

Institutt for forsvarsstudier (IFS), Tollbugt. 10, 0152 Oslo, Norge

Institutt for forsvarsstudier er en faglig uavhengig institusjon som forvaltningsmessig er underlagt Forsvarets skolesenter Akershus festning (FSAF), og som står under tilsyn av Rådet for forsvarsstudier med representasjon fra Forsvarets overkommando, Forsvarsdepartementet, Forsvarets Høgskole og Universitetet i Oslo. Instituttet driver forskning med et samtidshistorisk perspektiv innenfor tre områder: Norsk forsvars- og sikkerhetspolitikk, russlandsstudier og strategiske studier.

Direktør: Professor Rolf Tannes

Forsvarsstudier tar sikte på å være et forum for forskningsarbeider innenfor institusjonens arbeidsområder. De synspunkter som kommer til uttrykk i Forsvarsstudier står for forfatterens egen regning. Hel eller delvis gjengivelse av innholdet kan bare skje med forfatterens samtykke.

Redaktør: Tom Kristiansen

Institutt for forsvarsstudier - Norwegian Institute for Defence Studies - is an independent institute administratively attached to the National Defence College. Its activities are supervised by the Council for Defence Studies, composed of representatives from the Defence Command, the Ministry of Defence, the National Defence College, and the University of Oslo. The Institute conducts independent research from a contemporary history perspective on defence and security issues, Russian studies, and strategic studies.

Director: Professor Rolf Tannes

Forsvarsstudier - Defence Studies - aims to provide a forum for research within the field of activities of the Norwegian Institute for Defence Studies. The viewpoints expressed are those of the authors. The authors' permission is required for any reproduction, wholly or in part, of the contents.

Editor: Tom Kristiansen

Trykk: Hamtrykk A/S

ISSN 0333-3981

FORSVARSTUDIER 3/2000

The Neutrals and World War One

Marc Frey

Table of Contents

Introduction	4
“Virtual History” and Multilateralism	6
Pre-War Strategic Planning	10
War Aims and Expectations of the Future	13
Politics and Economic Warfare	16
Notes	25
Appendices	33-39

Introduction

The First World War, the “Urkatastrophe” (George F. Kennan) of the twentieth century, continues to attract the attention of the international community of historians – and for good reasons.¹ Despite the fact that books on the war fill entire libraries, studies on various aspects of the war are being published each year.² The foci of these studies are too diverse to detect specific paradigms that dominate the scholarly discourse. However, two fields of enquiry in particular catch the imagination of historians:

- 1) aspects that are, broadly speaking, located within the field of the new “cultural history” – the experience of daily life during the war; the way in which the war re-shaped the mentalities of Europeans; the commemoration of the war.³
- 2) The origins of the war. This debate centers on the interests of the Great Powers, crisis management, defense policies and preparedness.⁴

In contrast, the neutral countries have received only scant attention by historians. Where language barriers did not inhibit the transfer of knowledge (as in the case of the Netherlands, where the two historians on the war published their works in Dutch),⁵ the few English-language publications by Norwegian, Swedish, and Danish historians or the Swiss experts who have written in German have mostly entered the scholarly debate by way of footnotes.⁶ Given the relative importance of the European neutrals during World War One, this near absence of information and knowledge is deplorable. But apart from the language factor, two aspects may have contributed to the relative neglect of research on the neutral countries. One is the simple fact that foreign policy in neutral countries was relevant only in moments of national crises. In other words, the study of the interaction between a neutral state and the outside world has largely been confined to moments in history when national survival was at stake – and that did not seem to be the case during World War One.⁷ The second

problem is related to the traumatic experience of World War Two. A case in point is the Netherlands. Low interest in the Dutch history of the First World War had much to do with the understandable focus of historians on the period of the Second World War. Occupation histories and the problems of cooperation versus resistance have dominated public and scholarly discourses until today.

This article focuses on the role and position of the neutral countries within the international system during the era of the First World War. Given my background as a historian interested in the interaction of the Netherlands with the belligerents, there will be an unavoidable emphasis on the Dutch experience.⁸ Wherever possible, however, I have incorporated Scandinavian perspectives and experiences in order to point out similarities and differences. The following comments center on four main theses:

- 1) Multilateralism – cooperation among neutral countries – was an important topic of debate. Neutral cooperation would have introduced new political dimensions to the meaning of neutrality. In the end, however, neutrality entailed non-involvement, responsiveness and passivity rather than action. It is no coincidence that most of the neutral nations after World War Two preferred the term non-aligned nations.⁹
- 2) The neutrals were of significant importance to the German war economy; despite the blockade and despite the fact that economically they had – to varying degrees – to correspond with the British economic warfare (see tables 1 and 2).¹⁰
- 3) Neutral foreign policy meant first and foremost foreign economic policy. With the possible exception of Sweden, governments retreated as far as possible from the foreign policy decision-making. This was not an act of abdication, but a prudent realization of the limits of neutrality. Instead, neutral countries resorted to corporatist models. Government-business relations became highly important and secured the independence of the neutrals.¹¹

4) There are still many blank spots in the history of the neutrals during World War One. Comparative approaches could shed more light on the behavior of neutral states during times of crisis, and the domestic implications of the war are still under-researched.¹²

“Virtual History” and Multilateralism

Put briefly, virtual history looks at alternative paths of historical development. While it analyses the same sources as the ones utilized for “reconstructing” the past, virtual history feels free to imagine possibilities – possibilities in the sense the Austrian writer Robert Musil in his novel “The Man without Qualities” – *Der Mann ohne Eigenschaften* – defined the term: Possibilities as realities not yet lived.¹³

At the invitation of Knut Wallenberg, Sweden’s wartime foreign minister up to early 1917, the three Scandinavian foreign ministers met at Malmö in December of 1914 to exchange information on how to respond to the war. The meeting was intended as a symbol of Scandinavian unity, and it aroused the interest of the diplomats and the press in the belligerent and neutral countries.¹⁴ Swiss and Dutch newspapers argued that the time had come for some common action of the neutral countries. The war on the western front had turned into a bloody and indefinite stalemate, and the British blockade came to be felt in neutral countries. Consumers were faced with rising prices and inflation, and neutral governments slowly realized the complex problems of a globalized economy and of the distribution of food, energy, and raw materials. A harmonization of Scandinavian responses to these intricate problems, as desired by the Swedish government, was one thing. But neutral cooperation on a more international basis was another thing. There was no doubt that the Dutch as well felt that the British blockade infringed upon neutral rights and that the scale and intensity of economic warfare seriously inhibited the rights of neutrals to trade with both groups of belligerents. But the Dutch, Norwegians and Danes, who perceived Swedish politics to be pro-German and Swedish overtures for a combination of neutrals to be one-sided and

potentially anti-British, under no circumstances wanted to complicate their already strained relations with London.¹⁵

The situation changed completely with the German declaration of unrestricted U-boat warfare in the waters around the British isles in February 1915. Now, there seemed ground for a balanced response to the actions of both groups of belligerents. Again, the Swedish foreign ministry became active, and at The Hague the government and the press were equally in favor of a common protest. Land-locked Switzerland seemed interested, too. But to everyone in the foreign ministries of neutral European countries it was clear that common action could only be effective if the self-declared guardian of neutral rights, the United States, became a party to the club. Apart from capabilities and potentials, there was a simple reason why the US was important: the US produced the products the European neutrals desired to obtain. Independently, both the Swedish and Dutch ministers at Washington called repeatedly at the Department of State in order to sound out the American view about a possible cooperation of neutrals.¹⁶

To Secretary of State, William Jennings Bryan, and Counselor Robert Lansing the question was not new. Several Latin American countries had already voiced their concern about the British blockade, and the Argentinian minister in particular had promoted some kind of common neutral protest.¹⁷ The topic had also been discussed in American newspapers, and American ministers abroad, like Henry van Dyke in the Netherlands, had urged their government to come out in favor of common action. In addition, non-governmental actors – scholars of international law, socialists, women, and journalists – from various neutral countries practised cooperation by convening conferences and by discussing ways and means to bring about an end to the war.¹⁸ Thus, a multitude of proposals were on the table. They ranged from common protests against the actions of both groups of belligerents or the convening of a conference of neutrals, where the freedom of the high seas and other problems of international law could be discussed, to outright calls for an end of the war. As Lansing argued: “The best way to fight combination is by combination”.¹⁹

