

Chapter 1 Introduction, historiography and composition of the study

1.1 International relations theory

German-Dutch economic relations have been so intense since the late nineteenth century that their economies have often been regarded as being mutually dependent.¹ Although protectionism and monetary problems undermined these contacts during the interwar period, this mutual dependency has remained largely intact. The question of the relevance of this economic interdependence has been widely debated. The main protagonists in this field of discussion were, on the one hand the Liberals and on the other the (neo-)Realists. According to the Liberals, intense economic contacts guarantee political security and peace. In this they adhered to the ideas of the eighteenth century philosopher Immanuel Kant, who, in his *Zum ewigen Frieden – Perpetual Peace* – stated that: „The spirit of commerce, which is incompatible with war, sooner or later gains the upper hand in every state. As the power of money is perhaps the most dependable of all the powers (means) included under the state power, states see themselves forced, without any moral urge, to promote honourable peace and by mediation to prevent war wherever it threatens to break out. They do so exactly as if they stood in perpetual alliances, for great offensive alliances are in the nature of the case rare and even often less breaks out“. ²Not only did Kant state that economic interdependence would ensure peace, he also believed that democracy would do so. According to Kant, merchants can influence politics and if politicians were to listen to them, peace could be achieved. After all, merchants are primarily concerned with business, and war is harmful to trade. If two countries in which the people have something to say are economically dependent on one another, this mutual dependence could lead to peaceful relations and to a desire to treat one another with respect and consideration. In *De l'esprit des Lois – The Spirit of the Laws* (1758) – Charles de Montesquieu stated something similar: „The natural effect of trade is to bring about peace. Two nations which trade together, render themselves reciprocally dependent; for if one has an interest in buying, the other has an interest in selling; and all unions are based upon mutual needs“.³

¹ H.A.M. Klemann, *Waarom bestaat Nederland eigenlijk nog? Nederland-Duitsland: Economische integratie en politieke consequenties 1860-2000* (Rotterdam 2006) 17, 22, 28 and 64-65.

² Immanuel Kant, *Zum ewigen Frieden* (Königsberg 1795) 64-65. The original reads: „Es ist der Handelsgeist, der mit dem Kriege nicht zusammen bestehen kann, und der früher oder später sich jedes Volks bemächtigt. Weil nämlich unter allen, der Staatsmacht untergeordneten, Mächten (Mitteln), die Geldmacht wohl die zuverlässigste seyn möchte, so sehen sich Staaten (freylich wohl nicht eben durch Triebfedern der Moralität) gedrungen, den edlen Frieden zu befördern, und, wo auch immer in der Welt Krieg auszubrechen droht, ihn durch Vermittelungen abzuwehren, gleich als ob sie deshalb im beständigen Bündnisse ständen“.

³ Quoted by P. Martin, T. Mayer and M. Thoenig, „Make Trade not War?“, *Review of Economic Studies* 75, No. 3 (July 2008) 865-900, there 865. ⁹

In the academic field of political science, considerable thought has been given to the relation between politics and economics. The best suited of these ideas is the one that has come to be known as the interdependence theory. This theory is primarily concerned with the question of whether economic dependence can lead to peaceful political relations. Over the last decades an extensive literature has been published on the issue of the political consequences of economic interdependence and mutually profitable economic relations.⁴

⁴Klemann, *Waarom bestaat Nederland eigenlijk nog?*, 9-10.

⁵S.M. McMillan, „Interdependence and Conflict“, *Mershon International Studies Review* 41 (1997) 33-58, there 36. See further: C.F. Bergsten, R.O. Keohane, J.S. Nye, „International economics and international politics: A framework for analysis“, *International Organisation* 29, No. 1, *World politics and international Economics* (1975) 3-36; Keohane, Nye, „Power and interdependence revisited“, *International organizations* 41, No. 4 (1987) 725-753; E.D. Mansfield, *Power, Trade and War* (Princeton 1994); Dale C. Copeland, „Economic Interdependence and War: A Theory of Trade Expectation“, *International Security* 20 (1996) 5-41; Keohane, „Problematic Lucidity: Stephen Krassner’s “State power and the structure of international trade”“, *World Politics* 50 (1997) 150-170; E.D. Mansfield and B.M. Pollins, „The Study of Interdependence and Conflict: Recent Advances, Open Questions, and Directions for further research“, *The Journal of Conflict Resolution* 45 (2001) 834-859; E.D. Mansfield and B. Pollins (eds.), *Economic Interdependence and International Conflict* (Michigan 2003); Dale C. Copeland, „Economic Interdependence, Trade expectations and the Onset of War“. Paper prepared for the conference on *Economics and Security*, Hebrew University, 25-26 April 2006.

⁶ Martin, Mayer and Thoenig, „Make Trade not War?“, 893.

Although several forms of liberal theories on international relations exist, they share one common idea: „All of them propose the hypothesis that interdependence decreases international conflict, or at least decreases incentives for conflict. Given the fact that war is neither in the interest of the people nor in national interests, interdependence is expected to decrease war among liberal states“.⁵ The Liberals do not believe that if economic ties between countries are strong then the countries can never go to war with one another, but that these countries would be more likely to treat one another in a more reserved and politically correct manner.

