Overy has put it.[4] On the level of national case studies, however, this conclusion is not undisputed. For instance, it is often stressed that, generally speaking, German occupation policy and its enforcement in Europe were seriously unco-ordinated, impeding the implementation of larger political schemes.[5] The case of occupied Denmark may shed a little light on a topic which still needs to be studied in detail.

Philip Giltner's research on Danish industrial deliveries to Germany during the occupation suggests that at an early stage Berlin had decided that Denmark could not be incorporated into the 'New Order' until the war was won.[6] Giltner's assumption that 'Grand schemes would have to wait for more settled times'[7] seems to rest on the idea that this step would involve some kind of treaty between Denmark and Germany. But the concept of economic union as a means of integrating the European states was abandoned by the German Foreign Ministry as early as late summer 1940, in the wake of the pace-setting Four-Year Plan and the orders of the Reich Economics Ministry, and as far as Denmark was concerned its economic integration with Germany was governed by other factors.

Whether, and to what extent, the economic concept of the European New Order actually influenced German occupation policy in Norway and Denmark has been the subject of a recent study by Harm G. Schröter.[8] Focusing mainly on Norway, and using archival reports from the local Wehrmacht Economy Staff in Norway and Denmark and on peace planning by the I.G. Farben Company (relating to Norway only), Schröter concludes:

> In the occupied areas few concrete measures were taken which could have constituted a basis for a post-war 'greater economic area'. Thus the third great field of activity set for the German occupying authorities remained as vacant in Denmark and Norway as in the Netherlands . . . The idea that the 'greater economic area' designed for a future time of peace had already been set up by the German-dominated war economy is untenable.[9]

[4] Richard J. Overy, 'The Economy of the German "New Order"', in Richard J. Overy, Gerhard Otto and Johannes Houwink ten Cate, eds., *Die 'Neuordnung' Europas. NS-Wirtschaftspolitik in den besetzten Gebiete*, Reihe Nationalsozialistische Besatzungspolitik in Europa 1939–1945, vol. 3 (Berlin: Metropol, 1997), 25.

[5] See, e.g., Hans Umbreit, 'Zur Organisation der Besatzungsherrschaft', in Johannes Houwink ten Cate and Gerhard Otto, eds., *Das organisierte Chaos. 'Ämterdarwinismus' und 'Gesinnungsethik': Determinanten nationalsozialistischer Besatzungsherrschaft*, Reihe Nationalsozialistische Besatzungspolitik in Europa 1939–1945, vol. 7 (Berlin: Metropol, 1999), 35–54.

[6] Philip Giltner, *'In the Friendliest Manner': German–Danish Economic Cooperation During the Nazi Occupation of 1940–1945*, Studies of Modern European History 27 (New York: P. Lang, 1998), 47, 168–9.

[7] *Ibid.*, 49. 'As far as Denmark's permanent position in the New Order was concerned, that could wait until the gains of the war were secured' (*ibid.*, 3).

[8] Harm G. Schröter, 'Administrative Ansätze nationalsozialistischer Gro*ß*raumwirtschaft – die Fälle Norwegen und Dänemark', in Houwink *et al.*, *Das organisierte Chaos*, 143–72.

[9] Schröter, 'Administrative Ansätze', 170, 172.

Evidently there is room for discussion here. In what follows I shall focus on occupied Denmark at the time when Germany was preparing the drafts for the European New Order, that is, peacetime planning during 1940–2. If the Danish Wehrmacht Economy Staff did not pursue a policy of strengthening Denmark's economic dependence on Germany, did other German authorities engage in an active attempt to integrate the Danish economy into the Greater European Economic Area? If so, how did Denmark's government, industry and agriculture respond? German ideas and attempts to integrate Denmark into a centralised European economy, either before or after the expected military victory, would be of crucial importance to the relationship between occupation, co-operation and collaboration.

Inside the Greater German Economic Area

It will probably never be known whether the intention was to incorporate Denmark into the Greater German Reich. The question was of no interest to the decision makers in Berlin at the time. Hitler's interest was focused on the conduct of the war, and he seldom turned his attention to such matters. When a 'Führer decision' was needed, Hitler would sometimes utter remarks which left little doubt that in the future Nazi-controlled Europe there would be no room for the smaller states. In the autumn of 1942, during the first serious crisis in the Danish–German relationship, Hitler even suggested to the German *Befehlshaber* (commander-in-chief) in Denmark that he intended to make the country into a German province.[10] However, during the war, Denmark was treated as an independent, neutral state under temporary German protection. The comparatively mild treatment accorded to Denmark was due to the almost immediate Danish surrender on 9 April 1940, which formally left the management of affairs between the two states in the hands of their respective foreign ministries. The deal of 9 April 1940 protected Denmark's people, economy and political system in many respects. It was a favourable arrangement for both parties, but the Danish establishment soon found itself on diplomatic thin ice. Struggling to preserve Danish jurisdiction and administration, the Danish government did what it could to satisfy the ever increasing German demands and thus had to back down increasingly on questions considered to be of vital national importance.[11]

[10] Hans Kirchhoff, *Augustoprøret 1943* (Copenhagen: Gyldendal, 1979), I, 46.

