# Offprint from

# Nazism across Borders

The Social Policies of the Third Reich and their Global Appeal

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GERMAN HISTORICAL INSTITUTE LONDON



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# Under the Hard Law of War: Norwegian Social Reforms under German Influence

## MATS INGULSTAD

In April 1944 Minister President Vidkun Quisling, the puppet head installed by the Germans in occupied Norway and self-styled Fører (Führer) of National Union (Nasjonal Samling or NS, the Norwegian Nazi party), received a delegation of workers at the former Royal Palace in Oslo. Quisling told them that once the war was over, his first undertaking would be to bring about just and fair social conditions, but for now, 'the social programme I would have completed if I had been given the opportunity under more peaceful conditions, you probably all know is impossible as long as we live under the hard law of war'.<sup>1</sup> Between German dictates, hostile public opinion, and severe financial constraints, there was no room for grand experiments in the organization of Norwegian labour and the living conditions of ordinary workers. Quisling's lament fits into a long-established perception of the Second World War as a time-out in the history of Norwegian social policymaking, a time of no action and much thought, as one eminent scholar of the Norwegian welfare state has described it.<sup>2</sup>

Much of the blame for this standstill has been laid at the jackbooted feet of the German occupiers. The German Reich Commissioner for the Occupied Norwegian Territories (Reichskommissar für die besetzten norwegischen Gebiete), Josef Terboven, ran the country for Hitler as a fiefdom for five years. He was widely criticized by Norwegian NS members both during and after the war for his refusal to allow them to carry out extensive social policy reforms.<sup>3</sup>

Norwegian: 'det sosiale program jeg vilde ha gjennomført om jeg var blitt gitt anledning til det under fredeligere forhold, vil dere sikkert alle forstå at er umulig så lenge vi lever under krigens harde lov'. See Hans Fredrik Dahl, *Vidkun Quisling: Enfører for fall* (Oslo, 1992), 485.
<sup>2</sup> Stein Kuhnle, *Den norske velferdsstaten* (Oslo, 1983), 17.
<sup>3</sup> Odd Melsom, *Nasjonal Samling og fagorganisasjonen* (Oslo, 1977), 139; Nina Drolsum Kroglund, *Hitlers norske hjelpere* (Oslo, 2010), 187–94.

During the occupation, the Reich Commissariat had the final say in all matters regarding the organization, financing, and implementation of social policy in Norway. It acted as a barrier against the most radical elements in the NS, who clamoured for both independence and a chance to fulfil NS ambitions for 'a Norwegian folkesamfunn built organically on working life' (folkesamfunn corresponds to Volksgemeinschaft, a German term meaning community of the folk, as an ethno-national ideal).<sup>4</sup> But despite the constraints of war, there were in fact successful attempts at social policy reforms, which created continuities that cut across the war years. Compulsory labour service, war pensions, and child benefits were all introduced to assist vulnerable groups, whether unemployed youth, war invalids, or the families of the working poor. As Øystein Sørensen has argued, the Nazi occupation was therefore not as much of a hiatus for social policy as previously imagined.<sup>5</sup> This essay argues that the crucial enabling factor for social policymaking during the war was Germany's interest in exploiting the Norwegian labour pool. In this respect, German efforts to manage Norway's workforce were greatly aided by perceived compatibilities between Norwegian and German legislation. This induced the Nazi occupiers to rely on Norway's existing social policy framework for wartime labour organization, thus ensuring continuity, while also providing an opening for limited social policy advances during the war years.

On their arrival in 1940 the German occupiers did not encounter an alien society with inscrutable and impenetrable laws. In fact, Germany had been a fount of ideas for Norwegian reformers since the late nineteenth century, influencing scholars, businessmen, government ministers, and grass-roots activists, on both the left and the right. The state gradually accumulated the necessary powers to intervene in the labour markets, as labourers' living and working conditions (including wages) became a matter of great public debate. The organization of working life was seen for long periods as one of the greatest social policy challenges of the time, and a problem for which Bismarck's German example seemed particularly instructive.<sup>6</sup> Social policy was therefore closely

<sup>&</sup>lt;sup>4</sup> Norwegian: 'norsk folkesamfunn bygd opp på organisk på yrkeslivets grunn'. See Nasjonal Samling, *Program for nasjonal Samling* (Oslo, 1934).

<sup>&</sup>lt;sup>5</sup> Øystein Sørensen, 'Var okkupasjonen en sosialpolitisk dødtid? Quislingregimets sosialpolitikk', *Michael Quarterly*, 2 (2005), 324-32.

<sup>&</sup>lt;sup>6</sup> Paal Berg, Arbeidsrett (Oslo, 1930), 29-30.

intertwined with labour policy, and, to some extent, labour policy *was* social policy. Furthermore, the flow of ideas and observations was not unidirectional. Norwegian social policy developments in various fields were reported in Germany both before and during the two world wars, as were German developments in Norway.<sup>7</sup> The German occupiers could therefore recognize and applaud certain parts of Norway's legislation, even as they overestimated the extent to which it was similar to, and influenced by, the legislation they knew from the Reich. The occupation gave German administrators an opportunity to implement their ideas in a compatible societal setting, but the war ensured that their social policy agenda was largely negative, being ultimately subordinated to the needs of labour mobilization.

#### The Bismarckian Impulse: The Introduction of Social Insurance in Norway

In the late nineteenth century Norway was still a sparsely populated, predominantly agricultural society, locked in a personal union with Sweden, with power resting in the hands of a small ruling elite of clerics, officers, and, above all, lawyers in the service of the state. Beyond a rudimentary system of poor relief, there was precious little in the way of social policy. The introduction of parliamentary rule in 1884, along with the extension of the franchise in 1885, heralded an era of reformist politics, but only within the confines of an expanding state-supported capitalist system that was dominated by the petty bourgeoisie and landowning farmers. Even more than the other Scandinavian countries, Norway was a late industrializer, with a small but growing working class. Out of a population of barely 2 million, the number of factory workers rose from 45,000 in 1885 to approximately 80,000 in 1900.<sup>8</sup> As late as 1906—hardly a year after Norway's independence from Sweden—Prime Minister

<sup>8</sup> Espen Søbye, Folkemengdens bevegelse, 1735–2014: En tabellstudie (Oslo, 2014); Tore Hanisch, Espen Søilen, and Gunhild Ecklund, Norsk økonomisk politikk i det 20. århundre: Verdivalg i en åpen økonomi (Kristiansand, 1999), 30.

<sup>&</sup>lt;sup>7</sup> The official journal published by Norway's Department of Social Affairs (Departementet for Sociale Saker) paid close attention to German developments, reporting on current concerns and providing summaries of German articles; see e.g. *Sociale Meddelelser*, 7 (1919), 160, 164, and 692. The German-language *Chronik der ausländischen Sozialpolitik (Chronicle of Foreign Social Policy)* frequently reported on a wide range of Norwegian social measures, such as the introduction of rent support for families in Oslo with many children (13 Sept. 1943), vocational counselling (17 July 1944), and the country's labour service (1 Oct. 1944).

Christian Michelsen was openly pondering whether Norway should aspire to become an industrialized nation at all. While remaining a country of farmers and fishermen would impair living standards somewhat, he surmised that it would also hinder the emergence of dirty industrial cities with discontented workers.<sup>9</sup>

As in many other western European countries, Norway's reformers drew a wide variety of ideas and templates from Germany. The motives and justifications for Norway's first social policy reforms were decidedly Bismarckian in their aim of pacifying and integrating the growing proletariat into the state and nation.<sup>10</sup> Even Johan Castberg, the father of the Norwegian social reform movement, acknowledged Bismarck as the source of many of the dominant impulses of the time, although he added that the man was not his own ideal.<sup>11</sup> Castberg preferred the work of Ferdinand Lasalle, and advocated the use of the state as an instrument for liberating the working class.<sup>12</sup> The first Norwegian proposals for social insurance originated with the Labour Commission (Arbeiderkommissionen), established in 1885 at the request of King Oscar II and modelled on its Swedish equivalent. The commission debated old-age pensions for workers, insurance against accidents in the workplace, and mandatory standards for factory working conditions. It was well informed about the latest developments in the theory and practice of worker insurance in Germany, France, England, Belgium, Switzerland, and Italy.<sup>13</sup> While Norway was not yet an industrialized country with a large working class, its supporters justified this focus by claiming that equitable social policies were a hallmark of a culturally advanced country (a kulturland). The Prime Minister also referred to the publications of Germany's Social Policy Association (Verein für Sozialpolitik) in Norway's parliament.<sup>14</sup> With Norway's 1894 Industrial Accident Insurance Act (Lov om ulykkesforsikring

<sup>&</sup>lt;sup>9</sup> Gunnar Wasberg, Industriens historie i Norge (Oslo, 1969), 111.

<sup>&</sup>lt;sup>10</sup> Anne Lise Seip, Sosialhjelpstaten blir til: Norsk sosialpolitikk 1740–1920 (Oslo, 1994), 90.

<sup>&</sup>lt;sup>11</sup> Rune Slagstad, De nasjonale strateger (Oslo, 2001), 164.

<sup>&</sup>lt;sup>12</sup> Commenting on Lasalle's *Capital und Arbeit*, Castberg wrote in his diary: 'What a powerful, intoxicating passion . . . Such a crystal-clear exposition of the bottomless injustice that forms the basis of modern social conditions' (my translation). See Øyvind Bjørnson, '"Hvad vil mit kald blive?" Den unge Johan Castberg', in Geir Atle Ersland, Edgar Hovland, and Ståle Dyrvik (eds.), *Festskrift til Historisk institutts 40-års jubileum* (Bergen, 1997), 221–42, at 234.