Recently, the French economists Phillippe Martin and Thierry Mayer and their Swiss colleague Matthias Thoenig stated that even in a model where trade increases welfare and war is „Pareto dominated by peace“, „higher trade flows may not lead to peace“. According to these authors, the idea that trade promotes peace is only partially correct: „bilateral trade, because it increases the opportunity cost of bilateral war indeed deters bilateral war. However, multilateral trade openness, because it reduces the opportunity cost of going to war with any given country, increases the probability of war between any given pair of country“.⁶ This observation, however, seems to fit perfectly with the assumption that increased bilateral trade would lead to peaceful political relations, as is illustrated by the Netherlands and Germany after 1945. Average higher trade will not lead to peace, but trade between two countries that are bilaterally economically dependent, like the Netherlands and Germany, does.

According to modern social scientists, it is not so much trade, but free trade that promotes peaceful relations between two countries. Interdependence can only lead to peace if a country“s economic policy is directed towards ensuring that it can get what it needs from a 10

neighbouring country without resorting to violence. If two countries are mutually dependent, and there is free trade between them, waging war would not achieve anything. Trade alone is not enough, there has to be free trade. Free trade promotes peace „by removing an important foundation of domestic privilege – protective barriers to trade – that enhances the domestic power of societal groups likely to support war, reduces the capacity of free-trading interests to limit aggression in foreign policy, and creates a mechanism by which the state can build supportive coalitions for war [...] Free trade reduces military conflict in the international system by undermining the domestic political power of interests that benefit from conflict and by limiting the state’s ability to enact commercial policies to build domestic coalitional support for its war machine”.⁷ Free trade was exactly what was missing in Nazi Germany, just as any form of political influence by the citizens. Protectionism limited essential trade.

⁷P. J. McDonald, „Peace through Trade or Free Trade?“, *The Journal of Conflict Resolution* 48, No. 4 (August 2004) 547-572, there 549 and 568-569.

⁸McMillan, „Interdependence and conflict“, 40.

⁹See for example: K. Barbieri, „Economic Interdependence: A Path to Peace or a Source of Interstate Conflict?“, *Journal of Peace Research* 33, No. 1 (1996) 29-49.

¹⁰ Ibid., 36 and 42.

To (neo) Realists, however, interdependence theories are hardly an issue. (Neo) Realists are predominantly concerned with the state, its politics and how states can best survive in a hostile world. They even believe that economic interdependence can lead to conflict: „Realists emphasize the conflictual aspects of international transactions, whereas Liberals [clearly] emphasize the beneficial aspects. From this starting point, Realists come to the conclusion that interdependence either increases the likelihood of war or is not related to war initiation“.⁸ According to (neo) Realists, interdependence will eventually lead to dependence, thus creating an imbalance between two countries, and not a symmetrical interdependence. This could lead to a feeling of insecurity about the flow of raw materials, which would increase the chance of military conflict. K. Barbieri, a prominent (neo) Realist author, introduces the idea of „trade share“, the share of the trade between two states in the total trade of each state with its trading partners. By doing so, Barbieri tries to analyse the relative importance of trade for a state and to assess the relative importance of any given relationship to others.⁹ On that basis, she states that „in most instances, trade fails to deter conflict. Instead, extensive economic interdependence increased the likelihood that dyads engage in military dispute“.¹⁰

This idea can be traced back to Albert O. Hirschman's 1945-thesis, in which he analysed the intensity of trade between Germany and its eastern European trading partners in the Interbellum. He pointed out that Germany was often the largest trading partner of the smaller European countries and he generalised this into a theory of monopoly power in international 11

trade. According to Hirschman, the weighted average of Germany's share in the total exports of other countries, was simply the share it occupied through its imports of the exports of all other countries lumped together.¹¹ The small economies in eastern Europe were so dependent on Germany, that from 1933 onwards they increasingly had to comply with Nazi Germany's economic wishes.¹² In the late 1930s, 59 per cent of the goods exported from Bulgaria and 50 per cent of the goods export from Yugoslavia went to Germany, whereas 52 per cent of the goods imported into Bulgaria came from Germany. In the total of German import and export, however, this merely amounted to 1.5 and 1.1 per cent. In effect this meant that Germany could easily refuse to buy products from eastern European countries, creating disasters for its smaller partners.¹³ Bulgaria could not shift its trade from Germany to other countries, but Germany could easily replace Bulgaria as a market and source of supplies.¹⁴ This, in fact, brought the countries of eastern Europe into the economic realm of the Third Reich.

¹¹ A.O. Hirschman, *National power and the structure of foreign trade* (Berkeley 1945) 89.

¹² H.A.M. Klemann, *Nederland 1938-1948. Economie en samenleving in jaren van oorlog en bezetting* (Amsterdam 2002) 34.

¹³ Hirschman, *National power and the structure of foreign trade*, Chapter 1 and 87-90. Later on, Hirschman reflected on his own thesis and stated that he had overlooked one thing: small countries can feel threatened by having a big economic partner next to them all the time, but to the latter, the small country is just one of many. A.O. Hirschman, „Beyond asymmetry: critical notes on myself as a young man and on some other old friends“, *International Organization*, Vol. 32, No. 1 (1978) 45-50. However, the economic importance of the Netherlands to Germany was such that Berlin could not afford to ignore the trade relations with the country. Hirschman's thesis has been criticized by A.O. Ritschl in his article „Nazi economic imperialism and the exploitation of the small: evidence from Germany's secret foreign exchange balances, 1938-1490“, *Economic History Review* 54, No. 2 (2001) 324-345.