[11] Later, non-Danish-language, literature on Denmark 1940–5 includes Harald Winkel, 'Die wirtschaftlichen Beziehungen Deutschlands zu Dänemark in den Jahren der Besatzung 1940–1945', in Friedrich-Wilhelm Hennig, ed., *Probleme der nationalsozialistischen Wirtschaftspolitik*, Schriften des Vereins für Sozialpolitik; Neue Folge 89 (Berlin: Duncker & Humblot, 1976), 119–74; Henrik S. Nissen, ed., *Scandinavia during the Second World War* (Minneapolis: University of Minnesota Press, 1983); Henrik Dethlefsen, 'Denmark and the German Occupation: Cooperation, Negotiation or Collaboration', *Scandinavian Journal of History*, 15, 3 (1990), 193–206; Henning Poulsen, 'Die deutsche Besatzungspolitik in Dänemark', and Aage Trommer, 'Kollaboration und Widerstand in Dänemark', both in Robert Bohn *et al.*, eds., *Neutralität und totalitäre Aggression. Nordeuropa und die Großmächte im Zweiten Weltkrieg* (Stuttgart: Franz Steiner Verlag, 1991), 369–80, 381–98; Ole P. Kristensen, 'Denmark: Occupation without an Occupation Regime', in Wyn Grant, Jan Nekkers and Frans van Waarden, eds., *Organizing Business for War. Corporatist Economic Organisation during the Second World War* (Oxford: Berg, 1991),

Danish society as a whole proved itself generally capable of adapting to the occupation. The government was forced to resign during the strikes of August 1943 against deteriorating standards of living and continued Geman oppression, but departmental co-operation continued. Between 1940 and 1945, backed by the Danish authorities, a minimum of 100,000 unemployed Danes – approximately one-tenth of the workforce – went to Germany to work, typically for six months or more, and back in Denmark big companies were busy keeping the economic co-operation going, building Luftwaffe airfields and Atlantic Wall fortifications. These measures, along with a sharp increase in domestic production of peat and coal, put an end to the serious unemployment that was the immediate result of the outbreak of war. In spite of a serious drop in raw material imports, industrial production was kept going – especially when working for the benefit of the occupiers. German ships were being repaired and new ones built at Danish shipyards under the so-called Hansa Programme, and Danish building contractors worked in Germany, France and occupied eastern Europe. Although seriously hampered by increasing sabotage later in the war, small-scale industry supplied the Wehrmacht with gun parts and radio equipment, and the largest arms manufacturer, 'Dansk Industri Syndikat', controlled by the dominant shipping company headed by a leading businessman, A. P. Møller, shipped large quantities of completed machineguns and cannon to Germany, for which reason the factory was several times blown up by the Resistance.

The keyword was adaptation. There was very little sympathy for either Germany nor Nazism in Denmark, and the Danish Nazis were a despised minority, winning just 43,000 votes in the 1943 election (just over 2 per cent of the voters or 1 per cent of the 1940 population). But Denmark was not at war with Germany, and the government had, in its own judgement, a fair chance of protecting the Danish people, Danish independence – and its own position of power – even after the end of the war. On most other issues, the government pursued a policy of co-operation which would satisfy German expectations as far as possible and which today strikes us as distinctly unheroic. It did, however, have the desired effect. Between 1940 and 1945 Denmark

185–94; Henning Poulsen, 'Le Danemark: une collaboration d'État sans idéologie', in Jean-Pierre Azéma and Francois Bédarida, eds., *Le Regime de Vichy et les Français* (Paris: Fayard, 1992), 714–25; Hans Kirchhoff, 'Die dänische Staatskollaboration', in Werner Röhr, ed., *Okkupation und Kollaboration*, Europa unterm Hakenkreuz, vol. 1 (Berlin and Heidelberg: Hüthig, 1994), 101–18; Ulrich Herbert, *Best. Biographische Studien über Radikalismus, Weltanschauung und Vernunft, 1903–1989* (Bonn: Dietz, 1996); Henrik Dethlefsen, 'Denmark: The Diplomatic Solution', in Wolfgang Benz et al., *Anpassung, Kollaboration, Widerstand. Kollektive Reaktionen auf die Okkupation*, Reihe Nationalsozialistische Besatzungspolitik in Europa 1939–1945, vol. 1 (Berlin: Metropol, 1996), 25–41; Karl Christian Lammers, 'Die deutsche Besatzungspolitik und ihre dänischen Partner. Eine Forschungsbilanz', in Robert Bohn ed., *Die deutsche Herrschaft in den 'germanischen' Ländern 1940–1945*, *Historische Mitteilungen*, Beiheft 26 (Stuttgart: Franz Steiner Verlag, 1997), 135–44; Per H. Hansen, 'The Danish Economy during War and Occupation', in Overy *et al.*, eds., *Die 'Neuordnung' Europas*, 63–81; Henning Poulsen, 'Denmark at War? The Occupation as History', in Stig Ekmann and Nils Edling, eds., *War Experience, Self Image and National Identity: The Second World War as Myth and History* (Stockholm: Gidlunds Förlag, 1997), 98–109; Fritz Petrick, *Ruhestörung. Studien zur Nordeuropapolitik Hitlerdeutschlands* (Berlin: Ed. Organon, 1998). See also Therkel Stræde, 'Neuere Forschungen zum Zweiten Weltkrieg in Dänemark', in Jürgen Rohwer and Hildegard Müller, eds., *Neue Forschung zum Zweiten Weltkrieg. Literaturberichte und Bibliographien aus 67 Ländern* (Koblenz: Bernhard & Graefe, 1990), 75–86.

remained within the domain of the German Foreign Ministry. Although increasingly rivalled by the Wehrmacht and the SS, who advocated taking a tougher line with the Danes, German Foreign Minister Joachim von Ribbentrop always succeeded in convincing Hitler that the unique modus operandi in Denmark was working in Germany's favour. This enabled Ribbentrop to forestall any serious interference from other Reich authorities, including Hermann Goering's Four-Year Plan. It has been assumed that Goering was 'the only Nazi leader given formal responsibilities in all the territories outside the Reich', and that his policy of systematically plundering resources and taking over war industries 'was eventually extended to the whole of conquered Europe'.[12] But as so often, this generalisation does not fit conditions in occupied Denmark.