<sup>&</sup>lt;sup>13</sup> Ebbe Hertzberg, Oversyn over de nyeste lovgivningsarbeider, vedrørende Arbeiderforsikringen i Tyskland, Frankrig, England, Belgien, Schweiz og Italien (no place, 1885).

<sup>&</sup>lt;sup>14</sup> Stortingsproposisjon (parliamentary proposal) 82, 1885.

for arbeidere i fabriker), factory workers acquired the right to compensation for work-related injuries. As in Germany, regular financial contributions by the employers were required.<sup>15</sup> According to one contemporary German observer, the German influence was so apparent that 'In the main, this law follows-often verbatim-the same provisions of the German and Austrian accident insurance laws.'16 The choice of a German-inspired model of mandatory accident insurance was a conscious one, even as it was acknowledged that other countries chose differently.<sup>17</sup>

There are several reasons why Norwegian social policy so strongly resembled the German model of mandatory insurance. In countries such as Denmark and France, the mere suggestion of a German model evoked horror and inspired great efforts to develop alternatives.<sup>18</sup> From a somewhat safer distance, Norwegians saw Germany less as a menace and more as a source of ideas for both the workers and the elites who travelled south across the Skagerrak. There were even two German socialist worker associations in Oslo at the turn of the century, and the German labour movement was described as a 'model army' that Norwegian workers should aspire to follow.<sup>19</sup> The choice of mandatory insurance also made sense in the small, geographically dispersed Norwegian economy, where nationwide application could be enforced only by the state. The corresponding weakness of the trade union movement (with its voluntary insurance schemes) meant that in contrast to other countries, no realistic institutional alternative existed on a national scale. Although originally adopted as a Bismarckian preventative against worker unrest, Norwegian social insurance acquired a momentum of its own, and under different political conditions. Accident insurance was subsequently introduced for fishermen (1908) and sailors (1911), alongside a German-inspired obligatory sickness insurance for low-income workers (1909).

<sup>&</sup>lt;sup>15</sup> Steinar Stjernø, Velferdsstat og sosialpolitikk i Tyskland (Oslo, 1995), 46.

<sup>&</sup>lt;sup>16</sup> German: 'Der Hauptsache nach folgt das Gesetz, vielfach im Wortlaut, den gleichartigen Bestimmungen des deutschen bzw. österreichischen Unfallversicherungsgesetzes. Quoted in Stein Kuhnle, 'Tyskland og sosialforsikringens gjennombrudd i Norge', in Jarle Simensen (ed.), *Tyskland-Norge: Den lange historien* (Oslo, 1998), 123–32, at 127. <sup>17</sup> Arbeiderkommisjonen, Arbeiderkommissionens Indstilling III: Forslag til Lov om Ulyk-

kesforsikring for Arbeidere i Fabriker med Motiver og 1 Bilag (Christiana, 1890), 84. <sup>18</sup> See the essay by Rasmus Mariager and Klaus Petersen in this volume.

<sup>&</sup>lt;sup>19</sup> Lorenz Einhard, 'Vorwärtz og Freiheit: To tyske sosialistforeninger i Kristiania', Arbeiderhistorie, 1 (1991), 160-6; Finn Olstad, Med knyttet neve: 1899-1935, vol. i of LOs historie (Oslo, 2000).

### The Scandinavian Lighthouse: Tripartitism, Collective Agreements, and Labour Laws

The Scandinavian states did not merely react to German developments, either emulating or rejecting them. In some social policy fields they were the early innovators, such as in recognizing collective bargaining as a legitimate tool for settling conflicts between different interests. The state's cultivation of negotiated settlements in working life is a core component of what is often called the Nordic model of social democracy.<sup>20</sup> The formation of the Workers' National Trade Union (Arbeidernes Faglige Landsorganisasjon or AFL) in 1899 and the Norwegian Employers' Confederation (Norsk Arbeidsgiverforening or NAF) in 1900 provided the institutional basis for organized collective agreements, with the first national wage agreement concluded in 1907.21 Over time, as their memberships expanded and more industries were included, these opposing federations became the mutually interdependent, authoritative representatives of capital and labour. Furthermore, as they gained recognition as the responsible representatives of legitimately competing interests, they emerged as potential partners for the state, in an effort to limit the destructive societal effects of protracted labour disputes.<sup>22</sup>

Many countries saw ongoing attempts to regulate the struggle between increasingly organized labourers and employers, with legal scholars in France and Germany pondering whether labour associations could collectively constitute legal subjects. Co-operation and contacts also existed between the Scandinavian countries in the development of labour dispute legislation. The diplomatic service produced detailed reports on developments abroad, but found no similar models other than the one in distant New Zealand. Acknowledgement of the legally binding nature of collective agreements also entailed the state's acceptance of the workers' and employers' federations, as well as its willingness to work with them within a tripartite framework. In 1910 Denmark established a Court of Arbitration (Voldgiftsret) to rule on disputes related to collective agreements.

<sup>21</sup> Such agreements covered more than just wages, and also included regulations on vacations, shift work, overtime, shared decision-making, terminations, etc.

<sup>&</sup>lt;sup>20</sup> Alexander Cappelen, *Sosialpolitikk* (Oslo, 1955), 10; Nik Brandal, Øivind Bratberg, and Dag Einar Thorsen, *The Nordic Model of Social Democracy* (Basingstoke, 2013), 12.

<sup>&</sup>lt;sup>22</sup> Trond Nordby, Korporatisme på norsk: 1920–1990 (Oslo, 1994), 42.

Norway followed suit in 1915 with the Labour Disputes Act (Arbeidstvistloven).<sup>23</sup> The Act established a Labour Court (Arbeidsretten) with broad authority to rule on the legality of private sector collective agreements, as well as their interpretation and implementation. Previously, the threat of a strike or lockout had been used to settle grievances, with civilian courts acting as the final authority. Instead, Norway had now become one of the world's first countries with a court to adjudicate collective labour settlements and thereby to regulate the relationship between labour and capital. On both the left and the right, there were serious doubts about the merits of having the state intrude in such a manner. A conservative critic feared that social considerations would trump economic policy, with the Minister of Social Affairs 'as the advocate for both our Lord and the Devil, and finally the judge between the two parties'.<sup>24</sup>

While it takes three to tango under the Nordic collective bargaining system, there is always the question of who decides when the music stops. Castberg, Norway's first Minister of Social Affairs, strongly supported the Labour Disputes Act. But like the workers' and employers' federations, he disagreed with the cabinet position that the societal impact of labour disputes demanded the use of forced arbitration (tvungen voldgift). Its sheer political contentiousness kept binding arbitration out of the 1915 law, but a provisional measure was adopted in the next year to handle wartime strikes and lockouts. This provisional authorization was subsequently expanded several times during the interwar period. Norway's use of binding arbitration, institutionalization of collective bargaining, and legal recognition of collective wage agreements ensured that it and the other Nordic countries would crop up in the relevant German debates.<sup>25</sup> As Pauli Kettunen has remarked, Nordic social democrats would subsequently use their embrace of parliamentary democracy and collective negotiation as a banner for a distinctive 'Nordic democracy' model during the interwar period.<sup>26</sup> It was

<sup>23</sup> Kristin Alsos, Åsmund Arup Seip, and Pål Nygaard, *I arbeidsfredens tjeneste:* Arbeidsretten gjennom 100 år (Oslo, 2016).

<sup>24</sup> Norwegian: 'baade Vor Herres og djævelens advokat og tilslut dommer mellem begge parter'. See Inger Elisabeth Haavet, 'Socialdepartementet og Johan Castbergs tredje vei', in Hege Forbord (ed.), *Arbeidsdepartementet 100 år* (Oslo, 2013), 31–64, at 46.

<sup>25</sup> Rudolf Meerwarth, 'Die nordische Gesetzgebung auf dem Gebiete des Tarifvertrags und des Einigungswesens und ihre Bedeutung für Deutschland', *Jahrbücher für Nationalökonomie und Statistik*, 52/4 (1916), 495–514.

<sup>26</sup> Pauli Kettunen, 'The Nordic Model and the International Labour Organization',

yet another testament to how the First World War had changed Europe's intellectual and political climate, pushing the boundaries of state interventionism in all directions, including in labour and social policy.

After the First World War Weimar Germany again marched with the avant-garde of social policymakers, and both its experts and its politicians were keen to study developments abroad. While Norway's working life was now founded on the recognition of the legality and binding nature of collective wage agreements, such agreements had a far weaker position in Germany. Though its unions favoured them after the turn of the century, its employers were unwilling to enter into such agreements. After Germany's top court (the Reichsgericht) declared in 1903 that collective wage agreements were non-binding, the matter lay dormant until the eruption of the First World War, when the pace picked up again.<sup>27</sup> With the Stinnes-Legien Agreement and the Collective Agreement Decree (Stinnes-Legien-Abkommen and Tarifvertragsverordnung), both 1918, the unions became recognized partners in the negotiation of collective agreements. These developments also became evident in the Weimar Constitution's labour-related provisions, which charged the state with the protection of the workers, as well as the development of a unified labour code and policy.<sup>28</sup> From being a largely theoretical issue in German law collective bargaining now blossomed, with a rapidly growing number of agreements, specialized lawyers, and legal commentaries.<sup>29</sup> From a German perspective, Norway provided an instructive example, especially with its introduction of binding arbitration, which embodied the principle that the state could intervene in private sector disputes between employers and employees over wages and working conditions, in order to safeguard the public interest.<sup>30</sup> Germany's 1918 Collective

in Norbert Götz and Heidi Haggrén (eds.), Regional Cooperation and International Organizations: The Nordic Model in Transnational Alignment (Abingdon, 2009), 67–87, esp. 73–4.