Combination did not materialize. Norway and Denmark were apprehensive of Swedish designs, and Switzerland, the Netherlands and the Latin American countries wanted to participate only if the United States would join. But the US, and more specifically, President Woodrow Wilson and Bryan vetoed all projects of neutral cooperation. For the two, it did not make sense to participate in a forum where vulnerable and small European countries were represented. Wilson and Bryan clearly perceived the danger inherent in a common protest or even a conference of neutrals. As Bryan explained, such an undertaking "would be considered not upon its merit, but as it affected one side or the other".²⁰

Despite the American determination to stay clear of "entangling alliances", the topic remained high on the agenda of neutral governments. There was some cooperation between the Scandinavian countries, but this was largely symbolic and did not involve vital questions of regional economy or responses to the policies of the belligerents. Unilaterally, both the Swedish and the Dutch governments unsuccessfully tried to enlist American participation in specific cases, i.e. complaints against the seizure and censorship of mail by the British. And the longer the war lasted, the more neutral press commentators spoke out in favor of common action.²¹

In the summer of 1916, the Entente provided the neutrals with another opportunity to bring about some kind of cooperation. In June of 1916, on the occasion of the inter-allied economic conference at Paris, the Entente tentatively agreed to pool their interests in preferential access to raw materials in the post-war period. Neutral protest against this intention was tremendous, and in the United States apprehensions turned into violent protest when the British Government published a lengthy blacklist of American companies which supposedly or actually had cooperated with German-owned firms. Companies on this blacklist would henceforth be excluded from trading with Allied companies.²² Again, Lansing, now Secretary of State, recommended an inter-neutral cooperation, and the Department of Commerce concurred. The Swedish government sounded out topics of discussion among neutral governments, and at Bern and The Hague the topic received considerable attention. Matters came to a head

when Stockholm in November of 1916 officially invited the United States to participate in a conference of neutrals. But as in 1915, Wilson declined, and that in turn triggered negative responses by the Swiss, Dutch, and Spanish governments. It was the last time during the war that an inter-neutral cooperation was seriously discussed among governments.²³

A multilateral response to the war by neutral governments was ruled out on many grounds: a number of neutral governments felt that a conference initiated by Sweden would only favor Germany; all of the neutral countries felt that it was imperative to enlist the support and participation of the United States; the US, as mentioned, did not have an interest to become "entangled" in a cooperation with unequal partners, and they also feared that a conference of neutrals would work to the advantage of one belligerent, namely Germany. Thus, neutrality precluded multilateral action.

One can only speculate what an inter-neutral cooperation might have effected. Let's have a look at the motivating factors: neutral countries were highly affected by the British blockade and by the increasingly tight global network of economic and financial warfare. They were even more threatened by the German U-boat campaign. The life of neutral citizens crossing the Atlantic was in danger, and indeed, quite a number of passengers lost their life, the *Lusitania* being the most prominent example. Moreover, thousands of neutral seamen, especially Norwegians, were killed by German submarines.²⁴ On a political level, neutral cooperation would have served as a deterrent, thus significantly enhancing the power of the individual neutral country.

Let's come to the "virtual" part of the story: What would have been the result and impact of neutral cooperation? At the lowest level, both groups of belligerents would have been subject to severe collective criticism, possibly with little or no effect. On a more concrete level, it could have led to forms of economic cooperation, thus countering the pressure of the British blockade. Germany might have received more goods, particularly foodstuffs and raw materials from neutral countries. Thus, it would have crippled Britain's chief instrument of war, the blockade, and it would have worked in favor of the German war effort. On a grand scale, neutral

cooperation might have changed the course of history.

One can further conclude that the war radicalized ideas and expectations about the future. Such a scenario – neutral cooperation – was exactly what influential members of the ruling elites of the German Empire had in mind. It is no coincidence that at the time the Swedish government invited the US to participate in a conference of neutrals, the German Secretary of State for Foreign Affairs, Gottlieb v. Jagow, was contemplating the virtues of neutral cooperation and was trying to effect such a cooperation. That it did not come about was, at various times during the war, strongly regretted.²⁵ Germany tried to rely, and in some cases, did rely substantially on the neutrals, particularly on the so-called Northern neutrals. This had basically to do with the geographical position, well-established economic relations, and strategic imperatives. These factors were also instrumental in pre-war German war planning. By way of comparison with British thinking, I'd like to turn to that aspect now.

Pre-War Strategic Planning

One of the striking features of German strategic planning with regards to the neutrals in the pre-war period is its defensive character. While political thinking tended to develop along expansionist lines, strategic planning was relatively unrelated to what influential politicians, diplomats and businessmen had in mind.²⁶ This compartmentalization or fragmentation of political and strategic thinking reflected a basic characteristic of institutionalized decision-making in Imperial Germany and the lack of a coherent grand strategy. Around the turn of the century, the Imperial Navy developed plans for the occupation of the Netherlands and Denmark in the event of a war with Great Britain, both for the purpose of gaining naval bases and for preventing the British from creating strongpoints for a possible invasion of German territory. But these plans conflicted with then current or future plans of the army. The result was that by 1914 the navy had abandoned the Baltic sea as a theater of operations.²⁷ That in turn meant that Germany would respect the neutrality of the Scandinavian countries. With regard to

the Netherlands, the Prussian General Staff under the command of Helmuth v. Moltke switched from an offensive to a defensive strategy. In 1907, Moltke decided that the neutrality of the Netherlands should under no circumstances be violated. While his predecessor Schlieffen had believed that the German armies in their drive towards France had to rely on the Dutch railroad network – Schlieffen assumed that the Dutch would not resist –, Moltke argued that in order to wage the envisaged “peoples’ war” (Volkskrieg) of longer duration, Germany needed a neutral outlet to the sea. Thus, Moltke wrote: “For us, it will be of the utmost importance to have in Holland a country, whose neutrality will assure imports and exports. It will have to be our windpipe that enables us to breathe”.²⁸

The windpipe-scheme as well as the abandonment of the Baltic as a theater of operations implied that Germany informed neighboring countries that she would respect their neutrality and vice versa. Thus, on various occasions German diplomats sounded out Danish and Dutch representatives about their country's intentions in the event of a war, and Moltke himself promised to respect the Danish and Dutch neutrality. Contrary with today, pledges of honor may have been more important in an age where a small elite of predominantly aristocratic background conducted the so-called high affairs of state. But both countries initiated defense bills aimed at strengthening coastal defenses in order to gain the trust of Germany. Representatives of the German army even seem to have advised Dutch counterparts on questions of strengthening coastal defenses. Discussions with Swedish representatives about a military convention were not successful. But here, too, it was clear to the German military that Sweden would not enter a war on the side of Germany's adversaries. Thus, by 1914 a kind of informal network based on assurances, pledges, and demonstrations of military preparedness between Germany and its four neutral neighbors had been established.²⁹ In August 1914, this belt of northwestern and northern neutral countries facilitated the German design to fully concentrate on the West and East respectively, thus, to execute the revised Schlieffen plan. Neutrality served German interests. But the deliberations of the pre-war period also made clear that neutrality did not

rest solely on the intention of a sovereign country to stand aside in a future conflict. Neutrality had to be respected and assured – in advance, so to speak – by the Great Powers.

The respect for neutrality constituted a major problem for British strategic planning after 1904, that is, after the formation of the Entente Cordiale and following the realization that Great Britain could not and would not remain neutral in the event of a Franco-German war. As in Germany, strategic planning by the navy and army did not always coincide and complement each other. But thanks to the Committee of Imperial Defense, institutional fragmentation could be overcome much more easily than in Germany. By 1912, the basic outlines of British strategic planning for a war with Germany were clear. They rested on the following assumptions: In order to ensure exports and imports for the needs of a highly industrialized country, Britain had favored neutrality laws that would allow her to utilize the freedom of the high seas as well as the neutral countries and their merchant marines as bases of supply in the event of war. Thus, the Foreign Office had consented to the Declaration of London of 1909, which had specified blockade regulations and had enlarged the freedom of neutral trade in wartime. Here, the defensive factor played a leading role for the policymakers. However, an influential circle around First Sea Lord John Fisher, CID-Secretary Maurice Hankey and other navalists realized that Britain would have to break international law in order to effectively apply her naval superiority in the North Sea. By 1912, the CID had come to the conclusion that Germany would try to use the adjacent countries as vital trade mediators with the outside world. Thus, a close blockade of the German coast sanctioned by international law would be ineffective. The solution was found in the adoption of a “distant blockade” – an observational line between Norway and Newcastle-upon-Tyne, and southwards towards the Dutch (and Belgian) coast. Neutrality would be respected, but only on Britain's terms.³⁰ British strategic planning for a war with Germany, the adoption of the distant blockade, thus rested on two assumptions:

1) that the United States as the major non-European trade partner of

Germany and the neutrals would not go to war with Great Britain over blockade matters (as it did in the War of 1812)

2) that the neutrals, and in particular Belgium and the Netherlands, would either cooperate in matters of economic warfare or would fight with the Germans.