In fact, Denmark did not experience the same level of economic exploitation and forced integration into a European (German) New Order as other countries. No confiscation of machinery occurred; no Danish workers were forced by the Germans to work in Germany; so far there is little evidence that German capital infiltrated Danish big business (*Kapitalverflechtung*); and 'aryanisation' was indirect and on a very limited scale (conducted by the zealous but largely powerless German Chamber of Commerce in Copenhagen). Instead, in industry as in agriculture, the occupiers preferred *Auftragsverlagerung* – a more sophisticated method of robbing a country of its economic assets by placing orders in that country and making the country itself pay. In that way, Danish deliveries to Germany could be disguised as 'business as usual',[13] whereas the truth was that heavy German withdrawals from the clearing and Wehrmacht accounts in the National Bank of Denmark left this small country with receivables from Germany totalling some 3.8 billion Reichsmarks at the Liberation.

Historians have traditionally interpreted the Greater German Economic Area as a premature attempt to establish a Europe-wide system of bilateral economic treaties under German hegemony. Within this interpretation, the question of Denmark's role in the New Order was considered to be sufficiently explained by Germany's attempt at establishing a customs and currency union with Denmark in summer 1940.[14] These negotiations came to nothing, partly owing to strong opposition from parts of the Danish government, partly because the negotiator from the German Foreign Ministry was sidelined by the Reich Economics Ministry and never again touched upon the subject. Because of this failure of negotiations in 1940, occupation historians have concluded that the New Order made little impression on Denmark. But within the pragmatism and multiplicity of German occupation politics, economic unions – as applied to Luxembourg and the Protectorate of Bohemia-Moravia – were only one of a wide range of methods used to tailor the economies of occupied Europe to German needs. New Order measures around occupied Europe should be regarded

[12] Richard J. Overy, *Goering: The 'Iron Man'* (London: Routledge & Kegan Paul, 1984), 120–1.

[13] Per H. Hansen, 'Business as Usual? The Danish Economy and Business during the German Occupation', in Harold James and Jakob Tanner, eds., *Enterprise in the Period of Fascism in Europe* (Aldershot: Ashgate, 2002), 115–43.

[14] The question is considered in Henrik S. Nissen, *1940. Studier i forhandlingspolitikken og besættelsespolitikken* (Copenhagen: Gyldendal, 1973), 262–402 (with a summary in German).

in the light of long-established German ideas about the European Greater Economic Area. In Denmark, similar initiatives were taken from both sides. They arose from the common ground of mutual German–Danish interests and took many forms.

The breakdown of customs and currency negotiations did not do any serious damage to the political relationship between Copenhagen and Berlin, but the result was an increasing Danish eagerness to assure the Germans that Denmark had not in the least dismissed the idea of a closer economic relationship with Germany within a political framework. A recent study has shown how, as a result of the failure of the customs and currency negotiations, a governmental 'Committee for Economic Co-operation with Germany' investigated the issue in order to prepare for some sort of economic treaty with Germany.[15] More scaffolding (to use Richard J. Overy's expression) was set up. There is sufficient evidence to show that the German authorities, headed by Fritz Todt, the Inspector General for German Roads, were eagerly engaged in building rail and motorway links between Copenhagen and Hamburg via the ferry service across the Fehmarn Belt in the western Baltic. In 1940–2 this route, known as the *Vogelflugslinie* (the 'bird's flight line', begun in 1941 but not completed until the 1960s), was part of a larger scheme which was eventually to connect the German mainland with the future German colony and naval base at Trondheim on the west coast of Norway, via the *Vogelflugslinie*, a bridge across the Øresund, and a motorway through Sweden. The Danish government was distinctly lukewarm about the project, seeing it as a mere job-creating measure made possible by German deliveries of coal and steel, and, moreover, as a convenient way of showing Berlin that the policy of co-operation was working. From Todt's point of view, the idea of shipping large quantities of precious steel and coal to Denmark – with no military purpose at all – made perfect sense, since he regarded the whole project as an important contribution to the infrastructure of the new Europe.[16]

One contrasting example will show the difficulty of implementing *Großraum* principles in Denmark when they ran contrary to the intentions of the leading parties to the political co-operation – the two foreign ministries. In 1940, the Reich Economics Ministry attempted to prevent the building of a steel mill in northern Zealand – the first ever in Denmark – with the explicit argument that the project was not in line with plans for a Greater German Economic Area according to which Germany's trading partners were expected to deliver the raw materials (scrap iron) while Germany itself would manufacture the goods (steel). The German Foreign Ministry, however, approved of the plan on the unimpeachable grounds that it was better to let the Danes produce their own steel for their own industry, rather than Germany having to supply it. The steel mill set to work in the summer of 1941.[17]

[15] Steen Andersen, *Danmark i det tyske Storrum* (Copenhagen: Lindhardt & Ringhof, 2003).

[16] Bundesarchiv, Berlin (Barch), R 4601/1110 (Linie Rödby-Fehmarn (Vogelflugslinie)); National Archives, Copenhagen, Trafikministeriet 2168/Teknisk Central. See also Alan S. Milward, *The Fascist Economy in Norway* (Oxford: Clarendon, 1972), 274; Jochen Thies, 'Hitler's European Building Programme', *Journal of Contemporary History*, 13, 3 (1978), 413–31; Franz W. Seidler, *Die Organisation Todt. Bauen für Staat und Wehrmacht 1938–1945* (Koblenz: Bernhard & Graefe, 1987), 57.

[17] Barch, R7/3534 and R 43 II/1429a.