¹⁴ Hirschman, *National power and the structure of foreign trade*, 30-31.

¹⁵J. Euwe, „Amsterdam als Finanzzentrum für Deutschland“, in H.A.M. Klemann and F. Wielenga (eds.), *Deutschland und die Niederlande. Wirtschaftsbeziehungen im 19. und 20. Jahrhundert* (Münster 2009) 153-172, specifically 159 and 170.

The economic relations between the Netherlands and Germany, however, were different. Although Germany was more important to the Netherlands than vice versa, Dutch exports to Germany were approximately 25 per cent of its total exports but that still amounted to around 15 per cent of total German imports. Furthermore, the Netherlands supplied Germany with indispensable products including, most importantly, transportation via the Rhine and port services. Rotterdam was the main harbour for the largest German industrial area. The Netherlands thus played a vital role in Germany's food supply. Furthermore, during the interwar period, the Netherlands held a leading position in the inland navigation on the internal German waterways, especially on the Lower Rhine, and Dutch banking financed a large section of German industry.¹⁵ Germany needed Dutch products.

The biggest problem with interdependence theories is how to measure the presumed economic interwovenness. There is evidence to prove numerous reciprocal economic contacts but as there are no figures for services split into individual countries, these are hard to prove. Kees van Paridon and Hein Klemann used the correlation of the growth figures of Dutch and 12

German GDP.¹⁶ Their research produced evidence of the intensity of the economic ties between the two countries, yet this is little hard proof. Furthermore, at any moment one has to prove that there are civilians who state that there are economic interests at stake and that these have to be safeguarded. However, these were not present in Nazi Germany. During the periods of the *Kaiserreich*, Weimar Germany and the Federal Republic of Germany, the lobby of West German industrialists in favour of free economic contacts with the Netherlands held considerable influence, but their opinion hardly mattered during Hitler's reign and especially not when Hermann Göring controlled the Nazi economy.¹⁷ After the defeat of the Third Reich in May 1945, the British and American occupation authorities followed the same line. They approached Germany from a political point of view, and initially had little interest in economic matters. Their goal was to keep the German population alive at a minimum, limited cost and the recovery of the German economy was, in those first post-war years, not their main priority. Only in 1948, when British and US interests changed and policy shifted towards the creation of an independent West German state, renewed economic interdependency could be expected, as now economic interests became increasingly important and tentative steps were taken to renew economic ties between the Netherlands and Germany. From that moment, the Netherlands and West Germany once again began to regard each other's economic interests, in spite of all that had happened during World War II and the German occupation of the Netherlands.

¹⁶ H.A.M. Klemann and C.W.A.M. van Paridon, *In voor en tegenspoed... Verleden, heden en toekomst van de Nederlands-Duitse economische betrekkingen* (The Hague 2008) passim.

¹⁷ R. Overy, *War and economy in the Third Reich* (Oxford 1995) 116 and further; Klemann, *Waarom bestaat Nederland eigenlijk nog?*, 53-54 and 96-99.

¹⁸ National Archives (NA), The Hague, Kamer van Koophandel en Fabrieken voor Rotterdam: Secretariaat, 1922-1969, access code 3.17.17.04, inventory number 1617; Commissie Bestudeering Belangen van Rotterdam bij annexatie: „Nota inzake de belangen der haven van Rotterdam bij annexatie van Duitsch gebied“, 1945.

The interdependence theory is, therefore, a useful tool when analysing Dutch-German relations in the period 1945-1957. One could, of course, argue that this pre-war economic interwovenness did not deter Nazi Germany from invading and occupying the Netherlands in May 1940, but this was done by a regime that did not heed economic agents or any other citizens, and believed in the primacy of politics. The Netherlands, however, remained important to Germany. A document from the Rotterdam Chamber of Commerce stated in 1945 that preparation for war and rearmament in Germany had led to an increase in the movement of goods through the port of Rotterdam and that it had reached an all-time high of 42.3 million tons in 1938.¹⁸ As the *Reichsmark* had been inconvertible since before 1931, this dependence on the Netherlands could be seen as one reason to occupy it. Protectionary measures and monetary problems compounded the problems and it appears that the only way for Germany to obtain products from the Netherlands unhindered was to go and get them themselves. In order to 13

incorporate the Netherlands into its economic sphere once more, Germany occupied it in World War II.¹⁹ After the Nazi's rise to power in 1933, their autarchic policy was to make the Third Reich self-supporting. It was no longer desirable to keep the Netherlands neutral for economic reasons, as had been the case in World War I, when the German Chief of Staff Von Moltke had stated „the Netherlands must remain the wind-pipe to allow us to breath“.²⁰ After the end of war in Europe, it was out of the question that Germany might try to push the Netherlands into a role of dependence, let alone annex it as it had done in 1940-1945.

¹⁹ Klemann, *Waarom bestaat Nederland eigenlijk nog?*, 55 and 57.

²⁰ „Es [the Netherlands, M.L.] muß unsere Luftröhre bleiben, damit wir atmen können“. Quoted by Paul Moeyes, *Buitenschoot. Nederland tijdens de Eerste Wereldoorlog, 1914-1918* (Amsterdam 2001) 81.