War Aims and Expectations of the Future

A persistent theme of the pre-war period was the German desire to create a truly Germanic federalist empire. It was not a deliberate plan, in which specific actions were executed in order to achieve the objective. It was, as mentioned, a desire – a desire based on the notion of a perceived common ethnicity and culture (the teutonic countries; the Germanic states, etc.). Conservative commentators wanted to a large extent to incorporate the “lost tribesmen” of “lower Germany” in the west, and the Bavarian crown prince dreamed of a federalist empire in which Bavaria and Holland would constitute a real counterweight to Prussian dominance. Likewise, an infusion of Viking blood or the incorporation of sturdy Northern farmers with their perceived attachment to home and soil could counter the liberalizing tendencies of a modern industrialized society. Less insecure thinkers, coming from a more liberal background, argued that in a globalizing economy smaller units were just too small to survive and larger units depended upon expansion.³¹ While the British had their Empire, the Americans their frontier and the Great West, and the Russians Siberia, the Great East, Germany's basis for competing effectively in an anarchic international system seemed rather limited. The war seemed to provide the means to create a more unified Central Europe in which the economies of the surrounding countries could be utilized in Germany's favor.

An expression of the diverse interests and sometimes conflicting objectives was the notorious “September program” by Chancellor Theobald v. Bethmann Hollweg. This tentative list of war aims with regard to the West called for, among other things, the formal integration of

Luxemburg and the informal integration of Belgium in the German empire. France, Austria-Hungary, Denmark, the Netherlands, and perhaps Sweden and Norway would have to form a central European economic union under German leadership, and the Netherlands in particular were singled out as junior partners of the Reich – nominally independent, but in fact dominated by Germany.³² Until mid-1916, the *Auswärtiges Amt*, various influential newspapers, industrialists, people from the military like Ludendorff or Tirpitz, and influential members of the Reichstag favored a close alliance of Germany and the Netherlands in the future. This alliance could either take the form of a customs union or a military convention. The precondition for these plans was, however, that Germany would win the war.³³

During 1916 the expansionist designs gave way to more sober and realistic expectations. By that time it had already become clear that a European customs union would not necessarily be in favor of the German economy. Moreover, the longer the war lasted and the more it became apparent that regardless of a victory Germany would be politically and economically isolated in the post-war period, the independence and neutrality of the Netherlands again came to be regarded as a major asset. As the German minister in the Netherlands and future State Secretary for Foreign Affairs, Richard v. Kühlmann, wrote, “At the end of this terrible conflict, Germany will be relatively isolated. It will be very convenient for us to have a neutral mediator right at our doors”.³⁴

In the second half of the war, German designs vis-a-vis the Northern neutrals assumed a defensive posture. In view of the high dependence of the German economy on the world market, the neutrals came to be regarded as important instruments in the up-hill struggle for economic re-integration after the war. This view was translated into specific objectives. Thus, for example, despite shortages everywhere, the Netherlands received considerable quantities of steel suitable for ship-building during the war. Scandinavian shipyards were supplied with lesser quantities, but the objective remained the same: in the post-war period, neutral shipping lines would carry a fair share of the German overseas export.³⁵

Great Britain entered the war with the declared intention of safeguarding and restoring the integrity and sovereignty of smaller nations. Expansionist war aims with regard to the northern neutrals were therefore out of the question. However, expectations about the future and debates about war aims underwent significant changes during the war. In the pre-war period, the Netherlands had been regarded as an integral part of the German economy, and the perceived German “peaceful penetration” of all the four northern neutrals had been a topic of lively debate within government, business and media circles.³⁶ The blockade with its means of collecting information and of re-directing trade and finance offered a potentially powerful instrument to reverse this trend. Particularly towards the end of the war and in the immediate post-war period, British diplomats in the Netherlands and in Sweden as well as various business organizations like the Federation of British Industries urged their government to use the blockade for a sustained commercial offensive. However, there was only one instance of which I am aware of in which Britain actually used her economic power to enforce her interests, namely the supply of coal to the Scandinavian countries. As Olof Åhlander has shown, London used its dominating position on the coal market in Scandinavia to extract high prices and to get favorable tonnage agreements.³⁷ However, since Britain had been the main supplier of coal all along and since the coal treaties with Denmark, Norway and Sweden were concluded after the blockade had been dismantled (namely between 1919 and 1921), it is difficult to regard them as an application of the power of the blockade. In general, practical problems (the inability to export products in large enough quantities and in ways in which neutral markets demanded the goods), political considerations (US participation in the blockade and the American interest in dismantling it as soon as possible after the war) as well as ideological reasons (belief in free trade and open markets) stood in the way of using the blockade as an instrument suited for a fundamental re-direction of trade.³⁸ Thus, by the early 1920s, the trade patterns and economic dependencies of the pre-war period had largely been restored. Germany again assumed the role of the main supplier of products for the northern neutral markets,

and Great Britain again became the most important market for goods produced in the Netherlands, Denmark, Norway, and Sweden.³⁹

Politics and Economic Warfare

From the perspective of the neutrals, a cooperation would have strengthened their role and position vis-a-vis the belligerents. Since this cooperation did not come about, the northern neutrals tried to steer through the war on an individual basis as best they could. The really important decisions neutral governments had to make revolved around the question of blockade and economic warfare, and I'd like to raise this point separately from the political aspects.

For all the parties involved, one question dominated politics to the almost total exclusion of other matters: neutrality. Throughout the war years, both Great Britain and Germany regarded the neutrality of the northern neutrals to be in their interest. And apart from Sweden, where the activists and a minority of the elite at one time or another played with the idea of entering the war on the side of Germany, neutrality was never seriously questioned by the peoples and governments of the Netherlands and the Scandinavian countries.⁴⁰ Each of the countries faced serious foreign policy crises and rumors of war, each country made military plans for a possible involvement, and each country conducted preparations to meet emergency cases.

But neutrality meant different things to different governments and countries. As Olav Riste has shown, the Norwegian government pursued a policy favorable to the allies.⁴¹ This pro-allied policy was conditioned on the economic needs of the country and its concentration on a few dominating sectors. Norway's pro-Allied policy was facilitated by the simple fact that Germany was relatively far away and that Germany did not have the means to exert much influence, neither in the form of cooperation nor of pressure. And where German action did affect Norway, as in the case of the U-boat warfare, it antagonized public opinion and helped the British to tighten the blockade around Norway more and more. In addition, despite

heavy criticism of the government's conduct of foreign policy, there was a high degree of consensus with regard to the ultimate objectives. Patrick Salmon has recently written that Norway was perhaps the weakest of the neutrals, because of the imbalance of forces.⁴² I would question this argument and would propose that as a "neutral ally" it could in general count on a rather understanding policy on the part of the Allies and particularly the United States.⁴³

Instead, I would suggest that from an economic, geographical, and strategical point of view, Denmark was the most vulnerable and weakest of the three Scandinavian countries. Germany expected a friendly neutrality, for example with regard to Danish exports or the closing of the entrances to the Baltic, and it did receive favors because Denmark was basically defenseless and because Britain did not have the means to prevent a German occupation. These deficiencies, however, were made good by skillful and far-sighted economic arrangements with the belligerents and by an equally skillful diplomacy. Domestic consensus in matters of foreign policy also played a role and helped pursue a foreign policy which successfully projected the image and content of impartial neutrality.⁴⁴

The Netherlands, more than any other country in the First World War, was caught between "the anvil of Germany and the hammer of Great Britain".⁴⁵ Like Denmark, its policy of neutrality tended to be pro-German in military and strategic matters. Due to the very large transit trade in building materials and an enormous export of sand and gravel to the German front in Belgium and Northern France, the Netherlands came to be regarded as a "military highway" for Germany.⁴⁶ Due to German pressure, it was the only European neutral which in 1917/18 preferred to be embargoed until the end of the war instead of signing an agreement with the allies.⁴⁷ While it was subservient to Germany's strategic interests, it had considerable influence on Germany in terms of trade, business relations, and the economy. In contrast to the Scandinavian neutrals, the Netherlands were an economic global player with a rich colonial empire, foreign investment surpassed only by that of Great Britain, France, and

Germany, and valuable business connections on a large scale with the US.⁴⁸ Particularly during the second half of the war, this role influenced German decision-making and provided the Dutch with some freedom of action.