Danish industry turns east wards

In 1941, Germany's Russian campaign opened new fields of co-operation. The Danish government (and most of Danish society) shared the anti-communist sentiments so widespread in Europe, and this was a political issue which could be milked to produce more goodwill from the Berlin authorities. Officers and conscripts were allowed to join the 'Frikorps Danmark', a unit of the Waffen SS, fighting on the eastern front. It is estimated that 12,000 Danes volunteered, of whom 6,000 were enrolled. Immediately after 22 June 1941, leading communists were arrested and interned (a manifest violation of the Danish constitution), and two months later the Communist Party and communist activities were prohibited in order to forestall a German demand – and to legitimise the internments. In November 1941, Denmark joined the Antikomintern League, but only after heavy German pressure. The government feared – quite justifiably – that the signature might jeopardise Danish neutrality. Also in 1941, representatives of the Danish economic establishment became involved in another undertaking within the framework of the New Order, which provides an example of how political adaptation and economic interest could be combined. The mobilisation of Danish industry for the economic exploitation of the occupied territories of the Soviet Union became the Danish contribution to a larger scheme which the German authorities dubbed 'Der europäische Osteinsatz' – activity in eastern Europe.[18] Building on expansionist concepts from the *Kaiserzeit* and the First World War, a German *Lebensraum* in eastern Europe had been a cornerstone of the National Socialist programme since the later 1920s, and during the exalted summer days of 1941, celebrating the swift German military offensive in the western Soviet Union, Hitler often spoke about the newly conquered land which was to be populated by millions of settlers.[19] It was not only German pioneers who were to be allowed into the Promised Land: other members of the 'Germanic race', that is, Norwegians, Danes, Swedes, Dutch and Flemings, would also profit from the vast new opportunities. In November 1941, when the German offensive in the USSR was stuck in the autumn rain and mud, and the Red Army still had not been crushed, the Wehrmacht, the party bureaucrats, even Hitler himself, realised that the war against the Soviet Union could not be won until the following summer at the earliest. At a conference in the Reich Economics Ministry it was decided that in order to exploit the economic resources of the Soviet Union as fully as possible, the Germans

[18] Joachim Lund, 'Den danske østindsats 1941–43. Østrumudvalget i den politiske og økonomiske kollaboration', *Historisk Tidsskrift*, 95, 1 (1995), 35–74 (with a summary in English). See also Dietrich Eichholtz, 'Wirtschaftskollaboration und "Ostgesellschaften" in besetzten Ländern (1941–1944)', in Dietrich Eichholtz (ed.), *Geschichte der deutschen Kriegswirtschaft*, vol. III (Berlin: Akademie Verlag, 1996), 307–44.

[19] Werner Jochmann, *Adolf Hitler: Monologe im Führerhauptquartier 1941–44. Die Aufzeichnungen Heinrich Heims* (Hamburg: A. Knaus, 1980), 55, 63, 79, 90. Hitler also rehearsed these ideas to the newly appointed Danish envoy to Germany, O. C. Mohr, in Sept. 1941. See Viggo Sjøqvist, *Erik Scavenius*, vol. II (Copenhagen: Gyldendal, 1973), 164; Andreas Hillgruber, ed., *Staatsmänner und Diplomaten bei Hitler. Vertrauliche Aufzeichnungen 1939–1941* (München: dtv, 1969), 325–30 (Scavenius meets Hitler, November 1941).

must demand help from their neighbours – 'Das uns nahestehende Europa muss mithelfen'.[20] There were no reasons why the smaller 'Germanic' countries should not contribute to the exploitation of the occupied east, and now the idea had become official policy.

In Denmark the question had already been put on the agenda. Just a few days after the beginning of the German 'crusade against Bolshevism' on 22 June 1941, contact was established between the German legation in Copenhagen and the Danish Minister for Public Works, Gunnar Larsen, who was also director of Denmark's largest cement company, F.L. Smidth A/S. The company had previously been a major shareholder of a cement plant at Port Kunda, Estonia, and the restoration of original ownership would be an excellent occasion to exhibit the potential of German–Danish co-operation. Supported by the Danish Foreign Minister, who wished to strengthen German goodwill, Larsen now set up a semi-official 'Eastern Committee' to investigate the opportunities opening up to Danish industry in the German-occupied territories of the USSR. Several committee members played a central role in Danish society. Thorkild Juncker, director of Denmark's largest vegetable oil plant, Aarhus Oliefabrik, was appointed chairman. Since early summer, negotiations had been in progress between Juncker's company and the well-known German firm I.G. Farben-Industrie concerning Danish participation in soya bean cultivation in the Ukraine. Now Juncker saw an opportunity to regain the ownership of a factory in the Latvian city of Liepaja which had been nationalised by the Soviet authorities in 1940. Other committee members represented various branches of big business, all with economic interests in eastern Europe. The engineer Knud Højgaard, for instance, was generally regarded as the leading figure in the Danish construction industry and had important political connections. Knud S. Sthyr, a civil servant and close friend of Larsen, was an unofficial coordinator in the Ministry of Foreign Affairs. Because it so obviously stood to profit from a German victory in the east, the committee was kept a secret from the rest of the government.

To Alfred Rosenberg, Minister for the Occupied Eastern Territories, the project was a most welcome chance to prove his worth. Rosenberg's chief agency, the Foreign Office of the NSDAP (*Außenpolitisches Amt der NSDAP*), had lost its influence several years earlier, and his new ministerial powers were seriously restricted by the rival authorities of Goering (economy) and Himmler (police/security).[21]

[20] 'Vermerk über die Beteiligung des Auslandes an der wirtschaftlichen Erschliessung des Ostraumes' (Ostministerium, undated), Barch R6/23, and 'Denkschrift über den gegenwärtigen Stand der Vorbereitungen zur Heranziehung der europäischen Staaten zur wirtschaftlichen Erschliessung der besetzten russischen Gebiete' (Clodius, German Foreign Office), 23 Nov. 1941, Politisches Archiv des Auswärtigen Amtes (PA/AA), Büro Unterstaatssekretär, Russland I. See also Militärgeschichtliches Forschungsamt, ed., *Das deutsche Reich und der Zweite Weltkrieg*, vol. 4 (Stuttgart: Deutsche Verlags-Anstalt, 1983), 864–5, 871–3, and vol. 5/1 (1988), 247.