²¹ For more details about the neo-liberal and neo-realist points of view, see for example respectively T. Dunne and B.C. Schmidt, „Realism“, and T. Dunne, „Liberalism“, both in J. Bayliss & Steve Smith, *The Globalization of World Politics. An introduction to international relations* (Oxford 2001) 141-161 and 162-181.

²² Klemann, *Waarom bestaat Nederland eigenlijk nog?*, 9.

This thesis tests whether the interdependence theory is useful for analysing and understanding Dutch-German relations in the period 1945-1957. The (neo) Realistic vision is not applicable here as it is mainly concerned with (power) politics and military conflict. It regards the state as a mechanism that maintains itself by forming alliances. Neo-realists believe that nation states always have a primary interest in defending their own interests. Interdependence and globalisation remain secondary and economic processes cannot be seen isolated from political developments, and that these are predominantly determined by sovereign nation states.²¹

It is true that there was considerable economic and political tension between the Netherlands and Germany after the war, but this has never irreparably damaged the relationship. The interdependence between the countries was simply too intense. Both countries became members of politico-economic blocks like NATO, the European Union and other European organisations and Dutch-German trade has flourished while the political tension has been kept in check. Both countries surrendered some of their sovereignty to these supranational organisations, and the economically recovered Germany has become a main power in Europe with a leading position in the European Union.

Intense economic relations inevitably have political consequences. However, as Klemann observed: „Of course, anyone who writes about Dutch-German relations states that the economic contacts were of great importance. How important usually remains unclear“.²² In this study, the economic relations between the Netherlands and Germany and their political repercussions will be investigated for a vital period in the Dutch-German political and economic relations: the first twelve years after World War II.

In May 1945, when the Third Reich was finally defeated, it was clear to many that the former enemy would have to play an important role in the economic recovery of the Continent. In the Netherlands, as elsewhere in Europe, Germany was hated after the end of the war. An official of the Dutch government in exile in London even suggested one per cent of all German males aged between 18-55 should be shot as punishment for the crimes committed.²³ In spite of this, the majority of the Dutch government recognised the importance of re-establishing economic contacts with the German hinterland. This was more important for the Netherlands than for many other countries, for without a wealthy Germany, Dutch economic recovery would be impossible.

²³NA, The Hague, archief van het Ministerie van Buitenlandse Zaken (BuZa), Londens Archief en daarmee samenhangende archieven, (1936-) 1940-1945 (-1958), access code, 2.05.80, inventory number 6213; „Memorandum W. Chr. Posthumus Meyes“, 1 June 1942.

²⁴Politisches Archiv des Auswärtiges Amtes B 11, Bandnummer 269, Microfiche 269-1; „Overview by K. Du Mont of losses suffered by the Netherlands in the Second World War, based on calculations of the Royal Institute for War Documentation (RIOD, the present-day NIOD)“, 2 July 1952.

When hostilities in Europe ceased, the former occupied countries were faced with an almost insurmountable number of problems; damage to the infrastructure was enormous; inflation ran rampant in most nations; cities were in ruins, millions of forced labourers were returning home and were joined by the same number of refugees adrift throughout the continent. But perhaps the most important was that trade in Europe had come to an almost complete standstill. In addition to all these, Germany, which, since the late nineteenth century had been the dominant economic power in Europe, no longer existed as an independent, sovereign nation but had been split up and occupied by the victorious Allies. These enormous problems all slowed down the resurgence of the European economy.

Although Dutch industry was largely intact, the Dutch were confronted with a number of serious problems, the most important being the fact Germany, since the late nineteenth century their main trading partner, was no longer capable of doing business with them. Many politicians and businessmen in the Netherlands realised that their former enemy was of utmost importance to their economic recovery. As the Netherlands had been on the frontline for nearly nine months during 1944-1945 and the occupier took all wheels, damage to the infrastructure was extensive. When occupied, most means of transport had been confiscated or requisitioned, e.g. 54 per cent of the rolling stock of the railroads, 84 per cent of the locomotives and 98 per cent of goods wagons.²⁴ The destruction of the port of Rotterdam and, to a lesser extent, the port of Amsterdam, was an additional blow to the Dutch economy as the transport sector had been extremely important in the pre-war period. There was extensive damage to railway material, and trucks and barges had 15

been either lost, were in a bad state of repair or had been confiscated by the Germans.²⁵ The fact that the natural hinterland of the port of Rotterdam, Germany, was in ruins had grave consequences for the economic recovery of both the port and the Netherlands. Therefore, the repair of wartime damage and the rebuilding of the economy were the highest priorities for the new government.

²⁵ Klemann, *Nederland 1938-1948*, 378-379 and 574-575.

²⁶ F. Wielenga, *Van vijand tot bondgenoot. Nederland en Duitsland na 1945* (Amsterdam 1999) 41.

²⁷ *Ibid.*, 41-42.

²⁸ Article in the Dutch newspaper *Trouw*, 23 March 2007.

In May 1945, Germany was divided into four, almost watertight, occupation zones. These were faced with numerous internal problems such as food shortages, mined agricultural areas, ruined cities and millions of refugees and prisoners of war. To make matters worse, the allied occupation authorities followed an almost autarchic policy. Trade with and between the zones was practically impossible. The government in The Hague had to do business with the allied occupation authorities and, as a consequence, Dutch trade opportunities with Germany were not determined in Bonn or The Hague, but in Washington and London.