<sup>28</sup> According to Article 157 of the Weimar Constitution, quoted in Felix Schmid, Sozialrecht und Recht der sozialen Sicherheit: Die Begriffsbildung in Deutschland, Frankreich und der Schweiz (Berlin, 1981), 77.

<sup>29</sup> Sabine Rudischhauser, Geregelte Verhältnisse: Eine Geschichte des Tarifvertragsrechts in Deutschland und Frankreich (1890-1918/19) (Cologne, 2016).

 $^{30}$ Wilhelm Kulemann, 'Die Arbeitsgesetzgebung des Auslandes', Zeitschrift für Politik, 12 (1923), 181–92.

<sup>&</sup>lt;sup>27</sup> Berg, Arbeidsrett, 158.

Agreement Decree had no provision for a court of binding arbitration (Zwangsschiedsgericht), which was finally introduced with the Arbitration Decree (Schlichtungsverordnung) of 1923. This was a turning point in the development of German labour politics, as binding arbitration raised the stakes in terms of power over social and labour issues. With its participation, the government acquired the ability to dictate the final terms, thereby directly influencing the living conditions of a large number of workers.<sup>31</sup>

#### The Limits of Attraction

Despite the ongoing debates and many attempts to promote social reforms in Norway during the interwar period, the time from 1920 to 1935 has been characterized by historians as a standstill in social policy development.<sup>32</sup> Economic and political difficulties meant that proposals for unemployment insurance, old-age pensions, and sickness insurance were repeatedly postponed or rejected. Liberal reformers and labour activists alike were increasingly distraught as other countries adopted ambitious social policy measures, including Italy with its 1927 Charter of Labour (Carta del Lavoro), Germany the same year with its Law on Job Placement and Unemployment Insurance (Gesetz über Arbeitsvermittlung und Arbeitslosenversicherung), and also Denmark somewhat later with its 1933 social policy legislative programme (sosialreform). There were some minor advances in Norway, too, such as the revision of the mandatory sickness insurance scheme in 1930. The need for social reforms was underlined by the Great Depression, which again conjured up the spectre of leftist working-class militancy. When Norwegian workers protested against a lockout in 1931, the Farmers' Party (Bondepartiet) government, which included Vidkun Quisling as Minister of Defence, called up the armed forces. While the need for further social policy reforms had become evident, a succession of weak governments were unable to do much about it. 'It cannot be denied that our country here belongs to the rear guard,' as one senior official from the Ministry of Social Affairs put it during a public lecture in early 1935.33

<sup>31</sup> Ingrid Artus, Krise des deutschen Tarifsystems: Die Erosion des Flächentarifvertrags in Ost und West (Wiesbaden, 2001), 55–8. <sup>32</sup> Berge Furre, Norsk Historie 1905–1940 (Oslo, 1982), 261.

<sup>33</sup> Norwegian: 'Det kan ikke nektes at vårt land her hører med til baktroppen.' See

While the spirit of state interventionism manifested itself in countries such as the United States, Germany, and the Soviet Union, Norway's many strikes and the lockout of 1931 resulted in the loss of an enormous number of working days, something that Norwegian society could ill afford. Steps to address this problem had already been taken after the provisional binding arbitration framework failed during a strike in 1928, leading to the establishment of the Labour Peace Committee (Arbeidsfredkomiteen) in 1930 under the leadership of Paal Berg. Berg, a former Minister of Social Affairs, the longest serving head of the Labour Court, the Chief Justice of the Supreme Court, and later a leader of the Norwegian resistance movement, did not hide his strong affinity with German social policy. For example, in his 1930 book Arbeidsrett (Labour Law), subsequently the standard treatise on the matter, Berg approvingly quoted German scholars as supporting authorities for his view that the sound regulation of working life was of supreme importance for the nation.<sup>34</sup> To resolve the struggle between capital and labour was one of the main objectives of any social policy programme, for which labour law was a crucial tool.<sup>35</sup> The participation of both the NAF and the AFL in the Labour Peace Committee represented an acknowledgement of the important roles of such organizations in Norway's working life. But it also served to remind them that if they failed to reach a voluntary agreement, then the law would be used to enforce labour peace.<sup>36</sup> The Committee developed the first draft of the Master Agreement (Hovedavtalen) between workers' and employers' organizations, which was adopted in 1935 and came to serve as the bedrock underlying Norway's collective bargaining system.37

While laying down the foundations of Norway's working life, the Labour Peace Committee naturally revisited the issue of forced arbitration. Berg strongly favoured it, but wondered whether the time was ripe, and wanted information on developments abroad.<sup>38</sup>

Norsk Rikskringkasting Serieforedrag, Sosial Forsorg og Trygd: Januar-April 1935 (Oslo, 1936), 57.

<sup>34</sup> Berg, Arbeidsrett, 44.

<sup>35</sup> Per Hem, Megleren: Paal Berg, 1873–1968 (Oslo, 2012), 221–3.

<sup>36</sup> Jardar Seim, Hvordan Hovedavtalen av 1935 ble til: Staten, organisasjonene og arbeidsfreden 1930–35 (Oslo, 1972), 201–5. <sup>37</sup> Riksarkivet (National Archives of Norway, hereafter RA), S-1268, D, De, L0554,

collective agreement between the NAF and AFL, no date.

<sup>38</sup> RA, S-1268, D, De, L0554, minutes of meeting, 22 Mar. 1930.

From reports sent by the Norwegian consulate in Hamburg, the Committee learnt that something was afoot in Germany. The German system differed in that while the arbitrator issued a verdict in wage agreement conflicts, it was the government that made it binding with the force of law. This enabled the use of political pressure to push wages upwards. To Norwegian observers, it appeared that Germany's Social Democrats were consciously using the arbitration body to effect an indirect socialization of capital by transforming it from profits into wages. The Consul-General in Hamburg warned that Germany had now advanced the furthest in the use of forced arbitration, and that it was only a matter of time before Norwegian labour would follow: Germany, 'since the genesis of the labour movement, has been its laboratory where ideas were generated'.<sup>39</sup> Despite such dire warnings, Berg correctly gauged the Norwegian labour union movement as still strongly opposed to forced arbitration-the German example notwithstanding-and in the end, a permanent provision for it was not introduced until 1952.40 The strategy and tactics of Germany's 'model army' were becoming less relevant and attractive.

#### **Reactions and Interactions**

While Norway was a peripheral country to many Germans, it still played an important role in German diplomacy as an arena for rebuilding its reputation. Germany sent many high-ranking diplomats to Norway, not only during their steadily improving relations before Hitler's 1933 takeover, but also during their constantly volatile relations afterwards.<sup>41</sup> After 1933 Norwegians watched certain German developments with both interest and fascination, such as the transformation of the country's labour service framework.<sup>42</sup> But as Hitler continued reshaping the German state, the news from Germany rapidly took on a sinister tone. With rising unease, the Norwegian legation in Berlin reported on censorship, the establishment

<sup>&</sup>lt;sup>39</sup> Norwegian: 'helt siden arbeiderbevegelsens opkomst har vært det arbeidslaboratorium, hvor ideene er opstaat'. See RA, S-1268, Y, Ye, L605, Consulate-General in Hamburg to Department of Foreign Affairs, 14 June 1930.

<sup>&</sup>lt;sup>40</sup> Torgeir Stokke, Stein Evju, and Hans Otto Frøland, Det kollektive arbeidslivet: Organisasjoner, tariffavtaler, lønnsoppgjør og inntektspolitikk (Oslo, 2003), 115.

<sup>&</sup>lt;sup>41</sup> Odd-Bjørn Fure, Norsk utenrikspolitikks historie, iii: Mellomkrigstid 1920–1940 (Oslo, 1996), 274–8, 302.

<sup>&</sup>lt;sup>42</sup> Odd Aukrust and Tor Strand, Arbeidstjeneste: Folk og Framtid (Oslo, 1939).

of concentration camps, the partial amalgamation of Nazi Party structures and state administration, and the condoning of violence. It recounted how SA members beat up factory owners accused of embezzling social insurance payments, parading them around with signs saying: 'I am a big scoundrel. I cheated my workers of their invalids' insurance contributions and used the money for myself.'43 The legation chronicled Hitler's campaign against unemployment, and noted that farmers and fishermen were exempted from unemployment insurance payments. When unemployment benefits were denied to 'enemies of the state' (which included all Jews, among others), the legation saw this not as reflecting a campaign of exclusion, but simply as a ploy to remove them from the statistics recording the level of unemployment.44 Norwegian-German relations took a steady turn for the worse after the Norwegian Nobel Committee awarded the Nobel Peace Prize to Carl von Ossietzky in 1935, an act that German officials viewed as a challenge and an insult to the 'New Germany'.45 As official relations soured over the following years, there was no shortage of negative incidents to report on, including the situation of the Danish minority in German Schleswig, who were denied access to child benefit payments (Kinderbeihilfe) otherwise awarded to families with many children of German or 'related blood' ('artverwandten Blutes').<sup>46</sup> The German genius for using social policy as a tool of exclusion could no longer be written off as merely a statistical stratagem.

Beneath the realm of formal diplomacy there existed a layer of overlapping private and semi-official networks dedicated to cultivating bonds between Germany and the Nordic countries on the basis of race. Such ideas were promoted by the Nazi Party's Office of Foreign Affairs (Außenpolitisches Amt der NSDAP) and interest groups such as the Nordic Society (Nordische Gesellschaft), which was founded in 1922 and later taken over by dedicated Nazis. In the latter's journal *Der Norden (The North*), official figures such as

<sup>&</sup>lt;sup>43</sup> German: 'Ich bin einen [*sic*] grosser Lump. Ich habe meine Arbeiter um die Invalidenversicherungsbeiträge betrogen und das Geld für mich verbraucht.' See RA, S-66666, D, Da, Looo1, Royal Norwegian Legation to Department of Foreign Affairs, 13 Sept. 1933.