[21] Germany's complex and often counterproductive policy in the occupied eastern territories is examined in, e.g., Alexander Dallin, *German Rule in Russia 1941–45. A Study in Occupation Policy* (London: Macmillan, 1957), and Timothy P. Mulligan, *The Politics of Illusion and Empire. German Occupation Policy in the Soviet Union, 1942–43* (New York: Praeger, 1988). For Alfred Rosenberg's role, see Seppo Kuusisto, *Alfred Rosenberg in der nationalsozialistischen Außenpolitik 1933–39* (Helsinki: SHS, 1984).

Larsen, eager for quick results, bypassed the normal channels of negotiation (the ministries of foreign affairs) and went directly to see Rosenberg during a visit to Berlin in November 1941; Rosenberg immediately responded by inviting Larsen and Juncker to the *Reichskomissariat Ostland* (Ministry for the Occupied Baltic Territories), where, in April 1942, they were received by Rosenberg's protégé, Reichskommissar Hinrich Lohse. As a result of the negotiations, the two factories were taken over by the Danish companies, and when the committee returned to Copenhagen its existence was made public and it began to act as an official agency under the Ministry of Foreign Affairs. Nevertheless, negotiations with Berlin came to a halt during the autumn of 1942. This was due to the rivalry between the Ministry for the Occupied Eastern Territories and the Foreign Office: the latter refused to put up with Rosenberg's meddling in Danish relations. In spite of Juncker's continued attempts to re-establish contacts, the project was shelved. At a time when the Wehrmacht was making progress on the eastern front, the complicated power structure of the Third Reich had put an end to Danish economic activity in the east which, however limited, would have made a contribution to the German war effort.[22] This Danish activity shows that significant elements in the Danish political and economic establishment were willing to collaborate closely with the German authorities.

Feeding the German population

Denmark's entry into the Greater German Economic Area was effected neither by coercion, as in eastern Europe, nor through the Four-Year Plan, as in the west. Although occupied, the country was still acknowledged by Berlin as both independent and neutral and had to be treated accordingly – and this was not a mere matter of form. Most of Danish industry was both willing and able to adapt. To the Germans, however, Danish industry was of lesser importance. What mattered to the occupiers was the fact that Denmark had become one of Germany's major food suppliers. And the Danish government was well aware of the country's significance in this respect. According to his remarkable book in defence of the co-operation, published in 1948, Erik Scavenius, Foreign Minister from 1940 to 1943 and Prime Minister from 1942 to 1943, told his ministerial colleagues in 1943 that 'the long-term interests of these great powers . . . would decide their attitude towards us after the war [and] not the sabotage, which as far as the vital issue was concerned, namely

[22] The cement factory at Port Kunda in Estonia was put under Danish administration in April 1942. Before the German takeover of the factory in February 1944, due to a lack of manpower, the SS provided a small group of gypsies to work in the factory, and later, in October 1943, about 200 Jewish prisoners were moved into a concentration camp in the factory grounds. When this fact finally came to light, in 1997, F.L. Smidth & Co. – now FLS Industries – abandoned its claim for compensation from the government of Estonia. To date the company has compensated twelve surviving prisoners. See Joachim Lund, 'F.L. Smidth & Co. og spørgsmålet om den gamle, konsekvente linie', *Arbejderhistorie* 4 (2001), 94–120 (with a summary in English).

the supply of Danish products to Germany, especially agricultural products, had no significance whatsoever'.[23]

The prospect of exploiting Denmark's agriculture had no influence on the German decision to invade. On the contrary, in the Wehrmacht supreme command there was widespread fear that the occupation of Denmark would become a heavy economic burden on the occupiers because Denmark would then find itself within the area subject to allied blockade.[24] The foreign policy expert Ulrich von Hassell, who had been German ambassador to Copenhagen from 1926 to 1930, wrote: 'All in all, from an economic point of view the occupation of Denmark and Norway will be more of a burden to us.'[25] Civilian agencies such as the Institut für Konjunkturforschung (Institute for Economic Research) and the Kieler Institut für Weltwirtschaft (Kiel Global Economics Institute) also expected the inclusion of the four Nordic countries in the Greater Economic Area to cause problems due to their general lack of self-sufficiency, although in its 1940 analysis the former Institute acknowledged that Denmark produced a food surplus, which would of course benefit Germany so long as Danish fodder and fertilizer needs could be met.[26] As it turned out, Danish butter, pork and fish did indeed make an important contribution to the German war effort. Here the hard facts of international trade closely coincided with prewar German plans for the Greater European Economic Area. Some New Order ideas, like the construction of a system of bilateral customs and currency unions, were soon abandoned by Berlin, but the central element – the need for Germany to safeguard its supplies – was not. On the contrary, as the war dragged on, its importance grew. By 1940–41 stocks of basic foodstuffs were already exhausted, and food supplies became a matter of serious anxiety to the German political and military leadership.[27] However, a real collapse of food supplies was actually avoided – a fact which must be ascribed to the substantial deliveries from occupied countries.

In agriculture, as in industry, trade talks were of the utmost importance. As far back as 1934, quarterly negotiations between representatives of the Danish and German ministries of foreign affairs had fixed the amounts and prices of goods to be exchanged, and during the war a system of quarterly bilateral trade agreements prevailed. On 9 April 1940, thanks to the German blockade, Denmark lost its

[23] Erik Scavenius, *Forhandlingspolitikken under Besættelsen* (Copenhagen: Steen Hasselbalchs Forlag, 1948), 181.

[24] Giltner, '*In the Friendliest Manner*', 13–52.

[25] Ulrich von Hassell, *Vom andern Deutschland* (Zürich: Atlantis Verlag, 1946), 150. In August 1939 von Hassell had visited a number of neutral countries, including Denmark, seeking to secure German foreign trade in the event of war. See Giltner, '*In the Friendliest Manner*', 15, and Joachim Lund, 'Danmark og den europæiske nyordning. Det nazistiske regime og Danmarks plads i den tyske Groβraumwirtschaft 1940–42', Ph.D. thesis, University of Copenhagen, 1999, 164.