After the formation of the German Federal Republic in May 1949 and the start of the recovery of economic relations between Germany and the Netherlands in September that year, the Netherlands became a staunch supporter of European and western integration. The Netherlands advocated that West Germany become a fully-fledged partner in the European integration. Dutch politicians obviously wanted the German Federal Republic to become an ally of the west in the Cold War. Not only should West Germany be integrated in western cooperation, but it should become a strong part of it, so that in time, it could play a part in western European defence against the threat of the Soviet Union.²⁶ If Germany could be encapsulated, and as a consequence, be dependent on a western alliance, Bonn would be prevented from attempting to strive for renewed European dominance: „A West-German integration in the western bloc made it possible to continue German reconstruction without risk; while at the same time, Europe could profit from the West German economic and financial potential“.²⁷ On 25 March 1957, six European countries signed treaties in Rome to establish the European Economic Community (EEC) and Euratom. It was a major step on the path towards European integration. It recently came to light that the delegates placed their signatures under 180 pages of blank paper. The text of the treaty did reach the printer, but missed the deadline.²⁸ This somewhat curious ceremony marks the end of this study. 16

1.2 Dutch-German relations 1945-1957: historiography

The German Federal Republic is relatively unknown to most Dutch people, not just to the general public but to politicians as well. One could almost say that the Dutch live with their backs turned towards their large eastern neighbour. Although anti-German feeling has diminished over the last decades, it has been replaced by indifference. It would not be difficult for the average Dutch person to name the US Secretary of State, but it would be quite a different story for them to name her German counterpart.²⁹ This is quite remarkable, as the Netherlands' prosperity and trade are, to a large extent, dependent on their economic relations with Germany. The Dutch economy has even been dubbed „satellite of the German economy“.³⁰

²⁹ M. Lak, „Noodzakelijke inkijkjes in de recente Duitse geschiedenis“, *Internationale Spectator* 64, No. 6 (June 2010) 356-358, there 356. The Wetenschappelijke Raad voor het Regeringsbeleid (WRR) recently published a report in which it stated that more attention should be paid to Germany. WRR, *Aan het buitenland gehecht. Over verankering en strategie van Nederlands buitenlandbeleid* (Amsterdam 2010) 90.

³⁰ NRC Handelsblad, 24 January 2011.

³¹ H. Krabbendam, C.A. van Minnen and G. Scott-Smith recently published an elaborate study on Dutch-American relations; *Four Centuries of Dutch-American Relations 1609-2009* (Middelburg 2009).

³² Review article Wielenga about the book by R. Loos, *Deutschland zwischen „Schwämmertum“ und „Realpolitik“*. *Die Sicht der niederländischen Kulturzeitschrift De Gids auf die politische Kultur des Nachbarn Preußen-Deutschland 1837-1914*, *Bijdragen en Mededelingen Betreffende de Geschiedenis der Nederlanden* 124, No. 2 (2010) 288-290, there 288.

³³ F. Wielenga, *West-Duitsland: partner uit noodzaak. Nederland en de Bondsrepubliek* (Utrecht 1989). Other examples include : M. Brands and P. Dankert, *In de schaduw van Duitsland. Een discussie* (Baarn 1979); M. Krop (ed.), *Burengerucht. Opstellen over Duitsland* (Deventer 1979); H.J.G. Beunders and H.H. Selier, *Argwaan en Profijt: Nederland en Duitsland 1945-1981* (Amsterdam 1983); Y.C.M.T. van Rooy, *Is Duitsland (ons) de baas?: een onderzoek naar de relatie tussen Nederland en West-Duitsland door een studiegroep van de Europese beweging* (afd. Den Haag) (The Hague 1980); F. Boterman, *Duitsland als Nederlands probleem: de Nederlands-Duitse betrekkingen tussen openheid en eigenheid* (Amsterdam 1999).

³⁴ Wetenschappelijke Raad voor het Regeringsbeleid, *Onder invloed van Duitsland. Een onderzoek naar gevoeligheid en kwetsbaarheid in de betrekkingen tussen Nederland en de Bondsrepubliek* (The Hague 1982).

The body of literature published about Dutch-German political and economic relations is extensive. These relations have been studied intensively, especially in comparison to the relations between the Netherlands and Great Britain or the United States, or, to another neighbouring country, Belgium. ³¹ According to the Dutch historian Friso Wielenga, a satisfying body of research has become available about Dutch-German relations in the nineteenth and twentieth centuries. A considerable amount has been written about this subject in the last two decades.³²

Closer study of some of these major publications about the Dutch-German political and economic relations however, reveals that many of these were written in the light of tensions in the bilateral relations.³³ The same tone is evident in a report written by the *Wetenschappelijke Raad voor het Regeringsbeleid* – the Scientific Council for Government Policy – in 1982.³⁴ These publications allude to the presence of a fear that Germany might invade the Netherlands again or that it might pose a threat to peace in Europe. In the 1940s and 1950s, however, authors were 17

much more nuanced, and wrote primarily about the economic importance of Germany to the Netherlands.³⁵

³⁵ H. Gelissen, *Bijdrage tot de Wederopbouw der Nederlands-Duitse betrekkingen* (The Hague 1950); J. Wemelsfelder, *Het berstel van de Duits-Nederlandse economische betrekkingen na de Tweede Wereldoorlog* (Leiden 1954).

³⁶ Wielenga, *Van vijand tot bondgenoot*, 15.