<sup>&</sup>lt;sup>44</sup> RA, S-66666, D, Da, Looo1, Royal Norwegian Legation to Department of Foreign Affairs, 27 Sept. 1933.

<sup>&</sup>lt;sup>45</sup> RA, S-66666, D, Da, Looo1, Royal Norwegian Legation to Department of Foreign Affairs, 25 Nov. 1936.

<sup>&</sup>lt;sup>46</sup> RA, S-6666, D, Da, Looo1, Consulate-General in Hamburg to Department of Foreign Affairs, 18 Aug. 1938.

Hermann Göring wrote admiringly about the close bonds between Germany and its tribal kinsmen to the north, although few approached the feverish ardour of Alfred Rosenberg, whose utopian vision of a Nazi society could be realized only through the mobilization of 'Nordic blood' and 'Nordic spirit' within a European framework.<sup>47</sup> Other Nazi Party luminaries also got involved, leading to a tangle of German institutions engaged in 'Nordic work', extending from propaganda through intelligence gathering to 'taking hold of Germanic blood throughout the world-plundering and stealing it wherever I can', as Himmler expressed it in 1938.48 However, racial comradeship extended only so far. Germany's declining status in Norway could not be countered by the increasingly fragmented and marginalized NS or the other far-right fringe groups most sympathetic to the German cause. Even as the largest of these groups, NS conspicuously failed to connect with much of the population, receiving less than 2 per cent of the vote in Norway's 1936 parliamentary election. After this disastrous result, the party dwindled into a small sect around Quisling, leaving him with no paths to power other than turning to Germany for support.49

While Norwegian reformers and diplomats were keeping a close eye on developments in Germany, Norwegian developments also registered on the radar of German officials and academics working on social policy and related fields. Over time, their assessments turned from curiosity (for example, concerning the innovations of Norway's collective bargaining laws and the weakness of its voluntary sickness insurance framework) to harsh criticism. This owed at least as much to changes within Germany itself as to the relative failure of Norwegian social reform in the early 1930s. This is readily apparent in German commentary after the Nazi regime revamped its labour code in 1934. The Law on the Organization of National Labour (Gesetz zur Ordnung der nationalen Arbeit, shortened to Arbeitsordnungsgesetz or AOG) replaced collective bargaining with the imposition of a wage ordinance (Tarifordnung) that determined the acceptable parameters for the individual contract and thereby rendered superfluous the normative function of collective

<sup>&</sup>lt;sup>47</sup> Hans-Dietrich Loock, Quisling, Rosenberg und Terboven: Zur Vorgeschichte und Geschichte der nationalsozialistischen Revolution in Norwegen (Stuttgart, 1970).

<sup>&</sup>lt;sup>48</sup> Terje Emberland and Matthew Kott, *Himmlers Norge* (Oslo, 2012), 85–109, at 109.

<sup>&</sup>lt;sup>49</sup> Hans Olaf Brevig, *NS: Fra parti til sekt, 1933–1937* (Oslo, 1970), 90 and 106.

agreements.<sup>50</sup> This was overseen by Trustees of Labour (Treuhänder der Arbeit), who were regional state officials appointed by the Reich Ministry of Labour (Reichsarbeitsministerium or RAM). The Reichsarbeitsblatt (the RAM's official Reich Labour Journal) thereafter reported on the large number of working days lost due to labour disputes in Norway, and particularly how its wage agreement system had caused intense conflicts with disastrous social consequences for individual workers and their families.<sup>51</sup> The implications of the AOG were not lost on Norwegian social reformers either. Norwegian conservatives (as well as the NS) soon embraced the idea of a new corporatist legal framework to regulate labour relations. This, in turn, caused Labour Party activists to condemn them for importing 'the entire fascist labour programme in a nutshell'.<sup>52</sup> But even as Norway stood on the threshold of a new reform era, the time for voluntary imports of German social policy initiatives had passed.

#### A German or British Model? The Case of Unemployment Insurance

Many of the Norwegian reform initiatives of the early 1930s became a reality only after the Crisis Settlement (Kriseforliket) between the Farmers' Party and Labour Party paved the way for Johan Nygaardsvold's minority government in 1935, reminiscent of Denmark's Chancellor Street Agreement (Kanslergadeforliket) and Sweden's 'Cow-Trading' (Kohandelen, the Swedish equivalent of 'horse-trading'), both of 1933. Less than two weeks earlier the AFL and NAF had agreed to the Master Agreement mentioned above, and for the new Minister of Social Affairs, the first order of business was to rewrite parts of the Labour Disputes Act to signal that the state was allocating responsibility to private parties.<sup>53</sup> The Crisis Settlement and Master Agreement laid the groundwork for a new social reform drive, but lacking a parliamentary majority, the Labour government needed to secure support from the opposition. Social policy reforms provided a way to make a real impact by implementing long-debated measures, even as most other parts of

<sup>51</sup> *RABl II*, 34 (1935), 443–5; *RABl II*, 30 (1936), 435–6.

<sup>52</sup> Norwegian: 'hele fascismens program på arbeidslovgivningens område i et nøtteskall'. See Halvard Lange, *Nazi og Norge* (Oslo, 1934), 112.

<sup>53</sup> Martin Byrkeland, Utviklinga av arbeidarhovudavtalen 1935 til 1998 (Oslo, 2000), 7.

 $<sup>^{50}</sup>$ Nathan Albert Pelcovits, 'The Social Honor Courts of Nazi Germany', Political Science Quarterly, 53/3 (1938), 350–71.

the Labour programme stood little chance of passing a parliamentary vote. In 1936 a means-tested old-age pension system and state benefits for the blind and disabled were introduced along with a Worker Protection Act (Arbeidervernloven). The latter was the first big labour policy reform since 1915 and included protection against unjustified dismissal while also establishing a right to holidays. It was framed not only as an integral component of social legislation, but also as a basic requirement for every 'civilized' country.<sup>54</sup> There was debate about the plight of various subgroups, including domestic workers and the children of the working poor, but no specific social measures were enacted to improve their lot. Finally, in 1938, Norway adopted mandatory unemployment insurance. In the contemporary words of Knut Getz Wold (who would become one of Norway's leading social economists in the postwar era), the 'Sunday silence at the Ministry of Social Affairs' had come to an end.55

Norway's introduction of unemployment insurance clearly shows the limits of German influence, particularly when alternative templates existed. Unemployment insurance took one of two forms in all of Europe's industrialized countries before the Second World War. One was a compulsory system administered by government agencies. The other was known as the 'Ghent system', which was a voluntary scheme of unemployment insurance that featured heavy involvement by the trade unions, funded by payments from employers and possibly also from the state. Norway traditionally used the Ghent system. The first local unemployment insurance schemes had appeared in the 1880s and the first nationwide one in 1894. Then in 1906 Norway became the first Nordic country to legislate for state contributions to these voluntary insurance funds. However, the system received a body blow with the rapid rise in unemployment after the First World War, as the number of insurance funds and their membership figures dropped to depths from which they never recovered.<sup>56</sup> Meanwhile, the existence of different systems internationally allowed Norwegian social policy experts to shop around for the most suitable models. The 1920s and early 1930s saw several attempts to introduce legislation for mandatory insurance in Norway. Each attempt was informed by scholarly investigations

<sup>56</sup> Inge Debes, Arbeidsløshetstrygden: En rettleiing (Oslo, 1939), 6-7.

<sup>&</sup>lt;sup>54</sup> Odelstingsproposisjon (parliamentary proposal, hereafter Ot.prp.) 31, 1935.

<sup>&</sup>lt;sup>55</sup> Knut Getz Wold, Vår sosialpolitikk: Midler, mål og muligheter (Oslo, 1938), 62.

presenting broad surveys of insurance policy developments abroad and relevant activities by the International Labour Organization (ILO). With each study, the conclusion was clear: the times were changing, and mandatory unemployment insurance had become both an internationally advancing system and a nationally indispensable part of social security.<sup>57</sup>

It proved politically difficult to introduce mandatory social insurance, and as late as 1937 German reports were still describing Norway as using the Ghent system, along with the other Nordic states.<sup>58</sup> But change was under way with the establishment in 1935 of the Social Law Committee (Sosiallovkomiteen) under the leadership of prominent lawyer, storyteller, and social policy activist Inge Debes, the translator of Karl Kautsky's Die Soziale Revolution (The Social Revolution).<sup>59</sup> The Social Law Committee debated an overhaul of Norway's unemployment insurance system, and one of the thorniest issues was whether and how to give up the Ghent system. For one member of the dissenting minority, a representative of the NAF, it was a mystery why the unemployment insurance models of densely populated industrial countries such as Germany and the United Kingdom were better suited to Norway than the voluntary models still retained in Sweden and Denmark.<sup>60</sup> In response, the Committee's majority vehemently pointed to Norway's abysmal experiences with the Ghent system, while also arguing that mandatory insurance was advancing internationally. By 1935 voluntary insurance was used in twelve countries and covered 4.1 million insurees, while mandatory insurance (largely a postwar phenomenon) had been introduced in eleven countries and covered 48.4 million insurees.<sup>61</sup> The deliberations of the Social Law Committee eventually led to the enactment of the 1938 Unemployment Insurance Act (Lov om trygd mot arbeidsløshet av 24. juni 1938).

As observed by the *Reichsarbeitsblatt*, there was nothing unique about Norway's new legislation: it was just one more abandonment of the Ghent system, and followed the core principles of its for-

<sup>&</sup>lt;sup>57</sup> Ot.prp. 23, 1926; Ot.prp. 50, 1931.