[26] Hans-Erich Volkmann, 'Landwirtschaft und Ernährung in Hitlers Europa 1939–45', *Militärgeschichtliche Mitteilungen*, 1 (1984), 9–74 (19–21).

[27] Volkmann, 'Landwirtschaft und Ernährung', 12. See also Herbst, *Der totale Krieg*, 65–73, 86, and Christian Gerlach, *Krieg, Ernährung, Völkermord. Forschungen zur deutschen Vernichtungspolitik im Zweiten Weltkrieg*, (Hamburg: Hamburger Ed., 1998), 13–15, 210–17.

traditional export market, Britain. But in a few short weeks negotiators from Berlin and Copenhagen succeeded in diverting Danish exports to Germany. This reorientation of Denmark's foreign trade happened so fast that the head of the German government's trade committee (*Handelspolitischer Ausschuss*), Karl Ritter, expressed no more than the truth when he wrote that the occupation had gone ahead for solely military reasons, but 'The new situation offers a chance . . . to integrate the Nordic countries into Germany's existing plan for a greater economic area.'[28]

In summer 1940 Germany was in almost total control of Denmark's agricultural export market. By allocating fodder and fertilizer, Berlin was to a great extent able to direct the development of Danish agricultural production. And German trade negotiators had already employed an additional, very effective tool to extract the required products from Danish agriculture: the price mechanism. Berlin abandoned its prewar policy of balancing German–Danish trade accounts, and started to offer significantly better prices for Danish foodstuffs considered to be important for the German war effort. Before long butter and pork and other meat prices had doubled, leaving the Danish government with the unpleasant job of controlling the inflationary consequences. According to the trade agreements and the clearing system, paying the farmers was the responsibility of the Danish National Bank, which had to issue the appropriate number of notes. Since Germany was never able to supply the corresponding quantities of goods, Denmark was left in 1945 with a trade surplus of 3.8 billion Reichsmarks. Because of the German price policy, however, this was a somewhat artificial number: it could even be seen as a kind of enforced Keynesian fiscal policy, which was not in every respect bad for Danish wartime macro-economics.

During the occupation the German price policy, aimed at increasing the *Lieferfreude* ('eagerness to deliver') of Danish farmers, had the desired effect. The 200,000 Danish farms were soon given top priority in the formulation of German occupation policy goals in Denmark. Germany's share of Danish exports rose from 23.4 per cent in 1939 to 76.4 per cent in 1941, while imports from Germany rose from 37 per cent to 77.8 per cent. To the civil servants of the German Foreign Ministry (who had to choose between regarding Denmark as an occupied or as an independent country and for obvious reasons always preferred the latter), Denmark was now Germany's second largest foreign trading partner (after Italy).[29] While Danish industrial products comprised only some 3 per cent of German industrial imports, Denmark is estimated to have covered as much as 10 to 15 per cent of German food consumption during the war, the most important products being pork and other meats (10 per cent on average – surpassed only by France and the occupied USSR), butter (10 per cent – surpassed only by the occupied USSR after 1941), sugar (11 per cent) and sea fish (17.6 per cent).[30] From a Danish point of view, the shift from the British market

[28] Karl Ritter, 'Wirtschaftskrieg im Norden', 6 May 1940, Barch, R 901, 68314.

[29] Notiz für Ribbentrop, 24 May 1941. PA/AA, Büro Statssekretär, Dänemark 5.

[30] Winkel, 'Wirtschaftliche Beziehungen', 119–74; Volkmann, 'Landwirtschaft und Ernährung', 69–70; Herbert, *Best*, 327; Lund, *Danmark og den europæiske nyordning*, 164–80. Volkmann, 'Landwirtschaft und Ernährung', 62, cites alternative figures on foreign deliveries given by Riecke (see note 34).

to the German one in 1940 was a matter of pure necessity; exports were of vital importance in securing fuel and raw materials for industry and fertilizers and fodder for agriculture. For Germany, as the Reich plenipotentiary in Copenhagen put it, 'These deliveries of raw materials merely put Danish industry in a position to contribute further to the German war economy.'[31] But it was agriculture which proved to be the decisive factor in the permanent struggle of the German Foreign Ministry to show both the Führer and rival agencies that the current arrangement was the best that Germany could get. Over and over again the civil servants of the German legation in Copenhagen and in the Foreign Ministry emphasised that any change to the status quo would put Germany's food supplies seriously at risk. In January 1941 Franz Ebner, head of the economic section of the German legation in Copenhagen, reported on Danish food exports to Germany during the first complete year of occupation. He drew attention to the extraordinary fact that a country of only four million inhabitants had, in spite of a nearly complete cessation of fodder imports, supplied another country of ninety million inhabitants with more than a month's supply of butter, more than a month's supply of pork, and just under a month's supply of eggs. Ebner added: 'This is a quite exceptional contribution from Danish agriculture, far outstripping that of any other country under German influence or occupation, and it represents a contribution to German food supplies that should not be underestimated.'[32] It is not surprising that the German legation in Copenhagen was beginning to boast of the benefits of leniency. Less than a year after the invasion, it was clear that Denmark had become a key supplier of food to Germany.[33] Dietrich Eichholtz's estimates of German food supplies from 1942 to 1944 make it possible to compare Danish food exports with those from other European countries and territories controlled by Germany (see Table 1).

Back in Berlin, experts working for agencies other than the Foreign Ministries that had no particular institutional interest in preserving the status quo in Denmark arrived at the same conclusion. In June 1941, for example, when Herbert Backe, state secretary in the Reich Ministry for Food and Agriculture, returned to Berlin after a visit to Denmark, the German envoy to Denmark, Cecil von Renthe-Fink, reported to the Foreign Ministry that Backe had been delighted to find 'that we have managed to keep Danish agriculture productive and eager to deliver, so much so that food deliveries to Germany have not merely fulfilled our expectations but have surpassed them'.[34] In 1953 Backe's close collaborator, Hans-Joachim Riecke,

[31] 'Der Bevollmächtigte des Reiches in Dänemark: Politische Informationen für die deutschen Dienststellen in Dänemark', Copenhagen, 24 Nov. 1942. Barch, R 901, 67735. In Schröter's words, 'the process of adapting the occupied countries to the German economy was facilitated simply by the fact that . . . there were no sources of supply or markets available to them other than the German-occupied territories.' Schröter, 'Administrative Ansätze', 169.