Sweden was the only northern neutral with true foreign policy options. Her population was less than that of the Netherlands (5 million in 1900 as compared to some 6 million Dutch), but much more than those of Norway or Denmark. Her economy was the most diversified of the three Scandinavian countries, and the army was larger and better equipped. Her political and diplomatic relations with Germany were good, that is, Germany's means to exert pressure on Sweden were limited, while the Swedish iron ores were indispensable for the German war effort. And until early 1917 she held a powerful weapon: the allied transit trade to Russia.⁴⁹ In economic terms, Sweden's policy of neutrality clearly favored Germany. This favorable attitude also translated into matters of policy, for example the extensive intelligence cooperation throughout the war (telegrams, deciphering etc.). Although the domestic scene was perhaps characterized by less consensus, its self-perception as a European power of some standing may have helped to define national interests more clearly than was the case in Norway and Denmark. Sweden was the least vulnerable of the four countries during the war, and it was able to conduct a relatively independent foreign policy.⁵⁰

The different capabilities and potentials of the northern neutrals were reflected in their approach towards the British blockade and towards trade relations with Germany. The blockade, envisaged in outlines in the pre-war period, developed into a tight system of economic control encompassing large parts of the globe. It was targeted at crippling German external trade and finance, and it included all of the neutral countries to varying degrees. Roughly speaking, the blockade developed along the following lines:

1) Between the outbreak of war and July 1915, neutral and belligerent rights codified by international law were comprehensively repudiated. Practically all products were classified as contraband and became subject

to seizure, if the owner of the goods could not prove convincingly that the goods were not destined for Germany or for home consumption in neutral countries. During that time, the British government negotiated with the neutrals in order to stop trans-shipments to Germany. By March 1915, all German transatlantic trade had come to an end, and British policymakers realized more clearly than ever that foodstuffs or the lack of them constituted Germany's "Achilles heel", as Maurice Hankey argued.⁵¹ The blockade would not have been possible without the tacit acquiescence of the American government. But it would also have been impossible if the German navy had been able to open transatlantic channels.⁵²

2) Between July 1915 and April 1917, blockade managers tried to ration the neutral countries according to their pre-war needs, and they negotiated treaties to reduce the export of home-produced goods from neutral countries to Germany. Also, financial transactions among the neutrals came to be increasingly supervised.

3) The American entry into the war greatly enhanced the possibilities of economic warfare. The US put considerable pressure on the neutrals to stop trading with the enemy. By fully or partially embargoing the neutrals, Washington largely succeeded in putting a stop to neutral-German trade. After the armistice, the blockade was strengthened further – all Swedish-German trade via the Baltic came under control as well – before the Allies, and in particular the Americans, called for its speedy abolition.

The blockade was a major reason for Germany's defeat. However, it was not solely responsible for the increasing economic problems within Germany. The supervision and allocation of raw materials, for example, was superbly organized, and in view of manpower shortages it is difficult to imagine that Germany could have produced more weapons or machinery. Foodstuffs were a much more complex problem, and here the German authorities failed utterly. Thus, home-made organizational and institutional difficulties are as responsible for the lack of foodstuffs within

Germany as the so-called "hunger blockade".⁵³

Let us now turn to the approaches of the neutral countries towards the blockade. I have divided this part in two: I will first discuss the specific blockade arrangements, and then I will comment on national peculiarities. The test case of British capabilities to influence the trade of the neutrals became the Netherlands, and the Netherlands Overseas Trust (NOT) became the model for all other bodies and institutional arrangements in neutral countries. Early in the war, the Netherlands government declined to conclude official agreements with the British because it was subject to heavy pressure from Germany, and it felt that the government would be open to criticism of not being neutral. Instead, British authorities on the spot, the government, and a community of businessmen and bankers devised the NOT. This private organization guaranteed the home-consumption of goods entering the Netherlands. All other goods not consigned to the NOT (or, in a few cases, to the government) were suspect and liable to seizure.⁵⁴ With respect to home-produced goods, things were more complicated: while the NOT agreed to supervise the export of Dutch products made from imported raw materials or semi-finished goods, it declined to deal with agricultural exports. In mid-1916, an agreement between the blockade ministry and a bureau representing the Dutch agricultural cooperatives was concluded. However, severe pressure and a second agreement of November 1916 were necessary before the flow of foodstuffs to Germany declined significantly.⁵⁵ On the model of the NOT, the Swiss in the fall of 1915 set up the Société Surveillance Suisse (SSS), which operated like the NOT, but was organized and supervised by the government.⁵⁶

In Denmark, government export prohibitions and controls were in operation from early on in the war. In November 1915, the British government concluded agreements that guaranteed the home consumption of goods with the Industrierad (Council of Industry) and the Grosserer Societet (Merchant's Guild). These organizations represented the bulk of Danish industrial companies. Informal agreements with the Danish agricultural cooperatives ensured that foodstuffs for export were more or less

equally divided between the belligerents. However, in comparison with the pre-war period, more and more Danish foodstuffs reached the German market.⁵⁷

Norway constituted yet another example. Due to the relatively high degree of specialization and concentration on a few industries, branch agreements or treaties with individual companies were concluded. Also, the important Norwegian shipping lines consented to various agreements with the British. In 1916, the Norwegian government concluded an agreement that severely limited the export of fish and pyrites to Germany. Neither could be honored – and in the winter of 1916/17, Norway was squeezed between the conflicting demands of the belligerents and subjected to a British embargo on coal. In the course of the negotiations with Britain, Foreign Minister Ihlen had made the mistake of not informing the Germans – a clear case of diplomatic mismanagement.⁵⁸

As the only northern neutral, Sweden refused to discuss her export regulations with the British, and she also declined to provide them with statistics. There were agreements with shipping lines, but in general economic warfare was conducted on a piecemeal basis – that is, ships destined for Sweden were frequently held up or their cargoes were brought to the prize court. While exports of raw materials continued to flow to Germany, foodstuffs did not enter the German market on a grand scale. However, the absence of agreements caused considerable shortages and contributed to popular discontent with the government in 1917.⁵⁹

Following the American entry into the war, all of the northern neutrals sent delegations to the US in order to negotiate for raw materials and food stuffs. The British took a rather relaxed back seat, but became increasingly disturbed by conflicting ideas and contradicting proposals of American government bureaucracies. In the course of 1918, London pressured the Americans to enter into agreements on shipping and rationing with Norway, Sweden and Denmark. The three countries in turn promised to heavily decrease their export to Germany.⁶⁰ Due to German threats, the Dutch were unable to conclude a corresponding shipping and rationing agreement, and were subjected to an American embargo until November

of 1918.

This brief overview highlights major similarities and differences, and it is tempting to compare the approaches of the neutral countries. The differing approaches may have as much to do with the development of the war, the specific circumstances with which each country was faced as with the differing national cultures. Switzerland constitutes a very interesting example, because it was the only country which concluded a comprehensive government-to-government agreement. The reasons are complex, but two factors seem quite apparent:

- 1) Land-locked Switzerland was completely dependent on foreign trade and raw materials for her industry. Swiss industrial exports were more or less evenly divided among the belligerents, and in order to prevent a serious domestic crisis, the Allies accepted certain exports to Germany.
- 2) Switzerland had a larger military potential than the other neutrals and could therefore negotiate from a position of relative strength. It did not have to fear Allied or German military threats. Because German potential to pressure the Swiss was very limited, the government was capable of dealing with economic warfare on an official basis.⁶¹

In contrast, the Netherlands were subject to severe German and British pressure. What facilitated the foundation of the NOT was the specific character of Dutch trade. The former East India Company, renamed *Nederlandse Handel Maatschappij*, still exerted considerable influence among the business community. The rather small group of leading businessmen, entrepreneurs, and bankers knew each other well. They realized that their foreign investments, the colonial trade, and their overseas transportation were in danger. On the other hand, they looked to the future, and they were well aware that the economic development of the Netherlands was closely connected to that of Germany. Therefore, the same group of people who made blockade deals with the British were forging new business alliances with their German counterparts. On the

whole, Germany consented to the NOT, particularly during the second half of the war, because the government and the business community realized that they needed the Dutch in the post-war period. Thus, with respect to the government-business relations and the coherence of the business community itself, one can speak of a relatively well-developed corporatist model. What is equally important is the fact that as a corollary to the NOT, the Dutch government did not place restrictions on the export of home-produced foodstuffs. Moreover, farmers' cooperatives had a lesser degree of coherence than in Denmark. This made it difficult for the British to find negotiating partners, and when they did find them, they proved themselves to be unreliable at first. What appears from all this is a bifurcation of the Dutch economy: merchants and industrialists were temporarily forced to comply with the British, while banking and the extensive agricultural sector cooperated with Germany.⁶²

In the case of Denmark, the cooperatives had a traditionally high degree of influence among their members. In the first year of the war, therefore, they were able to supervise exports to a comparatively high degree. Due to long-term calculations, the cooperatives did not want to lose their main market, Britain. The respective British authorities were well aware of this, and they therefore consented to oral agreements and little government interference. 1916 saw a significant decline in exports to Britain and a rise in exports to Germany, mainly because of the enormous price differences. In 1917, however, the blockade and the American embargo assured a significant decrease of this trade. Industrial products did not play a significant role.⁶³

Norway demands yet other interpretations. Branch agreements fulfilled the purpose, because of the economic concentration on a few sectors. The relatively high degree of official governmental involvement can be explained by the fact that fish and pyrites constituted two very important segments of the economy.⁶⁴ The lack of timely communication with German officials may have had something to do with the fact that the Norwegian government perceived Germany to be very far away. And it may also have had something to do with the deep resentment caused by

the submarine warfare.