³⁷ L. de Jong, *Het Koninkrijk der Nederlanden in de Tweede Wereldoorlog, Deel 12* (The Hague 1988), H.A. Schaper, „Wij willen zelfs niet Mönchen-Gladbach!“. De annexatiekwesitie 1945-1949“, *Internationale Spectator* 39 (1985) 261-272; J.P. Barth, „De liquidatie van het Duitse vermogen in Nederland“, *De Economist* 95, No. 1 (December 1947) 605-626; R. Rowaan, „Two Neighbouring Countries and a Football Pitch. The Federal Republic of Germany and The Netherlands after the Second World War“, *Dutch Crossing. A journal of Low Countries Studies*, 24, No. 1 (2000) 133-144. Also: F.J.M. Duynstee and J. Bosmans, *Parlementaire geschiedenis van Nederland na 1945. Deel I: het kabinet-Schermerhorn-Drees. 24 juni 1945 – 3 juli 1946* (Amsterdam 1977); M.D. Bogaarts, *Parlementaire geschiedenis van Nederland na 1945. De periode van het kabinet-Beel. 3 juli 1946 – 7 augustus 1948. Band A* (The Hague 1989); P.F. Maas (ed.), *Parlementaire geschiedenis van Nederland na 1945. Deel 3: het kabinet-Drees-Van Schaik 1948-1951. Band A: liberalisatie en sociale ordening* (Nijmegen 1991); P.F. Maas and J.M.M.J. Clerx (eds.), *Parlementaire geschiedenis van Nederland na 1945. Deel 3: het kabinet-Drees-Van Schaik 1948-1951. Band C: Koude Oorlog, dekolonisatie en integratie* (Nijmegen 1996).

³⁸ S.I.P. van Campen, *The Quest for security. Some aspects of Netherlands foreign policy 1945-1950* (The Hague 1958); Hellema, „Factor Duitsland in de Nederlandse buitenlandse politiek“, in: F. Wielenga, *De Duitse buur. Visies uit Nederland, België en Denemarken 1945-1995* (The Hague 1996) 88-99; D. Hellema, *Neutraliteit & Vrijhandel. De geschiedenis van de Nederlandse buitenlandse betrekkingen* (Utrecht 2001); A.E. Kersten, „Nederland en de buitenlandse politiek na 1945“, in: *Algemene Geschiedenis der Nederlanden. Deel 15: Nieuwste Tijd* (Haarlem 1982) 382-400. See also: F.G. Moquette, *Van BEP tot BEB. De aanpassing van de bestuurlijke structuren aan de ontwikkeling van de buitenlandse economische betrekkingen in Nederland sinds 1795* (Leiden 1993). See also: J.F.E. Bläsing, J. Bosmans, H. Lademacher and W. Woyke (eds.), *Die Niederlande und Deutschland. Nachbarn in Europa* (Hannover 1992).

³⁹ H. Lademacher, *Zwei ungleiche Nachbarn. Wege und Wandlungen der deutsch-niederländischen Beziehungen im 19. und 20. Jahrhundert* (Darmstadt 1990); H. Lademacher, *Tradition und Neugestaltung: zu Fragen des Wiederaufbaus in Deutschland und den Niederlanden in der frühen Nachkriegszeit* (Regensburg 1991); H. Lademacher, *Nederland & Duitsland: opmerkingen over een moeilijke relatie* (Nijmegen 1995).

The historiography about Dutch-German relations, extensive as it might be, especially when it comes to the first post-war decade, is limited in a number of ways.³⁶ To begin with, it lacks survey and above all, it is often sketchy. Dutch-German relations appear to have been studied almost exclusively from a political point of view. Most of these works contain analyses of the Dutch demand for annexation of parts of Germany, restitution of stolen goods, reparation payments, the expulsion of Germans from the Netherlands and the confiscation or liquidation of German property in the Netherlands.³⁷ The majority of them cover a broad perspective in which the Dutch-German relations are analysed sideways and are not studied profoundly.³⁸

The historiography on the post-war Dutch-German relations can be divided into four main categories. The first covers German literature on the Netherlands and how West Germany perceived its small neighbour to the west. The most important author in this field is the German historian Horst Lademacher, who wrote a number of studies on Dutch-German relations in the nineteenth and twentieth centuries.³⁹ These deal primarily with the development of democracy in post-war Germany, youth policy in both countries and the social organisation of both the Netherlands and Germany. The second category in the historiography of Dutch-German relations covers diplomatic relations between the two countries. The Dutch historians Melchior D. Bogaarts and F. 18

Wielenga, and their German colleague Lademacher have produced pioneering work in this field ⁴⁰ Wielenga's work is especially noteworthy and is indispensable when writing about Dutch-German relations in the immediate post-war period. His thesis, *West-Duitsland: partner uit noodzaak – West Germany: partner out of necessity*, was written in 1989. It was pioneering at the time, but needs revision, especially on the issue of economic relations between the two neighbours.⁴¹ Wielenga's book, *Van vijand tot bondgenoot – From enemy to ally*, published in 1999, is an elaboration on his earlier thesis, and covers Dutch-German relations from 1945 to the turn of the century. Here too the economic component is limited and the focus is primarily on the political relations between the two countries.⁴² In short, Wielenga's main contribution to this field was a political history of Dutch-German relations. The same is true for Lademacher who also wrote elaborately on this subject. Although his work is not without great merit, his analysis of the bilateral economic ties between the Netherlands and (West-) Germany is weak.⁴³ Lademacher's diplomatic histories are more of a comparison between the two countries than a systematic description of the relations between the two.