[32] Ebner to German Foreign Office, *re*: Dänemarks Wirtschaft in Beziehung zu Deutschland. 31 Jan. 1942. Barch, R 901, 68712.

[33] Winkel, 'Wirtschaftliche Beziehungen', p. 131.

[34] Renthe-Fink to German Foreign Office, 30 June 1941. Cited in Vera Köller, 'Der deutsche Imperialismus und Dänemark 1933–1945 unter besonderer Berücksichtigung der faschistischen Wirtschaftspolitik', dissertation, Berlin, 1966, 234.

Table 1. *German food imports for the second half of 1942–first half of 1944*

	Grain	Pork, other meat, livestock	Fish	Butter, veg. oil	Cheese	Potatoes	Sugar, jam	Fruit, vegetables	Hay, straw
					1,000 tonnes				
USSR (1942/43)	2.910	262	13	256	3.0	1.251	151	256	1.55
Poland* (General Government only)	1.359	130	–	28	–	1.670	208	n/a	117.00
	1,070.000	90	–	7	–	773.000	53	n/a	168.00
Protectorate	335.000	27	–	2	–	131.000	207	–	75.00
Serbia	306.000	9	–	32	–	6.000	13	80	17.00
France	1,400.000	250	–	48	23.0	668.000	–	560	1,393.00
Netherlands	43.000	52	–	15	12.5	328.000	32	743	611.00
Belgium	78.000	–	–	–	–	62.000	50	58	289.00
Norway	–	13	**307	–	–	309.000	–	28	142.00
Denmark	42.000	212	197	90	7.0	n/a	4	12	n/a

* Figures for 1943/44 missing.
** Figures for 1942/43 missing.

Source: Dietrich Eichholtz, ed., *Geschichte der deutschen Kriegswirtschaft*, vol. II (Berlin: Akademie Verlag, 1985), 503–4.

a key figure in various agricultural departments of Third Reich ministries, still remembered Denmark's outstanding agricultural deliveries to Germany during the war.[35] In August 1942, a year after Backe's visit, Wilhelm Stuckart, state secretary in the German Ministry of the Interior, visited Denmark and concluded that although Berlin ought to sharpen its tone in talks with the Danish authorities (because of a sudden rise in industrial sabotage), the current occupation regime in Denmark should not be altered, since it might put Danish exports at risk: 'The unstinting fulfilment and (it is to be hoped) increase of Denmark's productivity is in the very best interests of the German war effort.'[36]

The third largest export to Germany was fish. Despite serious shortages of diesel fuel during the war, Danish fishing vessels, profiting exceedingly from the absence of most rival fishing fleets, were able to land huge catches. Again, sales on the German

[35] In the apologetic anthology *Bilanz des Zweiten Weltkrieges*, Riecke wrote that 'The allied blockade did not cut Germany off from its sources of supply, as it had in the First World War. Only overseas imports were lost . . . For example, from the financial year 1939/40 until 1943/44 Denmark, whose exports to Germany remained on a contractual footing throughout the war in spite of the occupation in 1940, supplied average annual quantities of more than 150,000 tonnes of meat and 50,000 tonnes of fats (mainly butter).' Characteristically – following what had been standard practice in the whole German state bureaucracy during the war – Riecke in his account did not reckon Denmark as one of the 'occupied countries'. Hans-Joachim Riecke, 'Ernährung und Landwirtschaft im Kriege', in *Bilanz des Zweiten Weltkrieges. Erkenntnisse und Verpflichtungen für die Zukunft* (Oldenburg/Hamburg: Gerhard Stalling, 1953, no name of editor given), 329–46.

[36] Cited in Herbert, *Best*, p. 330.

market were unlimited. In 1938 production was 86,705 tonnes. Exports were 56,393 tonnes, of which Germany took 20,360 tonnes. In 1943, production had swollen to 192,160 tonnes, while exports were 112,276 tonnes, Germany taking 99,281 tonnes. These figures are all the more impressive in view of the fact that Danish fisheries were seriously hampered by German minefields, closed military zones and, above all, diesel oil supplies, which had dropped to less than half of prewar consumption.[37]

These figures from fisheries and agriculture show the real importance of Denmark to the German war effort. For the parties involved – the Danish government, the German Foreign Ministry and, not least, the big Danish farmers – it was all a pleasant surprise.[38] The results are (as they must have been at the time) all the more astonishing in comparison with the situation in the Netherlands, another significant exporter of agricultural products before the occupation and politically and economically comparable to Denmark in other ways as well. Before 1940, Dutch produce made up more than half of Germany's imports from neighbouring countries, and German planners counted on the Netherlands as a supplier of meat, dairy products and vegetables during a future allied blockade.[39] As late as 1943, in his study of the continental European economy, 'On the security of European food supplies', Herbert Backe was still advocating the view that Denmark *and* the Netherlands must concentrate on secondary agricultural produce.[40] However, even before the invasion, the War Economy and Armaments Office of the Wehrmacht High Command had feared that like Denmark, the Netherlands would be unable to cope with the new situation, and they were right. Highly dependent on imports of fodder from Germany which had now dried up, the Netherlands were forced into agricultural reorganisation, cutting down on livestock and ploughing up grassland to produce grain, potatoes and oilseed. But since the Germans also failed to provide the necessary fertilizers, agricultural production during the war dropped to well below prewar levels, and with the lion's share going to the occupying forces, hardly anything (except vegetables) was left for export. Feeding the Dutch population was not a serious problem until the 'hunger winter' of 1944–45 (which was due to the military situation).[41] But Berlin can have been in no doubt that the Danish solution, whereby the occupied country took responsibility for implementing German policies and fed a large part of German society at the same time, was far better than the approach chosen in the Reich Commissariat for the Netherlands.