<sup>&</sup>lt;sup>58</sup> Willem Butschek, Die Arbeitslosenversicherung: Probleme und Lösungen, ihre Regelung in den einzelnen Staaten der Welt (Brno, 1937).

<sup>&</sup>lt;sup>59</sup> Karl Kautsky, *Den sociale revolution* (Kristiania, 1917).

<sup>&</sup>lt;sup>60</sup> RA, S-1268, Y, Ye, Lo605, Social Law Committee, general reasoning, no date.

<sup>&</sup>lt;sup>61</sup> RA, S-1268, Y, Ye, Lo605, draft law on unemployment insurance, 1935; Debes, *Arbeidsløshetstrygden*, 7.

eign models.<sup>62</sup> While German readers would presumably equate Norway's statute with Germany's 1927 unemployment insurance legislation, this was not the primary source of inspiration. Rather, it was the United Kingdom's National Insurance Act 1911 (subsequently expanded in 1920) that had shaped Norwegian debates over unemployment insurance reform for more than two decades.<sup>63</sup> In fact, rather than copying Germany, many of the Norwegian proposals highlighted their fundamental differences from the German legislation of 1927. For example, a 1931 parliamentary investigation noted that in Germany, Austria, and Italy the costs of the relevant insurance schemes were borne only by the workers and employers, while the proposed Norwegian equivalent would also add a comprehensive funding mechanism involving the national government and the municipalities.<sup>64</sup> In order to save up enough funds for the benefit payments outlined in the 1938 statute, the new scheme would not pay out until the second week of May 1940. But by then, German administrators were already in a position to interpret and revise the rules of Norwegian unemployment insurance as they saw fit.

#### Under German Rule

As the German invasion force approached the Norwegian coast in April 1940, comprehensive social policy reform was probably among the last of their priorities. After Quisling's attempted coupby-radio ultimately failed, the invaders began negotiating with Paal Berg, Chief Justice of the Supreme Court, with the goal of establishing an Administrative Council (Administrasjonsråd) that would act as a civilian caretaker organ to keep the societal and not least the economic wheels in motion while a permanent solution was negotiated. Meanwhile, Hitler issued a decree establishing a Reich Commissioner for the Occupied Norwegian Territories as the German component of the occupation administration. Existing laws were left in place, although the appointed Reich Commissioner, Josef Terboven, could create new laws and was answerable only to Hitler himself. Terboven's first proclamation spelt out his main objectives as maintaining security and order, as well as providing

 $<sup>^{62}</sup>$  Erhard Erlich, 'Die neueste Arbeiterfürsorgegesetzgebung in Norwegen (Arbeitslosenpflichtversicherungsgesetz vom 24. Juni 1938)',  $RABl\ II,$  1939, 151–3.

 <sup>&</sup>lt;sup>63</sup> Ot.prp. 23, 1926; RA, S-1268, Y, Ye, Lo605, Social Law Committee, general reasoning, no date.
<sup>64</sup> Ot.prp. 50, 1931.

for the orderly economic and cultural life of the population.<sup>65</sup> The Norwegian occupation regime, while more intrusive than the Danish from the outset and becoming increasingly draconian over time, reflected the three priorities Terboven instilled in his subordinates: first, to secure the interests of the Reich by all means; second, to mobilize the Norwegian economy for the common struggle against the enemies of Europe; and third, unless it conflicted with the first two, to win over the Norwegian people for 'the greater Germanic community'.<sup>66</sup>

For the German occupiers, winning the hearts of the Norwegian people required a light touch with things that could be changed and patience with things that could not. In trying to calm jittery Norwegians at a meeting in Bergen in July 1940 Heinrich Christens, a representative of the German Regional Commissioner (Gebietskommissar), stated that the occupiers desired nothing more than to allow the Norwegians the highest possible living standards while letting them settle their own affairs. However, he felt that the wage system was anything but fair, and that the persistence of a union framework pitting employer against employee was, at such a time of crisis, tantamount to a crime against the people.<sup>67</sup> To the German physicians flocking around the stricken patient, the diagnosis was obvious: they blamed a bewildering and fragmented wage agreement system for driving Norwegian wages up to 25 per cent above those of German workers, particularly in the construction sector. At the same time, they criticized the low salaries and degrading living conditions suffered by impoverished labourers in Norway's agriculture, forestry, and fisheries, which they considered a serious and hitherto unaddressed social problem.<sup>68</sup> However, this failed to consider how labour flight from these sectors was exacerbated by

<sup>&</sup>lt;sup>65</sup> Verordnungsblatt für die besetzten norwegischen Gebiete, 1, 1940. The powers hitherto reserved for the king and parliament were later devolved to Acting State Councillors (Konstituerte statsråder), whose members Terboven appointed to head the Norwegian ministries. But only later did they receive the title of Ministers and were they allowed to form a cabinet. Any measures contradicting the Norwegian constitution needed Terboven's express approval; see Verordnungsblatt für die besetzten norwegischen Gebiete, 6, 1940.

<sup>1940.</sup> <sup>66</sup> German: 'die große germanische Gemeinschaft'. See Nasjonalbiblioteket, NRK collection, recorded speech by Reich Commissar Josef Terboven to the German police, 15 June 1942.

<sup>&</sup>lt;sup>67</sup> RA, S-1004, D, L0011, minutes of meeting with Regional Commissioner in Bergen, 15 July 1940.

<sup>&</sup>lt;sup>68</sup> Carlo Otte, Das neue Norwegen im europäischen Raum (Oslo, 1942), 18.

the high wages paid by the Germans to construction workers. This, in turn, led to German attempts to mobilize the Norwegian labour service and, more drastically, the introduction of a National Work Deployment (Nasjonal Arbeidsinnsats) programme to fulfil the occupiers' labour needs.<sup>69</sup> Norway's social policy arrangements were also officially excoriated by a member of the Reich Commissariat in a 1941 Reichsarbeitsblatt article, which claimed that Norwegian collective bargaining was the continuation of class warfare by other means, fostering an unbridled hostility and resulting in an 'inorganic' wage agreement that disregarded societal concerns. This allegedly reflected the lack of certain social policy achievements, ones that were taken for granted in Germany. The author promised that the most critical problems would eventually be addressed-for instance, labour disputes were already prohibited. There would not be drastic changes to the way that wage agreements were negotiated, however, since the war had left little room for radical social policy reforms in Norway.<sup>70</sup>

While the German occupiers were generally constrained by the necessities of war, they did engage in small-scale social politicking. Social policy statements alone could serve as proof of German superiority. In February 1943 Terboven gave a speech which-to the apparent disbelief of rapporteurs from the Security Service (Sicherheitsdienst)-dealt with social policy questions in Norway. He forcefully underlined the contrasting social policy approaches of interwar Norway and Nazi Germany.<sup>71</sup> The Germans were happy to criticize Norway's unemployment legislation, work culture, and social conditions in general, but their efforts to address such problems were decidedly modest.<sup>72</sup> Small groups of Norwegian factory managers, union leaders, and workers were sent to study social advances in Germany. For all the talk of creating a 'European space', there were scant efforts to integrate Norwegian social policy development into any continental national socialist structure. While the

<sup>&</sup>lt;sup>69</sup> Gunnar Hatlehol, "Norwegeneinsatz" 1940–1945: Organisation Todts arbeidere i Norge og gradene av tvang' (Ph.D. thesis, NTNU: Norwegian University of Science and Technology, Trondheim, 2015), 143-59.

<sup>&</sup>lt;sup>70</sup> Hansheinrich Bech, 'Tarifrecht und Lohnpolitik in Norwegen', RABl V, 29 (1941),

<sup>&</sup>lt;sup>512–13.</sup> Stein Ugelvik Larsen, Beatrice Sandberg, and Volker Dahm (eds.), *Meldungen aus* Norwegen 1940–1945: Die geheimen Lageberichte des Befehlshabers der Sicherheitspolizei und des SD in Norwegen (Munich, 2008), 990.

<sup>72</sup> Otte, Das neue Norwegen, 32.

Reich Commissariat did attempt to recruit Norwegian contributors for the Neue Internationale Rundschau der Arbeit (New International Labour *Review*, a Nazi replacement for the ILO's *International Labour Review*), it is illustrative that there was no official Norwegian delegation at the Social Science Conference (Sozialwissenschaftliche Aussprachetagung) of March 1944, organized in Bad Salzbrunn by the Labour Science Institute (Arbeitswissenschaftliches Institut or AWI). This event brought together representatives from different parts of Nazidominated Europe to discuss their social policy agenda. The Reich Commissariat's head of social and labour policy, Fritz Johlitz, was present, and afterwards expressed regret that the Ministry of Social Affairs had been sidelined. He promised that Norway would soon be allowed to participate in the European-wide conversation on the future of social policy.<sup>73</sup> But there were other fields, particularly in the economic realm, where social policy was not just a future concern, and the Germans were prepared to get deeply involved.

#### Through a Mirror Darkly: Unemployment Insurance

Neither the Germans nor their NS collaborators had anything like a detailed, comprehensive plan for social policy reform, but the occupiers nonetheless took labour market regulation very seriously. As Robert Bohn has noted, the Germans benefited from their ability to co-operate with the existing Norwegian administrative structure in their efforts to control the labour market.<sup>74</sup> At the Reich Commissariat, the Main Department for the National Economy (Hauptabteilung Volkswirtschaft) set up a Department for Labour and Social Affairs (Abteilung Arbeit und Sozialwesen), which began by taking stock of Norway's existing legislation, some of which they found quite to their liking. For instance, the 1936 Worker Protection Act passed muster. The Department's staff noted that it was a comprehensive statute ranging far beyond workplace safety by also regulating workers' rights regarding hours, vacation, contract conditions, and labour organization, and also touching upon the rights of dependent women and children. In fact, many of its features seemed very familiar to them: 'The labour-related legislation in Germany...