In connection with the strategic position of Sweden, I have already mentioned a number of aspects which explain the opposition to any agreements with the Allies. The main export product, iron ore, was heavily dependent on the German market, and Swedish industrialists, like their counterparts in the Netherlands, looked to a promising market in the future. Moreover, there was a considerable network of personal, business and financial ties with industrialists in the Ruhr valley, which in turn influenced governmental policies. A case in point is the Enskilda Bank, owned by the Wallenberg family, which served as a leading neutral creditor to German companies during the war.⁶⁵ Although exports of foodstuffs were not negligible, they did not play such an important role as in Denmark or the Netherlands.

In conclusion, I'd like to reiterate a few points:

- 1) Neutrality rested less on the sovereign decision of the neutral countries to remain neutral. Apart from Sweden (and Switzerland) neutrality was guaranteed because the belligerents felt this to be in their strategic and economic interest.
- 2) The blockade impacted greatly on Germany and the neutral countries. However, until 1916, the neutrals proved to be an invaluable source of raw materials and foodstuffs. Leading German politicians declared at various times in 1916 that without neutral imports, Germany would have collapsed.
- 3) Thus, it was mainly due to the American entrance into the war and the embargoes against the neutrals that the blockade became truly successful.
- 4) In the case of the Netherlands and Denmark, the war spurred import substitution and industrialization, thus laying the foundations of the modern economies (see tables 4 and 5).

Notes

¹This article is based on a guest lecture at the Norwegian Institute for Defense Studies, May 2000. I wish to thank Rolf Hobson and Rolf Tamnes for their kind invitation, and Olav Riste for his comments.

²See, for example: Roger Chickering/Stig Förster, eds., *France, Germany, Great Britain and the United States in the Era of World War One*, New York 2000; Wolfgang Michalka, ed., *Der Erste Weltkrieg. Wirkung-Wahrnehmung-Analyse*, München 1994; Roger Chickering, *Imperial Germany and the Great War*, New York 1998; Jean-Jacques Becker, *La France en Guerre (1914-1918)*, Bruxelles 1996; Holger H. Herwig, *The First World War*, London 1996.

³See, among others, Kurt Flasch, *Die geistige Mobilmachung*, Berlin 2000; Jeffrey Verhey, *Der "Geist von 1914" und die Erfindung der Volksgemeinschaft*, Hamburg 2000; Rainer Bendick, *Kriegserwartung und Kriegserfahrung*, Pfaffenweiler 1999; Gerhard Hirschfeld, ed., *Kriegserfahrungen: Studien zur Sozial- und Mentalitätsgeschichte des Ersten Weltkrieges*, Essen 1997; Bernd Ulrich/Benjamin Ziemann, eds., *Frontalltag im Ersten Weltkrieg: Wahn und Wirklichkeit. Quellen und Dokumente*, Frankfurt 1994.

⁴Rolf Hobson, *Imperialism at Sea. Naval Strategic Thought, the Ideology of Sea Power and the Tirpitz Plan, 1875-1914*, Oslo 1999; Gordon Martel, *The Origins of the First World War*, London 1996; Avner Offer, *The First World War. An Agrarian Interpretation*, Oxford 1989; David Stevenson, *The Outbreak of the First World War*, Houndsmill/Basingstoke 1997.

⁵H. Prentel, *Bereiken wat mogelijk is. Besluitvorming in de Brits-Nederlandse betrekkingen 1914-1916*, Enschede 1994; C. Smit, *Nederland in de Eerste Wereldoorlog*, 3 vols. Groningen 1971-1973; *ibid.*, *Tien studien betreffende Nederland in de Eerste Wereldoorlog*, Groningen 1975.

⁶Olof Åhlander, *Staat, Wirtschaft und Handelspolitik. Schweden und Deutschland 1918-1921*, Lund 1983; W.M. Carlgren, *Neutralität oder Allianz. Deutschlands Beziehungen zu Schweden in den Anfangsjahren des Ersten Weltkrieges*, Stockholm 1962; Udo Dobers, *Die deutsch-dänischen politischen Beziehungen im Spätsommer 1914. Untersuchung eines Sektors der deutschen Außenpolitik bei Ausbruch des Ersten Weltkrieges*, Hamburg 1972; Hans Rudolf Ehrbahr, *Schweizerische Militärpolitik im Ersten Weltkrieg. Die militärischen Beziehungen zu Frankreich vor dem Hintergrund der schweizerischen Außen- und Wirtschaftspolitik 1914-1918*, Bern 1976; Martin Grass, *Friedensaktivität und Neutralität. Die skandinavische Sozialdemokratie und die neutrale Zusammenarbeit im Krieg, August 1914 bis Februar 1918*, Bonn 1975; Tage Kaarsted, *Great Britain and Denmark 1914-1920*,

Odense 1979; Steven Koblik, *Sweden: The Neutral Victor. Sweden and the Western Powers 1917-1918. A Study of Anglo-American-Swedish Relations*, Lund 1972; Heinz Ochsenbein, *Die verlorene Wirtschaftsfreiheit 1914-1918. Methoden ausländischer Wirtschaftskontrolle über die Schweiz*, Bern 1971; Olav Riste, *The Neutral Ally. Norway's Relations with Belligerent Powers in the First World War*, London/Oslo 1965; Lothar Schuberth, *Schweden und das Deutsche Reich im Ersten Weltkrieg. Die Aktivistenbewegung 1914-1918*, Bonn 1981; Wilhelm Ernst Winterhager, *Mission für den Frieden. Europäische Mächtepolitik und Dänische Friedensvermittlung im Ersten Weltkrieg*, Stuttgart 1984.

⁷Daniel Frei, *Dimensionen neutraler Politik. Ein Beitrag zur Theorie der internationalen Beziehungen*, Genf 1969; Robert L. Rothstein, *Alliances and Small Powers*, New York/London 1968, 2-29; Marshall R. Singer, *Weak States in a World of Powers: The Dynamics of International Relationships*, London 1972, 307-309, 314f.; David Vital, *The Inequalities of States. A Study of the Small Power in International Relations*, Oxford 1967, 3-9.

⁸Marc Frey, *Der Erste Weltkrieg und die Niederlande. Ein neutrales Land im politischen und wirtschaftlichen Kalkül der Kriegsgegner*, Berlin 1998; *ibid.*, "Trade, Ships, and the Neutrality of the Netherlands in the First World War", in: *International History Review* 19 (1997), 541-562; *ibid.*, "Great Britain and the Netherlands in the Era of World War One", in: Nigel Ashton/Duco Hellema, eds., *Great Britain and the Netherlands in the 19th and 20th Centuries*, Amsterdam 2000 (forthcoming).

⁹Jürg Martin Gabriel, *The American Conception of Neutrality after 1941*, New York 1988.

¹⁰On the economic importance of the neutrals for Germany, see Marc Frey, "Deutsche Finanzinteressen an den Vereinigten Staaten und den Niederlanden während des Ersten Weltkrieges", in: *Militärgeschichtliche Mitteilungen* 53 (1994), 327-353; *ibid.*, *Der Erste Weltkrieg und die Niederlande*, 192-203, 349-361. On the blockade, see in particular Archibald C. Bell, *The Blockade of the Central Empires, 1914-1918*, London [1937, for official purposes only] 1961; Arthur Marsdon, "The Blockade", in: Francis H. Hinsley, ed., *British Foreign Policy under Sir Edward Grey*, Cambridge 1977, 488-515; Marion C. Siney, *Allied Blockade of Germany, 1914-1916*, Ann Arbor/MI 1957; C. Paul Vincent, *The Politics of Hunger. The Allied Blockade of Germany, 1915-1919*, Athens/OH 1985.