Since Denmark was not at war with Germany, the German Foreign Ministry was left in charge of Danish–German relations. Its authority in Denmark was

[37] Lund, *Danmark og den europæiske nyordning*, 176–80.

[38] In autumn 1941, the president of the Danish Council of Agriculture, Henrik Hauch, had to admit that these were 'not particularly hard times for agriculture'. Erik H. Pedersen, *Det danske landbrugs historie, 1914–1988* (Odense: Landbohistorisk Selskab, 1988), 176.

[39] Volkmann, 'Landswirtschaft und Ernährung', 32.

[40] *Ibid*., 14; Herbert Backe, *Um die Nahrungsfreiheit Europas. Weltwirtschaft oder Großraum* (Leipzig: Goldmann, 1943). See also Hans Umbreit, 'Wirtschaftliche Neuordnung', in Militärgeschichtliches Forschungsamt, ed., *Das Deutsche Reich und der Zweite Weltkrieg*, Vol. 5/1, pp. 210–16.

[41] Volkmann, 'Landswirtschaft und Ernährung', 32–6; Hein Klemann, *Nederland 1938–1948. Economie en Samenleving in Jaren van oorlog en bezetting* (Amsterdam: Boom, 2002), 191–230.

not undisputed, however, as was made abundantly clear in autumn 1943, when the Wehrmacht took over and imposed martial law. But because of Denmark's economic importance to the Greater German Economic Area, especially as regards food supplies, the Foreign Ministry retained its office in Copenhagen – especially as hardly any actual fighting occurred on Danish territory at any time during the war. When after the first serious crisis in German–Danish relations in autumn 1942, an SS-Obergruppenführer was appointed as the new German envoy to Denmark with explicit orders to take a harsh line, it was, not surprisingly, Werner Best of the Foreign Ministry who was selected. Stuckart, together with representatives of the Copenhagen legation and the German Foreign Ministry, had struggled hard to force through this solution, chiefly on the grounds that agricultural exports would be jeopardised if 'Norwegian conditions' were introduced in Denmark. Just as they had hoped, Best quickly accommodated himself to the situation in Denmark, and in close co-operation with Danish politicians he managed to maintain peace and quiet until the following summer.[42] When the Danish government resigned in August 1943, following a general strike and subsequent German demands for the introduction of the death penalty, governmental co-operation was maintained at a lower (permanent secretary) level until the end of the war, indicating that to the political establishment in both Germany and Denmark, co-operation remained the only feasible option in the circumstances.

Perspectives

In the eyes of the Danish government, economic adaptation and political co-operation with the German authorities were strategies of national survival. It would be quite untrue to say that the Danish government actually hoped for a German victory, and the Foreign (later Prime) Minister, Erik Scavenius, who was the linchpin of the co-operation, did not trouble himself with abstract speculations about who was going to win or lose. His policy was pragmatic, if not opportunistic. It aimed at nothing other than a realistic view of the current geopolitical situation and with as a logical corollary of this, the establishment of a working relationship with the greatest power in Europe at the time, which also happened to be occupying the country. The overall goal of the adaptation policy was not to help Germany win the war, but rather to deal with circumstances that had left Denmark standing alone. Moral principles played no part in the struggle to achieve the most important goal: to secure the imports that were vital to the economy and preserve Denmark as an independent state with its own king, constitution and jurisdiction, and with a government of its own choosing. Danish–German co-operation preserved Denmark's independent status throughout the war.[43] One important result was that Denmark escaped the economic exploitation inflicted on all the other occupied countries. In this perspective, the never-to-be-paid

[42] For Best's role in Denmark from 1942 to 1945, see Herbert, *Best*, 323–400.

[43] When, at a meeting of Reich Finance Ministry in January 1942, it was decided to allow Denmark to revalue the krone, it was literally stated that 'We must not compare Denmark with the occupied territories, it is a country under our protection.' Cited in Winkel, 'Wirtschaftliche Beziehungen', 130.

debt of approximately 3.8 billion Reichsmarks (about eight billion Danish kroner) which Germany was left owing to Denmark on the Wehrmacht and clearing accounts seems indeed a low price to pay. Recent calculations have shown that the adjusted costs of occupation in Denmark were just over half what was paid by the Netherlands and little more than a third of what was squeezed out of Norway.[44]

Of course, the policy had an impact in other areas. First of all, it facilitated Denmark's incorporation into the European New Order and provided a considerable contribution to the German war economy. Here, at least, Berlin's shift from short-term peacetime planning to long-term war planning may be seen to be somewhat less important, making Schröter's conclusions, quoted earlier, seem a little hasty. The adaptation of Danish industry, particularly to activity in the east, shows that Danish business life could accommodate itself very comfortably to the European New Order. But to Germany, Denmark was primarily a source of butter and pork. The problem of wartime food supplies was of great concern to the German decision makers before as well as during the war. It became a central element in the New Order. Hans-Erich Volkmann, among others, has already pointed to the decisive role of food supplies in planning for the Greater German Economic Area. And when the establishment of the New Order was taken a step further with the German invasion of the USSR in 1941, in Volkmann's words, 'It was now possible to couple the short-term aim of meeting the needs of the war economy with the longer-term aim of creating a unified European economy.'[45] In this perspective – the connection between German short-term and long-term planning – the rapid integration of Danish agricultural exports into the German market strongly suggests that fundamental economic considerations, trade relations and what could be called rational occupation politics, all contributed to making Denmark into a vital element of the Greater German Economic Area.

[44] Klemann, *Economie en Samenleving*, 112–17.
[45] Volkmann, 'Landswirtschaft und Ernährung', 27.

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