<sup>&</sup>lt;sup>73</sup> RA, RAFA-2174, E, Ec, Eci, L0022, Johlitz to Lippestad, final protocol from Bad Salzbrunn, 19 Apr. 1944.

<sup>&</sup>lt;sup>74</sup> Robert Bohn, *Reichskommissariat Norwegen: 'Nationalsozialistische Neuordnung' und Kriegswirtschaft* (Munich, 2000), 228–9.

is reflected in this statute. Many provisions have also been incorporated almost verbatim into this statute.<sup>75</sup> While it was frequently evaded in practice and did not apply to the Wehrmacht, it was left in force, and Norwegian employers were convicted for violations.<sup>76</sup> Officials from the German Labour Front (Deutsche Arbeitsfront or DAF) were sent to investigate conditions and improve performance in various industries and companies, as the Reich Commissariat took it upon itself to launch 'a comprehensive reorganization of the entire labour deployment and its governance'.<sup>77</sup>

Like the NS, the German occupiers found that the Labour government's unemployment insurance law of 1938 had much to recommend it. According to German officials, conditions in Norway had been unbearable before its introduction, and in their eyes, 'in its main provisions, it drew upon those of the German Reich'.<sup>78</sup> They were either unwilling or unable to see that it had actually been inspired by British laws. Although one of the first actions of the Reich Commissariat was to suspend the imminent payout of unemployment benefits specified by the 1938 statute, it actually wanted to revise and reinstate it as soon as possible, in order to keep track of the unemployed and channel them into the occupiers' sprawling construction sites. While they were at it, German officials felt that the legislation's social policy aspects could be improved if it were made even more similar to its German counterpart.<sup>79</sup> The Department for Labour and Social Affairs asked the DAF to send copies of the relevant German legislation to the Norwegian Ministry of Social Affairs so that it could prepare a new version under the

<sup>&</sup>lt;sup>75</sup> German: 'Die arbeitsrechtliche Gesetzgebung in Deutschland . . . spiegelt sich in diesem Gesetz wider. Viele Vorschriften sind auch zum Teil in diesem Gesetz wörtlich übernommen.' See RA, RAFA-2200, F, L0050, Department for Labour and Social Affairs, re labour law and wage policy in Norway, 15 Oct. 1940.

<sup>&</sup>lt;sup>76</sup> Edvard Bull, Arbeidervern gjennom 60 år (Oslo, 1953), 230–1.

<sup>&</sup>lt;sup>77</sup> German: 'eine durchgreifende Neuregelung des gesamten Arbeitseinsatzes und seiner Lenkung'. See RA, RAFA-2200, E, L0019, activity and achievement report of the Department for Labour and Social Affairs for 26 Apr. 1940 to 28 Feb. 1941, dated 10 Mar. 1941. See also Deutsche Arbeitsfront Auslandsorganisation, Landegruppenwaltung in Norwegen, 'Die Aktivierung der Arbeit der DAF: In Norwegen', *Mitteilungsblatt*, 2/43, with a copy available at RA, RAFA-2174, E, Ec, Eci, L0052. <sup>78</sup> German, 'Jehnte sich and 'Senten and 'Senten

<sup>&</sup>lt;sup>78</sup> German: <sup>1</sup>ehnte sich in seinen wesentlichsten Bestimmungen an jens [*sic*] des Deutschen Reiches an'. See RA, RAFA-2174, E, Ec, Eci, Loo83, Department for Labour and Social Affairs to Reich Commissioner, 9 Nov. 1940.

<sup>&</sup>lt;sup>79</sup> RA, RAFA-2174, E, Ec, Eci, Loo83, opinion on the Unemployment Insurance Law of 21 June 1938, Department for Labour and Social Affairs to Reich Commissioner, 9 Nov. 1940; note dated 30 Aug. 1940.

Reich Commissariat's watchful eye, with the subsequent result also sent to the RAM for approval.<sup>80</sup> While maintaining the core principles, the resulting legislation hiked workers' and employers' premiums by 163 per cent, ostensibly to pay for new work schemes, retraining programmes, and other measures, while sharply reducing the contributions from the national government and municipalities. This elicited a protest from the Norwegian Minister of Social Affairs, who warned that cutting the state contribution would critically undermine the social policy system, resulting in a level of bitterness and hardship that would jeopardize the NS and its vision of a better society.<sup>81</sup>

In any case, unemployment itself quickly became a non-problem. In order to provide housing for the occupation force (which at times exceeded 10 per cent of the population), build fortifications, and improve infrastructure, the occupiers embarked on a massive construction programme that soaked up all available labour and threatened to overheat the economy. The Wehrmacht quickly discovered that the most effective way to mobilize Norwegian labourers was through positive incentives. On the other hand, the Reich Commissariat feared that such inflationary spending could critically overheat the entire economy. Therefore, Terboven informed the Administrative Council in early May 1940 that he wanted centralized control over wages and wage agreements, and an ordinance of 23 May stated that all changes in wages and contract conditions henceforth needed the approval of the Ministry of Social Affairs.<sup>82</sup> Disputes concerning wage agreements would be handled by the National Mediator (Riksmeglingsmann). Strikes and lockouts were considered illegitimate, and were subsequently prohibited.<sup>83</sup> But beyond these modifications, Terboven made it clear that the Norwegian labour laws, including its wage agreements, were to be respected along with the rest of the rulebook governing Norwegian working life.<sup>84</sup> This state of affairs would have been unthinkable in

<sup>80</sup> RA, RAFA-2174, E, Ec, Eci, Loo83, Reich Commissariat Labour Deployment Group to Reichsamtsleiter Mende at the Labour Deployment Bureau at the DAF Central Office, 8 Oct. 1940.

<sup>81</sup> RA, RAFA-2174, E, Ec, Eci, Loo83, Lippestad to Korff, 19 Jan. 1943.

<sup>82</sup> Administrasjonsrådet, Bestemmelser av Administrasjonsrådet: Ulgitt i Oslo i henhold til Administrasjonsrådets bestemmelse av 26. april 1940 (Oslo, 1940), 52–3.

<sup>83</sup> Alsos, I arbeidsfredens tjeneste, 217; Undersøkelseskommisjonen av 1945, Innstilling fra Undersøkelseskommisjonen av 1945, del II. (Oslo, 1945), 213–14.

<sup>84</sup> Arbeiderbevegelsens Arkiv og Bibliotek (AAB), Norsk Arbeidsmandsforbund, Bc, Looo2, Rundskriv 1-53, 1940, circular 44, 26 Oct. 1940.

many other parts of German-occupied Europe, and soon proved insufficient for handling the almost uncontrolled wage rises and resultant dislocations in the Norwegian economy.

#### The Norwegian Solution: A New Labour Code

The NS proposed a rather drastic solution to the problems of the labour market, including the particularly acute question of how to handle conflicts over the rights and duties of employers and employees when strikes and lockouts were not a legally permitted option. Here, a Norwegian version of Germany's AOG seemed to be a natural solution, especially to supporters of corporatism within the NS, which had included such an idea in its programme since 1934.<sup>85</sup> Vidkun Quisling himself had eagerly sketched the outlines of a potential labour code (*Arbeidets lov*), but dithered over whether wages and contract conditions would be determined though individual agreements (instead of collective ones), and whether state-sanctioned federations such as the AFL and NAF would negotiate binding collective agreements.<sup>86</sup>

The idea of a new labour code found its champion when Birger Meidell became head of the Ministry of Social Affairs on 25 September 1940. Among his first acts was to establish a labour code committee to create an 'organic' basis for relations between workers and employers, one that met the needs of both sides as well as the wider society.<sup>87</sup> But he then removed the appointee of the AFL for failure to co-operate, which prompted the NAF director also to withdraw. Meidell, without apparent irony, concluded that the AFL and the NAF had colluded to sabotage his efforts at getting them to work together, since he believed that otherwise a genuine understanding could not have been established between the workers' and employers' associations.<sup>88</sup> Meidell then implored Quisling to dismantle the employers' and employees' federations, particularly since he and other NS officials felt that the Reich Commissariat had gone behind

<sup>&</sup>lt;sup>85</sup> Nasjonal Samling, Program, 1934, sec. II, art. 11.

<sup>&</sup>lt;sup>86</sup> RA, PA-1193, F, Fa, L0001, Vidkun Quisling, programme for national worker policy, no date. The word 'collective' is crossed out in the original and replaced with 'individual'.

<sup>&</sup>lt;sup>87</sup> AAB, ARK-1579, D, Dc, L0012, 0013, Department of Social Affairs to Jens Tangen, 18 Oct. 1940.

<sup>&</sup>lt;sup>38</sup> See RA, L-Sak Meidell, Meidell to Wegener, 3 Jan. 1941.

their backs in talking to the AFL, thereby strengthening its position compared with that of the collaborationist NS government.<sup>89</sup> In a final puff of defiance, Meidell asked Quisling to dismantle the Reich Commissariat, and urged him to remember that 'we have no other path than to try to win over the Norwegian people through good deeds. This can, above all, be achieved by the realization of our excellent social programme.'<sup>90</sup>

The collaborationist government's attempts at labour reform slowed down under the new Minister of Social Affairs, Johan Lippestad, a more pragmatic character who had served as the appointed leader of the NAF. Rather than being dismantled, the AFL had its leadership replaced, and the NS resolved to push the 'Marxist-oriented organization on to a path that was consistent with the Party and the guidelines of the new labour state [arbeidsstat]making it into a partner of the National Socialist community<sup>91</sup> According to one DAF observer, the drafting of Norway's new labour code had ground to a halt, partly because the Norwegians' drafts were so poorly developed. It seemed to the Germans that by late 1942 the Norwegian code was still a ramshackle affair, as the Norwegians had been far too preoccupied with legalistic, ideological formulations to the detriment of the overall spirit. Issues had arisen from translating back and forth between Norwegian and German, but the project's problems were not only practical ones. In many respects, the labour code was a direct copy of its German counterpart, but this itself had been overtaken by political and social developments since then: 'The German AOG can only serve as a "table of contents" and not as a model, since it has long been in need of an overhaul.<sup>92</sup>

The new labour code would never be enacted as long as the Reich Commissariat opposed it. There was little to recommend it

<sup>89</sup> RA, L-Sak Meidell, Meidell to Einar Haug, 21 Dec. 1940; also Meidell to Quisling, 26 Apr. 1941. See also Odd Melsom, *På nasjonal Uriaspost* (Oslo, 1975), 119.