¹¹B.J.C. McKercher/Keith E. Neilson, "The Triumph of Unarmed Forces: Sweden and the Allied Blockade of Germany, 1914-1917", in: *Journal of Strategic Studies* 7 (1984), 179-199; Riste, *The Neutral Ally*, 80-95; H.A.R. Smidt, "De regulering van de nederlandse export van landbouwprodukten naar Duitsland tijdens de Eerste

Wereldoorlog", in: *Economisch-en sociaal-historisch jaarboek* 54 (1991), 102-133.

¹²For a preliminary assessment, see Hans A. Schmitt, ed., *Neutral Europe between War and Revolution 1917-23*, Charlottesville/VA 1988.

¹³Alexander Demandt, *Ungeschehene Geschichte. Ein Traktat über die Frage, was wäre geschehen wenn...*, Göttingen 1984; Niall Ferguson, ed., *Virtual History. Alternatives and Counterfactuals*, London 1998.

¹⁴Patrick Salmon, *Scandinavia and the Great Powers 1890-1940*, Cambridge 1997, 128f.

¹⁵The Dutch minister in Stockholm, Count Limburg Stirum, sent numerous despatches on this question to The Hague. See *Bescheiden Betreffende de Buitenlandse Politiek van Nederland, 1848-1919, Derde Periode (1899-1919)* [BPNL], ed. by C. Smit, 8 vols in 10 parts, 's-Gravenhage 1957-1973, vol. 4, nos. 192, 196-198, 202f.; Marshall Langhorne, *American Chargé d'Affaire at The Hague, to Secretary of State, William Jennings Bryan, 19 November 1914*, in: *Foreign Relations of the United States [FRUS], 1914, Supplement*, Washington 1928, 145f.

¹⁶Frey, *Der Erste Weltkrieg und die Niederlande*, 101-109.

¹⁷Bryan to President Woodrow Wilson, 7 October 1914, in: *FRUS, The Lansing Papers, 2 Vols.*, Washington 1939, Vol. 2, 9; *Washington Post*, 17 December 1914.

¹⁸Horst Lademacher, ed., *Die Zimmerwalder Bewegung. Protokolle und Korrespondenz*, Den Haag 1967; M.J. Riemens, *Een vergeten hoofdstuk. De Nederlandsche Anti-Oorlog Raad en het Nederlandse pacifisme tijdens de Eerste Wereldoorlog*, Groningen 1995.

¹⁹Lansing to Wilson, 23 June 1916, in: *The Papers of Woodrow Wilson*, ed. by Arthur S. Link et al, 69 vols., Princeton/NJ 1966-1994, vol. 37, 287f.

²⁰Bryan to Wilson, 10 May 1915, in: Carlton Savage, *Policy of the United States toward Maritime Commerce in War*, 2 vols., Washington 1936, vol. 2, 311.

²¹*New York Times*, 30 March 1915.

²²Thomas A. Bailey, "The United States and the Blacklist during the War", in: *Journal of Modern History* 6 (1934), 14-35; Ragnhild Fiebig-von Hase/Maria Sturm, "Die transatlantischen Wirtschaftsbeziehungen in der Nachkriegsplanung Deutschlands, der alliierten Westmächte und der Vereinigten Staaten, 1914-1917", in: *Militärgeschichtliche Mitteilungen* 52 (1993), 1-34; Heide-Irene Schmidt, *Wirtschaftliche Kriegsziele Englands und interalliierte Kooperation*, in: *Militärgeschichtliche Mitteilungen* 29 (1981), 37-54; Georges-Henri Soutou, *L'or et le Sang. Les buts de guerre économique de la Première Guerre mondiale*, Paris 1989, 353-360.

²³See a letter by the German Minister at The Hague, Richard v. Kühlmann, to

Chancellor Theobald v. Bethmann Hollweg, 4 August 1916, in: BPNL, vol. 7, no. 55; Ekengren to Lansing, 23 November 1916, in: FRUS, *The Lansing Papers*, Vol. 1, 226f; Wilson to Lansing, 26 November 1916, in: *National Archives*, Washington, D.C. [NA], Record Group [RG] 59, 763.72111/4330.

²⁴According to Riste, *The Neutral Ally*, 226, some two thousand Norwegian sailors lost their lives.

²⁵v. Jagow to Oscar von der Lancken, 19 September 1916, in: *Politisches Archiv, Auswärtiges Amt, Berlin* [PA, AA], R20518.

²⁶On Germany's war aims, see Fiebig-von Hase/Sturm, "Nachkriegsplanung", 2-9; Fritz Fischer, *Griff nach der Weltmacht. Die Kriegszielpolitik des kaiserlichen Deutschland, Düsseldorf 1961*; ders., *Krieg der Illusionen. Die deutsche Politik von 1911-1914, Düsseldorf 31978*; Konrad H. Jarausch, *The Enigmatic Chancellor. Bethmann Hollweg and the Hubris of Imperial Germany, New Haven/CT 1973*, 185-229, 407-423; Soutou, *L'or et le Sang*, 17-107; Frank Wende, *Die belgische Frage in der deutschen Politik des Ersten Weltkrieges, Hamburg 1969*; Reinhold Zilch, *Okkupation und Währung im Ersten Weltkrieg. Die deutsche Besatzungspolitik in Belgien und Russisch-Polen 1914-1918, Goldbach 1994*, 97-241.

²⁷Walther Hubatsch, *Der Admiralstab und die obersten Marinebehörden in Deutschland 1848-1945, Frankfurt a.M. 1958*, 154; Jonathan Steinberg, "A German Plan for the Invasion of Holland and Belgium, 1897", in: *Historical Journal* 6 (1963), 107-119; Salmon, *Scandinavia and the Great Powers*, 63-71, 85-88, 103-112. For the wider context, see Paul Kennedy, ed., *The War Plans of the Great Powers, 1880-1914, London 1979*.

²⁸Quoted in Gerhard Ritter, *Der Schlieffenplan. Kritik eines Mythos, München 1956*, 180. See also Stig Förster, "Der deutsche Generalstab und die Illusion des kurzen Krieges, 1971-1914. Metakritik eines Mythos", in: *Militärgeschichtliche Mitteilungen* 54 (1995), 61-95; Frey, *Der Erste Weltkrieg und die Niederlande*, 37-41.

²⁹Gunnar Åselius, "Storbritannien, Tyksland och den Svenska Neutraliteten 1880-1914: En omvärdering," in: *Historisk Tidskrift* 2 (1994), 228-266; Carlgren, *Neutralität oder Allianz*, 11-28; Frey, *Der Erste Weltkrieg und die Niederlande*, 31-34; Salmon, *Scandinavia and the Great Powers*, 103-111; Carsten Staur, "P. Munch og Forsvarssporgsmalet ca. 1900-1910", in: *Historisk Tidskrift* 81 (1981), 101-121.

³⁰John W. Coogan, *The End of Neutrality. The United States, Britain, and Maritime Rights 1899-1915, Ithaca/NY 1981*, 104-114; Patrick Devlin, *The House of Lords and the Naval Prize Bill 1911, London 1968*; Lord Maurice Hankey, *The Supreme*

Command 1914-1918, 2 Vols., London 1961, Vol. 1, 11-149; J.P. Mackintosh, "The Role of the Committee of Imperial Defense before 1914", in: *English Historical Review* 77 (1962), 490-516; Offer, *First World War*, 225-299, 306.

³¹Frey, *Der Erste Weltkrieg und die Niederlande*, 60-69.

³²Printed in Reinhard Opitz, ed., *Europastrategien des deutschen Kapitals 1900-1945, Köln 1977*, 215ff. See also Fischer, *Griff nach der Weltmacht*, 95, 152f.; Georges-Henri Soutou, "Die Kriegsziele des Deutschen Reiches, Frankreichs, Großbritanniens und der Vereinigten Staaten während des Ersten Weltkrieges: ein Vergleich", in: Michalka, ed., *Der Erste Weltkrieg*, 28-53, in particular 29.

³³See, for example: "Vertraulicher Bericht über die Sitzung des vom Vorstande des Bundes der Industriellen eingesetzten Sonderausschusses zur Beratung der durch den Krieg geschaffenen handels- und wirtschaftspolitischen Lage", 9 January 1915, in: *Bundesarchiv, Abteilungen Berlin [BAB], Reichskolonialamt*, 7015, p. 229; Alfred v. Tirpitz to Jagow, "Die Bedeutung Belgiens und seiner Häfen für unsere Seegelung", October 1915, in: PA, AA, R21568; A. Scherer/J. Grunewald, eds., *L'Allemagne et les problèmes de la paix pendant la première guerre mondiale*, 2 vols., Paris 1962/66, vol. 1, 347, fn. 5.