⁴⁰ M.D. Bogaarts, „Weg met de Moffen”. Een studie naar de uitwijzing van Duitse ongewenste vreemdelingen uit Nederland na 1945”, *Politieke opstellen* 1 (1980) 1-18; M.D. Bogaarts, „Land in zicht? Een schets van de ontwikkelingen rondom de Nederlandse plannen tot verwerving van Duits grondgebied en van het tijdelijk beheer over Duitse economische hulpbronnen 1944-1963”, *Politieke opstellen* 3 (1982) 1-19; M.D. Bogaarts, „Nederland aan de wieg van de Duitse Bondsrepubliek. De Londense Zeslandenconferentie van 1948 en de onwetendheid van de Staten-Generaal”, *Politieke opstellen* 5 (1984-1985) 1-21; M.D. Bogaarts, „Ressentimenten en realiteitszin in Nederland 1945-1950”, in: Wielenga, *De Duitse buur*, 6-41; Wielenga, *West-Duitsland: partner uit noodzaak*; Wielenga, *Van vijand tot bondgenoot*.

⁴¹ Wielenga, *West-Duitsland: partner uit noodzaak*.

⁴² Wielenga, *Van vijand tot bondgenoot*.

⁴³ H. Lademacher, „Die wirtschaftlichen Beziehungen zwischen Deutschland und den Niederlanden in den dreißiger und vierziger Jahren des 20. Jahrhunderts”, in J. C. Heß and H. Schissler (eds.), *Nachbarn zwischen Nähe und Distanz. Deutschland und die Niederlande* (Frankfurt 1988) 52-66.

⁴⁴ H. Piersma, *De drie van Breda. Duitse oorlogsmisdadigers in Nederlandse gevangenschap, 1945-1989* (Amsterdam 2005); T. Mink, *De drie van Breda, ervaringen van een gevangenisbewaarder* (Alkmaar 2006).

⁴⁵ See for example A. Kok, 1974. *Wij waren de besten* (Amsterdam 2004) and C. Biermann, M. van Nieuwkerk and H. Spaan (eds.), *Hard Gras 39: Zij waren beter / Der Rauch vieler Jahre. Deutsch-Holländische Wahrheiten über das WM-Finale 1974* (2004); Rowaan, „Two neighbouring countries and a football pitch“, 133-144; R. Wijckmans, „Wollt Ihr den totalen Fußball?“. David tegen Goliath op het voetbalveld“, in P. Rösger and J. Baruch (eds.), *Zimmer Frei. Nederland-Duitsland na 1945* (Zwolle/Amsterdam 2001) 74-77; A. Kok, 1988. *Wij bielden van Oranje* (Amsterdam 2009).

The third category comprises works outlining the way the Dutch see Germany. The majority of these works are written in the light of a perceived threat from Germany, dislike for the German Federal Republic and emotional issues like the annexation of German territory by the Netherlands. Since World War II and the German occupation of the Netherlands between 1940-1945, Dutch-German relations have attracted considerable (academic) attention and have given rise to much emotional debate and frustration. This usually has its roots in reactions to events that took place in World War II, the extradition of German war criminals,⁴⁴ or sometimes to trivial matters like a lost World Cup Final and Dutch-German soccer matches in general.⁴⁵ The events of 1940-1945 are a main factor in this and have deeply influenced post-war relations 19

between the two countries. Therefore, to describe Dutch-German relations as complicated is an understatement.⁴⁶ In these studies, little, if anything, is written about economic affairs.

⁴⁶ K. van Weringh, *Altijd op de loer. Het beeld van Duitsland in de Nederlandse karikatuur 1871-2005* (Cologne 2005) 4.

⁴⁷ W. Mallinson, *From Neutrality to Commitment. Dutch Foreign Policy, NATO and European Integration* (London/New York 2010). See for example my review about this book: „Nederland had Duitsland nodig“, *Internationale Spectator* 65, No. 1 (January 2011) 49-50.

⁴⁸ Wielenga, *Van vijand tot bondgenoot*, 16.

⁴⁹ J. de Vries, *De Nederlandse economie tijdens de 20^{ste} eeuw* (Antwerpen/Utrecht); J.L. van Zanden, *Een klein land in de twintigste eeuw. Economische geschiedenis van Nederland 1914-1995* (Utrecht 1997); K.E. Sluyterman, *Dutch enterprise in the Twentieth Century. Business strategies in a small open economy* (Abingdon 2005).

⁵⁰ Lak, „Eine Angelegenheit von fundamentaler Bedeutung“, 47.

⁵¹ Wemelsfelder, *Het herstel van de Duits-Nederlandse economische betrekkingen*.