<sup>90</sup> Norwegian: 'vi har ingen annen vei å betrede enn å forsøke å vinne det norsk folk ved gode gjerninger. Dette kan fremforalt skje ved at vi virkeligjør det utmerkede sociale program.' See RA, L-Sak Birger Meidell, Birger Meidell, memo, 2 Sept. 1941.

 $^{91}$  Norwegian: 'marxistisk betonte organisasjon ble ledet inn i et spor som var i samsvar med partiets og den nye arbeidsstats retningslinjer—gjøre den til en medarbeider i det nasjonalsosialistiske felleskap'. See Rikspropagandaledelsen, *NS* Årbok 1944 (Oslo, 1943), 53.

<sup>92</sup> German: 'Das deutsche AOG, darf nur äls [*sic*] "Inhaltsverzeichnis" nicht als Vorbild dienen, da es längst überholungsbedürftig ist.' See RA, RAFA 2174, E, Ec, Eci, L0011, Wöhrl to Johlitz, 22 Sept. 1943.

to Terboven, as it required a fundamental reorganization of Norwegian working life for the intangible gains of a more 'organic' organization. This stood in stark contrast to the Commissariat's willingness to use or approve German-inspired means to solve other economic problems. One example was the National Work Deployment (Nasjonal Arbeidsinnsats) scheme, which identified and conscripted 'surplus' workers in non-essential industries and sent them to labour at construction sites and in the fields and forests; another was its introduction of the Norwegian Agrarian Service (Norsk Landtjeneste), modelled on the Hitler Youth Agrarian Service (Hitlerjugend Landdienst).<sup>93</sup> Nor was it categorically opposed to letting Norwegian sympathizers import German ideas. For example, Sun in Work (Sol i Arbeid), founded in 1943, was primarily devoted to improving conditions at German-controlled construction sites and maintaining worker morale and productivity; it was modelled on Nazi Germany's Strength through Joy (Kraft durch Freude). There was also the Norwegian Front Leadership (Norsk Frontføring), which was established around the same time to look after Norwegians working on Organisation Todt's projects; its name was based on the latter's Main Front Leadership (Hauptfrontführung), which was concerned with the welfare of its workers.<sup>94</sup> While German models were readily used for improving working conditions and performance, it was less tempting to risk grave disruptions to the labour market for the sake of ideological conformity.

The envisioned labour code shared its fate with many NS initiatives for the corporatist rearrangement of the economy, such as the Norway Trade Federation (Norges Næringssamband) and the corporatist National Assembly (Riksting). These either failed to materialize or were relegated to ephemeral existences as manifestations of the regime's failed ambitions. Lippestad was naturally blamed by the more left-wing NS members for letting the new labour code languish.<sup>95</sup> His detractors included Kåre Rein, who as the leader of Sun in Work was on good terms with the DAF.<sup>96</sup> The erstwhile Minister of Party Affairs, Rolf Fuglesang, also blamed

<sup>93</sup> Emberland and Kott, *Himmlers Norge*, 315-21.

<sup>&</sup>lt;sup>94</sup> RA, RAFA 2174, E, Ec, Eci, L0002, Engelhardt to Neumann, 22 Sept. 1943; Hatlehol, *Norwegeneinsatz*, 182-3.

<sup>&</sup>lt;sup>95</sup> Tore Pryser, Arbeiderbevegelsen og Nasjonal Samling: Om venstrestrømninger i Quislings parti (Oslo, 1991), 51.

<sup>&</sup>lt;sup>96</sup> Sun in Work, as the Norwegian equivalent to the KdF, received a very good press from the AWI; see *Chronik der ausländischen Sozialpolitik*, 14 (17 July 1944), 136.

business leaders close to Lippestad and their counter-revolutionary cadres. Fuglesang put his finger on the real problem when he noted that the German occupiers had blocked the labour code initiative, even when Quisling wanted to implement the measure after becoming Minister-President in February 1942.97 As a consequence, the promise of a labour code served primarily to sustain the regime's pretensions of reform. Quisling kept referring to the code in his speeches.<sup>98</sup> His Minister of Justice, Sverre Riisnæs, extolled it as a 'constitution for labour' (arbeidets grunnlov) and the 'basis for the further social and legal development of working life in this country in the National Socialist spirit. All Norwegian working life will be encompassed by this spirit; nothing will be left outside.'99 There was a last-ditch effort to revive the new labour code in late 1944, after Lippestad was sent to oversee the forced evacuation of Finnmark and ameliorate the effects of the German occupiers' scorched earth tactics. The man left in charge of the ministry, Christian Astrup, strongly urged Quisling to support the new labour code, which he described as the very foundation for a new society-but by the spring of 1945 it was too late.<sup>100</sup> The envisioned labour code was never implemented.

#### The German Solution: Norwegian Labour Law

The new labour code was a Norwegian attempt to use a German model to fix German-caused labour problems, and it ultimately foundered on German resistance. Rather than dismantling the labour unions or reorganizing the labour market along corporatist lines, the Reich Commissariat preferred the more cautious approach of working through the unions to avoid worker unrest. This approach preserved the wartime continuity of the fundamental structures underpinning the Norwegian labour market, including the 1935 Master Agreement, which operated on principles diametrically opposed to those of Germany's AOG. Terboven attempted to use Norway's ex-

<sup>&</sup>lt;sup>97</sup> Melsom, Nasjonal Samling og fagorganisasjonen, 154.

<sup>&</sup>lt;sup>98</sup> e.g. in recorded speeches held at the Nasjonalbiblioteket, NRK collection, such as Quisling speech to tradesmen at NS party building, 9 Sept. 1941; festive event at Klingenberg cinema on occasion of NS tenth anniversary, 17 May 1943.

<sup>&</sup>lt;sup>99</sup> Norwegian: 'grunnlag for den videre sosiale og rettslige utvikling av arbeidslivet her i landet i nasjonalsosialistisk ånd. Alt norsk arbeidsliv skal preges av denne ånd; intet får stå utenfor.' See Sverre Riisnæs, Nasjonal Samling og Lovverket (Oslo, 1942), 13–15.

isting institutions to his advantage—also to ensure that they shared in any blame. This strategy led to the negotiation of a national wage agreement for Norwegian workers on German construction sites. The negotiations started in September 1940, originally with the intention of expanding the agreement's scope beyond these construction sites to encompass all related economic activities. The final agreement was concluded between the employers and the labour unions in April 1941.<sup>101</sup> The National Wage Agreement (Reichstarifvertrag/Rikstariffavtale) of 1941 carefully defined not only workers' wages, but also their working hours and other working conditions at military construction sites. The first part of the National Wage Agreement included a verbatim copy and translation of the 1935 Master Agreement, with Article 1 affirming the mutual recognition of the AFL and the NAF along with the free right of collective organization.<sup>102</sup>

The 1941 National Wage Agreement quickly proved unpopular, and failed to go far enough in tackling the imbalances within Norway's labour market. The Department for Labour and Social Affairs therefore wanted to try again. It was partly inspired by the introduction of the new Master agreement for the construction sector in Germany (Reichstarifordnung für das Baugewerbe) that would come into force in 1943. In the Reichsarbeitsblatt and elsewhere, hourly wages were denigrated as merely paid presence ('Anwesenheitslohn'), while the new model for performance pay ('Leistungslohn') was lauded as a socially, economically, and morally superior development. The DAF eagerly lobbied to introduce the model in Norway in order to reduce costs and increase productivity, but with limited success.<sup>103</sup> During lengthy negotiations with the employers' and employees' representatives, the Reich Commissariat's representative, Hansheinrich Bech, criticized the existing system for creating tensions and perpetuating 'social injustices', which showed that a fundamentally new order was necessary. According to Bech, this would surely prove a blessing

<sup>&</sup>lt;sup>101</sup> RA, RAFA-2200, E, L0019, activity and achievement report of the Department for Labour and Social Affairs for 26 Apr. 1940 to 28 Feb. 1941, dated 10 Mar. 1941.

<sup>&</sup>lt;sup>102</sup> RA, RAFA 2188, 2, H, Hc, Hca, Looo1, National Wage Agreement.