³⁴Kühlmann to Bethmann Hollweg, 8 December 1915, in: BPNL, Vol. 7, no. 23; Fiebig-von Hase/Sturm, "Nachkriegsplanung", 9-11; Frey, *Der Erste Weltkrieg und die Niederlande*, 65-68.

³⁵See the extensive documentation on Sweden and Denmark in BAB, *Reichswirtschaftsministerium*, 31 (*Ausfuhr von Eisen, Vol. 2*) and other files.

³⁶Frey, *Der Erste Weltkrieg und die Niederlande*, 27-30; Salmon, *Scandinavia and the Great Powers*, 112-117.

³⁷Åhlander, *Staat, Wirtschaft und Handelspolitik*, 50-88.

³⁸Suda Lorena Bane/Ralph Haswell Lutz, eds., *The Blockade of Germany after the Armistice 1918-1919. Selected Documents of the Supreme Economic Council, Superior Blockade Council, American Relief Administration, and other Wartime Organizations, (Stanford/CA 1942) New York 1972*; Bell, *Blockade, passim*; James A. Huston, "The Allied Blockade of Germany 1918-1919, in: *Journal of Central European History* 10 (1950), 145-166; Offer, *First World War*, 386-395.

³⁹Åhlander, *Staat, Wirtschaft und Handelspolitik*, 337-348; Frey, *Der Erste Weltkrieg und die Niederlande*, 331-361; Peter Grupp, *Deutsche Außenpolitik im Schatten von Versailles 1918-1920, Paderborn 1988*, 178-184; Salmon, *Scandinavia and the Great Powers*, 235-258.

⁴⁰Carlgren, *Neutralität oder Allianz*, 131-137 and *passim*; Kaarsted, *Great Britain and Denmark*, 49-80 and *passim*; Koblik, *Sweden: The Neutral Victor*, 41-75; *ibid.*, *Sweden 1917: "Between Reform and Revolution"*, in: Schmitt, ed., *Neutral Europe*,

111-132; B.J. C. McKercher, *Esme Howard, A Diplomatic Biography*, Cambridge 1989, 132-196; Riste, *The Neutral Ally*, 188.

⁴¹Riste, *The Neutral Ally*, 225-232 and *passim*.

⁴²Salmon, *Scandinavia and the Great Powers*, 137, 152.

⁴³In comparison, American policy towards Norway was relatively lenient and understanding. While Sweden, Denmark and the Netherlands were subjected to severe pressure and embargoes, Washington and in particular President Wilson pursued an accomodating line vis-a-vis Norway. The reasons may have been a) the significant Norwegian-American ethnic group; b) the diplomatic skills of the Norwegian envoy to the US, Fridtjof Nansen, and c) the fear of a German invasion of Norway. See in particular *Minutes of the Meeting of the Exports Council*, 17 July 1917, in: NA, RG 182 (War Trade Board), Entry 1, Box 1, and Riste, *The Neutral Ally*, 193f. For a more general overview, see Thomas A. Bailey, *The Policy of the United States toward the Neutrals, 1917-1918*, Baltimore 1942, 114-119.

⁴⁴Bent Blüdnikow, "Denmark during the First World War", in: *Journal of Contemporary History* 24 (1989), 683-703; Kaarsted, *Great Britain and Denmark*, 49-161; Viggo Sjøqvist, Erik Scavenius. *Danmarks udenrigsminister under to verdenskrige. Statsminister 1942-1945*, Vol. 1, Kopenhagen 1973.

⁴⁵Department of Information, Intelligence Bureau, *Weekly Report on Holland III*, 28. November 1917, in: *Public Record Office, London [PRO]*, CAB 24/34, GT 2801.

⁴⁶Secretary of State for Foreign Affairs, Arthur J. Balfour, to the Ambassador in Washington, Sir Cecil Spring Rice, 3 August 1917, in: BPNL, vol. 8.1, no. 299.

⁴⁷Bailey, *Policy of the United States toward the Neutrals*, 226-238; Bell, *Blockade*, 705; Frey, *Der Erste Weltkrieg und die Niederlande*, 232-262, 315-323.

⁴⁸London Chamber of Commerce, *Preliminary Report of the Special Committee on Trade during and after the War*, 25 May 1916, Appendix L (a copy of this report is located at the British Library, London). See also K.D. Bosch, *Niederlandsche Beleggingen in de Verenigde Staten*, Rotterdam 1948; Peter S. Buckley/Brian R. Roberts, *European Direct Investment in the U.S.A. before World War I*, New York 1982, 12; Mira Wilkins, *The History of Foreign Investment in the United States to 1914*, Cambridge/MA 1989, 512-514.

⁴⁹Åhlander, *Staat, Wirtschaft und Handelspolitik*, 50-54; Koblik, *Sweden: The Neutral Victor*, *passim*; McKercher/Neilson, "The Triumph of Unarmed Forces", 179-199; Keith Neilson, *Strategy and Supply. The Anglo-Russian Alliance, 1914-17*, London 1984, 305-319.

⁵⁰Salmon, *Scandinavia and the Great Powers*, 146-151, 162-167.

⁵¹Hankey to Sir Eric Drummond, 25 February 1915, in: PRO, *Grey Papers*, 800/

90.

⁵²This important point is missed by much of the literature on American neutrality and on German-American relations between 1914 and 1917. Coogan, *End of Neutrality*, 148-256, maintains that Wilson consciously violated neutral rights. In my view, this is an exaggeration. Contrast Coogan's great book with Kendrick A. Clements, *The Presidency of Woodrow Wilson*, Lawrence/KS 1992, 138-141; Reinhard R. Doerries, *Imperial Challenge. Ambassador Count Bernstorff and German-American Relations 1908-1917*, Chapel Hill/NC 1989, 141-190; Robert F. Ferrel, *Woodrow Wilson and World War One, 1917-1921*, New York 1985, 1-21; Arthur S. Link, *Wilson*, vols. 3-5, Princeton/NJ 1960-1965; Ute Mehnert, *Deutschland, Amerika und die "Gelbe Gefahr". Zur Karriere eines Schlagworts in der Großen Politik, 1905-1917*, Stuttgart 1995, 288-346; Torsten Oppelland, "Der lange Weg in den Krieg (1900-1918)", in: Klaus Larres/Torsten Oppelland, eds., *Deutschland und die USA im 20. Jahrhundert. Geschichte der politischen Beziehungen*, Darmstadt 1997, 1-30.

⁵³Walther Rathenau, *Die Organisation der Rohstoffversorgung*, [Berlin] 1916. See also Gerald D. Feldman, "Kriegswirtschaft und Zwangswirtschaft: die Diskreditierung des "Sozialismus" in Deutschland während des Ersten Weltkrieges", in: Michalka, ed., *Der Erste Weltkrieg*, 456-486; Anne Roerkohl, *Hungerblockade und Heimatfront. Die kommunale Lebensmittelversorgung in Westfalen während des Ersten Weltkrieges*, Stuttgart 1991, 113-172; Volker Ulrich, *Kriegsalltag. Hamburg im Ersten Weltkrieg*, Köln 1982, 43f.

⁵⁴On the Netherlands Overseas Trust, see Frey, *Der Erste Weltkrieg und die Niederlande*, 110-130; Charlotte A. van Manen, *De Nederlandsche Overzee Trustmaatschappij*, 6 vols. in 8 parts, 's-Gravenhage 1935; C. Smit, "De staat en de N.O.T.", in: *ibid.*, Tien studiën, 80-98; Ferdinand Tönnies, *Die niederländische Übersee-Trust-Gesellschaft*, Jena 1916.

⁵⁵Smidt, "Regulering", 120ff.

⁵⁶Ochsenbein, *Verlorene Wirtschaftsfreiheit*, 210-246; Sir Francis Oppenheimer, *Stranger Within. Autobiographical Pages*, London 1960, 252-265.

⁵⁷Bell, *Blockade*, 289-298, 494; Kaarsted, *Great Britain and Denmark*, 99-104; Smidt, *Dutch and Danish Agricultural Exports*, 146-156.

⁵⁸Riste, *Norway: The Neutral Ally*, 80-122, 159-169; Salmon, *Scandinavia and the Great Powers*, 134f.

⁵⁹Bell, *Blockade*, 327-343; Koblik, "Sweden, 1917", in: Schmitt, *Neutral Europe*, 121f.; Salmon, *Scandinavia and the Great Powers*, 135.

⁶⁰Bailey, *Policy of the United States*, 127-135, 160-164, 187-193; Koblik, *Sweden: The Neutral Victor*, 153-168.

⁴¹See Ehrbahr, *Schweizerische Militärpolitik im Ersten Weltkrieg*, *passim*, and Ochsenein, *Verlorene Wirtschaftsfreiheit*, *passim*.

⁴²Frey, *Der Erste Weltkrieg und die Niederlande*, 152-203, 324-330.

⁴³Smidt, "Dutch and Danish Agricultural Exports", 142, 146.

⁴⁴Riste, *Norway: The Neutral Ally*, 96-122.

⁴⁵See a memorandum by the Reichsbank Direktorium to the State Secretary for the Interior, 5 October 1917, BAB, Reichsministerium des Innern, 18541, p. 379.

Appendices

Selected Statistics on Economic Development, Trade and Finances

Table 1: Dutch Trade with Germany and Great Britain, 1913-1920 (Mill. Goldmarks)

	Imports from Germany	Exports to Germany	Exports to Great Britain	Imports from Great Britain (and re-exports from British Empire)
1913	693,65 ^a	333,03 ^a	482,62 ^d	419,22 ^d
1914	615,08 ^a	451,60 ^a	496,93 ^d	435,33 ^d
1915	515,54 ^a	1.290,1 ^a	478,53 ^d	621,68 ^d
1916	(1st half) 334,92 ^a	945,71 ^{ab}	451,94 ^d	674,84 ^d
1917	415,74 ^c	535,73 ^c	406,95 ^d	507,16 ^d
1918	542,49 ^c	260,26 ^c	157,46 ^d	314,93 ^d
1919	731,77 ^c	976,82 ^c	443,76 ^d	1.239,23 ^d
1920	1.526,07 ^c	711,49 ^c	803,7 ^d	1.269,96 ^d

Sources: a) Statistik des Deutschen Reiches 1913-1. Halbjahr 1916. Letter of the Deutsche Handelsstelle im Haag to the director of the Kriegswirtschaftliche Abteilung im Reichsamt des Innern, Hans Karl Freiherr von Stein zu Nord- und Ostheim, 8 March 1917, in: BAB, Reichsamt des Innern, 18837, Bl. 474-480; b) Ausfuhr unfreier Güter aus den Niederlanden, Juli-Dezember 1916, in: Algemeen Rijksarchief, Den Haag, Dir H&N, 1176; c) Mitchell, *European Historical Statistics*, S. 542; d) Mitchell and Dean, *Abstract of British Historical Statistics, Overseas Trade*, Nr. 12. C

Table 2: Selected German imports of foodstuffs from neutral countries, 1913 - 1st half of 1916 (Tons)

Netherlands

	1913	1914	% change to 1913	1915	% change to 1913	1st half 1916
Cattle	5.649	84.466	+ 1495	11.465	+ 203	33.884
Beef	9.338	4.974	- 53	13.864	+ 67	15.576
Pork	8.907	6.075	- 32	42.207	+ 473	21.336
Butter	18.455	18.468	0	29.685	+ 61	9.957
Cheese	16.923	20.954	+ 23	50.728	+ 299	38.324
Eggs	8.433	8.361	- 1	21.719	+ 257	17.225
Herring (barrels)	705.133	811.013	+ 15	933.464	+ 32	173.382

Denmark

	1913	1914	% change to 1913	1915	% change to 1913	1st half 1916
Cattle	157.000	193.363	+ 23	265.000	+ 68	196.609
Beef	12.497	16.852	+ 34,8	18.953	+ 52	14.237
Pork	5.249	6.466	+ 23	38.523	+ 733	11.425
Butter	2.155	3.861	+ 79	25.160	+ 1167	14.934
Cheese	71,0	291	+ 410	3.270	+ 4605	1.617
Eggs	1.235	1.320	+ 6,8	13.069	+ 1058	12.690
Fresh Fish	28.907	26.950	- 7	51.165	+ 77	47.049

Sweden

	1913	1914	% change to 1913	1915	% change to 1913	1st half 1916
Pork	1.559	1.990	+ 28	4.860	+ 312	1.690
Beef	1.074	1.723	+ 60,5	25,147	+ 2342	12.514
Butter	400	1.200	+ 300	8.125	+ 2021	6.387
Herring (barrels)	11.443	89.505	+ 782,2	130.102	+ 1137	114.209
Fresh Fish	30.071	36.705	+ 22	38.136	+ 27	24.171

Norway

	1913	1914	% change to 1913	1915	% change to 1913	1st half 1916
Train oil	31.317	33.057	+ 5,5	43.439	+ 38,7	11.503
Herring (barrels)	235.560	496.233	+ 210,6	1.489.485	+ 632	1.024.426
Fresh Fish	40.904	39.482	- 3	46.269	+ 13	26.342
Dried Fish	2.453	2.258	- 8	14.356	+ 585	12.793

Sources: Appendix, Speech of State Secretary Karl Helfferich in the budget commission of the Reichstag, 30 September 1916, in: PA, AA, R 21474; undated memorandum, Auswärtiges Amt, in: *ibid.*, R 21473.

Table 3
Development of Gross National Income in the Netherlands 1914-1919 (Mill. Guilders)

	1914	1915	1916	1917	1918	1919
Nominal	2346	2761	3102	3202	3510	4793
Real	2278	2443	2697	2336	2006	2471
Change in % to 1914 (real)	--	+7,2	+15,5	+2,5	-12	+8,4

Source: I.J. Brugmans, *Paardenkracht en Menschenmacht. Sociaal-Economische Geschiedenis van Nederland 1795-1940*, 's-Gravenhage 1961, 454, and own computing. Not included are foreign investments, loans to foreign companies and countries, etc.

Table 4
Increase in Capitalization of Dutch Companies in Selected Branches, 1 October 1915 - 1 October 1918 (Guilders)

	1912/13	1 October 1918
Metals	6.716.000	32.132.000
Food Processing	15.870.000	91.641.500
Chemicals	20.000	15.623.000

Source: Commercial Attaché Carl Gneist to Auswärtiges Amt, 19 October 1918, and *Algemeen Handelsblad*, 14 October 1918, in: *BAB, Auswärtiges Amt, Handelspolitische Abteilung*, 3984, pp. 147-151.

Table 5
Foreign Trade of the Nordic countries by commodity groups (%)

Denmark

	1900-04	1910-14	1921-5	1936-9
Agricultural products	89.0	87.0	81.0	72.0
Industrial products	5.0	8.0	16.0	23.0
Other goods	6.0	5.0	3.0	5.0

Norway

	1895	1905	1925	1935
Fishing & whaling products	17.4	15.6	13.8	9.9
Timber, pulp & paper products	20.4	21.9	23.6	13.8
Mining, metals & chemicals	2.4	3.4	12.8	17.2
Other industrial products	11.0	9.7	13.5	10.6
Shipping services	38.9	32.5	29.0	38.2
Other products	9.9	16.9	7.3	10.3

	1901-5	1911-13	1924-5	1934-8
Timber products	38.5	26.1	22.0	13.2
Iron & steel	10.2	9.3	5.3	7.2
Grain	0.4	0.3	---	---
Butter	8.9	6.0	---	---
Paper & pulp	12.9	17.6	27.2	28.3
Iron ore	5.0	8.0	7.9	9.5
Engineering products	6.7	10.5	14.3	21.3
Others	17.4	22.2	23.3	20.5

Source: Patrick Salmon, *Scandinavia and the Great Powers 1890-1940*, Cambridge 1997, 6-7.

Table 6
Increase of gold in the Netherlands, Sweden, and Switzerland, 1914-1919

	Netherlands (Guilders)		Switzerland (Franks)		Sweden (Crowns)	
	Mio.	Increase in % to 1914	Mio.	Increase in % to 1914	Mio.	Increase in % to 1914
30.06.1914	306,2	---	285,3	---	239,0	---
31.12.1914	473,1	54,5	455,9	59,8	304,1	27,2
21.12.1915	577,1	88,5	465,6	63,2	327,9	37,2
30.12.1916	758,4	147,7	536,5	88,0	417,5	74,7
31.12.1917	890,3	190,8	702,3	146,2	572,7	139,6
31.12.1918	1068,9	249,1	975,7	242,0	813,5	240,4
31.12.1919	1032,7	237,3	1036,1	263,2	747,6	212,8

Source: Dutch Ministry of Foreign Affairs, ed., *Economische Berichten* No. 8 (1920), 319.