<sup>&</sup>lt;sup>103</sup> RA, RAFA-2174, E. Ec, Eci, 52, DAF, Nachrichten aus der Sozialpolitik, 6, 20 (1943), 4; Landesgruppe der NSDAP in Norwegen, DAF, Betriebs-Mitteilungsblatt, 8 (1943), 3. Die Reichstarifordnung zur Einführung des Leistungslohn in Baugewerbe, RABI V, nr. 22, 1942, 410–15; Leistungslohn und Preisbildung in Baugewerbe, RABI V, nr. 11, 1943, 187; Tilla Siegel, Leistung und Lohn in der nationalsozialistischen 'Ordnung der Arbeit' (Wiesbaden, 1989), 141–2.

for the working man, as shown by Germany's own experience.<sup>104</sup> As it turned out, however, the 'New Order' was not radically different from the old order. It basically amounted to annulling Norway's localized wage agreements and replacing them with national ones, while introducing compulsory piecework to increase productivity.<sup>105</sup> The 1943 National Wage Agreement (which still included the text of the 1935 Master Agreement) not only adjusted workers' wages down-to the lasting enmity of labour activists within both the AFL and the NS-it also extended its scope to cover firms and sectors not previously involved.<sup>106</sup> In commenting on this National Wage Agreement, the DAF noted that although there were still major social policy issues to tackle in Norway, the first priority had to remain the mobilization of Norwegian labour, which would not be possible without the co-operation of the AFL.<sup>107</sup> By relying on Norway's existing institutions to such a great extent, the occupation regime helped to cement the tripartite negotiating system, while also perpetuating the still quite recent Master Agreement as the basic framework for labour negotiations, a position it retained in the postwar era.

#### The Social Policy that Stuck: Child Benefits as a Wage Policy Loophole

While the National Wage Agreement did help to curb rising wages in a sector pushing up inflation with considerable force, the occupiers struggled to enforce the price caps. With an overall increase of 48 per cent in the wholesale price index from 1940 to 1945, as well as downward regulatory pressure on wage levels, conditions were steadily worsening for ordinary workers. This was particularly hard to bear for those outside the construction sector, where the wages were lower and the relevant regulations were harder to evade.<sup>108</sup> To ameliorate the situation, the Department for Labour and Social Affairs suggested the introduction of a child benefit scheme similar

<sup>104</sup> AAB, LO arkivet krigstid, Dc 3, Bech to Ministry of Social affairs, 13 Nov. 1942. <sup>105</sup> AAB, LO arkivet krigstid, Dc 3, Alf Frydenberg to National Mediator, 30 Jan.

<sup>1943.</sup> <sup>106</sup> RA, RAFA-2188, B, Ba, Looo1, re changes to wage affairs in construction sector, 24 Mar. 1943.
<sup>107</sup> 'Aufgaben für Norwegen', Nachrichten aus der Sozialpolitik, 6/20 (1943), 4.

<sup>108</sup> Harald Espeli, 'Incentive Structures and State Regulations of the Norwegian Economy', in Hans Otto Frøland, Mats Ingulstad, and Jonas Scherner (eds.), Industrial Collaboration in Nazi-Occupied Europe: Norway in Context (London, 2016), 245-71.

to the one in Nazi Germany.<sup>109</sup> A committee was established under Astrup's leadership to consider whether child benefits might serve as a social policy balm for these wage-induced economic problems.<sup>110</sup> For the NS, the concept of child benefits was a potential social policy boon. It offered an opportunity for the party's 'race-based world-view to manifest itself in domestic social policy'.<sup>111</sup> One of the party's main policy objectives was to ensure a 'healthy, constructive socialist social policy' that privileged 'good genetic material' though a broad range of measures, including tax and wage reforms, schemes to stimulate procreation, and programmes to provide security for families of sound Nordic blood so that their children would not fall victim to unemployment and penury.<sup>112</sup> Even so, while the NS certainly favoured large families in its drive to strengthen the Norwegian Folk (corresponding to German Volk, meaning people or nation), its rationale for a child benefits scheme was primarily as a way to get round the wage cap.

One of the main sticking points was whether the scheme would include small families with only one or two children or only larger ones with many children. There existed a Norwegian precedent of rent support for families in Oslo with many children, as reported by the Chronik der Ausländischen Sozialpolitik (Chronicle of Foreign Social Policy).<sup>113</sup> The Reich Commissariat social policy factorum, Johlitz, argued for a child benefits scheme modelled on German laws designed to increase the number of children.<sup>114</sup> He wanted benefits to start only with the birth of a third child. That would have been the cheapest option, as the best available statistics pointed to an average of two children per family at the time. On the other hand, Astrup fought hard to have benefits start with the first child. He prevailed in the end, perhaps because it proved impossible for the Reich Commissariat to determine how many families in Norway had more than three children.<sup>115</sup> While both the NS and the Reich Commissariat eventually agreed to introduce child benefits as a

<sup>115</sup> RA, RAFA-2174, E, Ec, Eci, Looog, Wöhrl to Johlitz, 18 Mar. 1944.

 <sup>&</sup>lt;sup>109</sup> RA, RAFA-2174, E, Ec, Eci, Looog, Department for Labour and Social Affairs,
<sup>21</sup> Apr. 1944.

<sup>&</sup>lt;sup>111</sup> Norwegian: 'Den rasebetingede oppfatning som NS hevder utvirker seg også i den indre sosialpolitikk.' See Rolf Jørgen Fuglesang *et al.*, *Rasehygiene og Sosialpolitikk* (Oslo, 1944), 1.

<sup>&</sup>lt;sup>112</sup> Norwegian: 'sunn, byggende sosialistisk sosialpolitikk' (see ibid. 13) and 'det gode arvestoffet' (see ibid. 12).

<sup>&</sup>lt;sup>113</sup> Chronik der Ausländischen Sozialpolitik, 13 Sept. 1943.

<sup>&</sup>lt;sup>114</sup> 'Kinderbeihilfen-Verordnung vom 9 Dez 1940', RGBl I, 207 (1940).

social policy measure, they differed over whether to prioritize the labour policy aspect or the population policy aspect.  $^{116}$ 

Another issue was the question of coverage. The first idea was to tie it directly to Norway's unemployment insurance scheme, thereby covering industrial workers and their families-but excluding fisheries and forestry.<sup>117</sup> Instead, coverage was eventually linked to participation in the national sickness insurance scheme from 1930. This meant that all taxpaying salaried workers could receive benefits, but there was still some way to go before approaching the universality that Astrup wanted. Although the Law on Child Subsidies for Certain Workers (Lov om barnetilskott til visse arbeidstakere) of 5 December 1944 was not universal, its benefits were to begin with the first child, representing a clear win for the NS. On the very same day on which it passed, Astrup took the opportunity to exhort Quisling also to pass the new labour code, and consider a revision of the National Wage Agreement. He argued that since the entire world was hanging in the balance in the struggle between the National Socialist and communist world orders, the NS had to showcase its desire to create a socialist future for Norway's workers.<sup>118</sup>

#### Conclusion

Social policy is a means to effect societal change, and it does not take place in isolation. Over a longer perspective, the German influence on Norwegian social policy is clear, but it is seldom as clear-cut as in the case of mandatory accident insurance for workers. From the outset, Norway was oriented towards developments in other countries too, particularly Denmark and Sweden, while also providing a successful example to Germany in legally recognizing collective bargaining and using forced arbitration (although under provisional authorization). Even as Germany embraced these measures with a vengeance, leading to increasing state intrusion in regulating labour relations in the 1920s and 1930s, Norway had already embarked on a different path with its British-inspired 1938 legislation introducing mandatory unemployment insurance, and it also rejected permanent laws on binding arbitration until well after the Second World War. This divergence was not too substantial, at least in the

<sup>&</sup>lt;sup>116</sup> Øystein Sørensen, Solkors og Solidaritet: Høyreautoritær samfunnstenkning i Norge ca. 1930–1945 (Oslo, 1991), 135–8. <sup>117</sup> Debes, Arbeidsløshetstrygden, 10.

<sup>&</sup>lt;sup>118</sup> RA, L-Sak Astrup, Christian Astrup to Quisling, 5 Dec. 1944.

eyes of the German occupiers, who readily saw German inspiration in Norway's basic legislative texts and also resolved to help the Norwegian collaborationists rewrite their laws—under German supervision—in order better to fulfil their own objectives.

One of Vidkun Quisling's maxims was: 'Politics is to use the state to improve the life of the people.'<sup>119</sup> However, his stint at the helm of the Norwegian state saw few advances in social reform. When the ambitions of the NS to emulate Germany grew too great or potentially destabilizing, such as with the new labour code, the Germans put their foot down.

Paradoxically, the most enduring legacy of direct German involvement in Norwegian social policymaking was prompted by the need to circumvent the German occupiers' regulation of the labour market (for which they largely relied on existing Norwegian institutions), specifically their wage cap. The depression of wages through the National Wage Agreement was successful enough, relative to the efforts to keep prices down, to convince even the Reich Commissariat that corrective measures were in order. Child benefits were chosen as a social policy tweak to address the wage-related problems caused by the German manhandling of Norway's established framework for labour regulation. Somewhat ironically, it was this measure—adopted with serious doubts by the Reich Commissariat as a supplement to its own regulatory framework—that came to survive the end of the war, after being lightly airbrushed to make it politically acceptable.

Importantly, the linkages between wage agreements, labour peace, and social policy, upon which the German occupiers had also relied, remained in place as the foundation for Norway's postwar welfare state. Konrad Nordahl, the new leader of the AFL, described the strategy in a pamphlet on the wage agreement policies of the future: 'We can rely on social policy measures to achieve better distribution of the national income.'<sup>120</sup> The launch of Norway's new social democratic postwar order thereby built upon and expanded a long history of social policy thinking and negotiation, even as it represented a conscious break with the past.

<sup>&</sup>lt;sup>119</sup> Norwegian: 'Politikk er å bruke staten til å fremme folkets liv.' Quoted in *NS* hbok 1944, 5.

Årbok 1944, 5. <sup>120</sup> Norwegian: 'Vi kan gå veien gjennom sosialpolitiske tiltak for å få en bedre fordeling av nasjonalinntekten.' Quoted in Hans Otto Frøland, 'Trepartsamarbeidet', in Trond Bergh (ed.), Avtalt spill: Hovedavtalen Lo-NHO, 75 år (Oslo, 2010), 241–64, at 251.