Finally, there is a very limited amount of literature on the economic relations between the two countries after 1945. Hardly any recent analysis has been done on this. The British historian William Mallinson published a study on Dutch post-war foreign policy that pays attention to the Dutch-German economic relations, but Mallinson hardly goes into much depth. His main focus is on Dutch security policy in the early post-war years.⁴⁷ It is striking to note that although most publications on Dutch-German relations emphasize that the Netherlands' eastern neighbour is of prime importance for the Dutch economy, and that the economic ties between the two economies are intense, they contain little detailed discussion on the economic relations between the two countries. Even Wielenga, who has written extensively on Dutch-German relations, pays limited attention to the economic ties between the two countries, even stating: „However important the economic relations may be until this very day, the analysis stops once the recovery of these relations can be considered to be complete“.⁴⁸

Dutch publications on the economic history of the Netherlands in the twentieth century seldom contain analyses of Dutch-German economic relations.⁴⁹ The economic relations between the two countries, and how mutually important these were, were always treated in a stepmotherly fashion.⁵⁰ The latest publication on German-Dutch economic relations in the immediate post-1945 period is the thesis by the Dutch economist Jozias Wemelsfelder dated 1954.⁵¹ It is a pioneering work on the recovery of Dutch-German trade relations after World War II. In it, he is highly critical of the policy of the Allied occupation authorities in Germany, who in his view, unnecessarily slowed down Dutch and German economic recovery. Wemelsfelder's book was the first on this subject. A number of his comments still stand. Given the circumstances and the limited availability of sources, he produced an excellent book. However, Wemelsfelder paid little attention to (international) political developments and had no access to archives that are now open.

No comprehensive overview of the Dutch-German economic relations has been published since Wemelsfelder's thesis appeared in 1954. A number of later publications have 20

focused on certain aspects of Dutch-German economic relations, these include issues such as the liberalisation of international trade, Dutch economic development and the role of the government, the post-war Dutch money purge, and the European economic recovery and its international consequences from a Dutch perspective.⁵² Although these studies deal with Dutch-German economic relations, the content is often superficial and without proper analysis.

⁵² J.M.M.J. Clerx, *Nederland en de liberalisatie van het handels- en betalingsverkeer (1945-1958)* (Groningen 1986); J.T.J.M. van der Linden, *Economische ontwikkeling en de rol van de overheid. Nederland 1945-1955* (Amsterdam 1985); H. de Liagre Böhl, J. Nekkers and L. Slot (eds.), *Nederland industrialiseert! Politieke en ideologische strijd rondom het naoorlogse industrialisatiebeleid 1945-1955* (Nijmegen 1981); J. Barendregt, *The Dutch Money Purge. The monetary consequences of German occupation and their redress after liberation, 1940-1952* (Amsterdam 1993); R.T. Griffiths, *Economic reconstruction in the Netherlands and its international consequences, May 1945-March 1951* (Florence 1984); R.T. Griffiths, *The Netherlands and the integration of Europe 1945-1957* (Amsterdam 1990).

⁵³ C.W.A.M. van Paridon, *De handelsbetrekkingen tussen Nederland en Duitsland* (The Hague 1982); C.W.A.M. van Paridon, *De handelsrelatie van Nederland met de Bondsrepubliek Duitsland: belangrijk maar niet uitzonderlijk* (The Hague 1982); L. Delsen and E. de Jong (eds.), *The German and Dutch economies. Who follows whom?* (Heidelberg 1998); Boterman, *Duitsland als Nederlands probleem*; W.H. Salzmann, *Herstel, wederopbouw en Europese samenwerking. D.P. Spierenburg en de buitenlandse economische betrekkingen van Nederland 1945-1952* (The Hague 1999); H. Lademacher, „Die Niederlande und Deutschland 1945-1949: Wirtschaftsfragen und territoriale Korrekturen“, in W. Ehbrecht and H. Schilling (eds.), *Niederlande und Nordwestdeutschland. Studien zur Regional- und Stadtgeschichte Nordwestkontinentaleuropas im Mittelalter und in der Neuzeit* (Cologne/Vienna 1983) 456-511.

⁵⁴ Boterman, *Duitsland als Nederlands probleem*; Klemann, *Waarom bestaat Nederland eigenlijk nog?*; H.A.M. Klemann and C.W.A.M. van Paridon, *In voor- en tegenspoed... Verleden, heden en toekomst van de Nederlands-Duitse economische betrekkingen* (The Hague 2008). The author of the present thesis recently published some impulses to the interaction between the economic and political relations between the Netherlands and Germany, which can form the starting point for further research, of which the present study is the first attempt. M. Lak, „Stunde Null. Zonder Duitsland geen Nederlands herstel“, *De Academische Boekengids* 65 (November 2007) 13-15; Lak, „Eine Angelegenheit von fundamentaler Bedeutung“.

⁵⁵ Wielenga, *West-Duitsland: partner uit noodzaak*.

Most researchers concentrate on the political relations between the Netherlands and Germany, and often ignore or fail to analyse the extent of the Dutch-German economic ties. Economic research, however, tends to ignore the interaction between economics and political developments, although Lademacher's 1983-article, in which he points to the duality in Dutch policy towards Germany in the first five post-war years, tries to analyse this problem.⁵³ Dutch historiography contains few studies devoted to the interaction between the political and economic relations between the Netherlands and Germany after 1945. The Dutch historians Frits Boterman and Klemann, and the economist Van Paridon, recently published some interesting observations on this field but paid little attention to the 1945-1957 period in their analysis.⁵⁴ Finally, Dutch historiography tends to be rather „Holland-centric“; it regards things from the Dutch point of view and largely neglects the German side of the story. Wielenga forms an exception to this.⁵⁵

The same trend is visible in the way post-war German economic historiography describes and analyses the German-Dutch political and economic relations. There is little German research into West German policy towards the Netherlands nor to the bilateral relations between the two 21

countries, except for the work by Wielenga.⁵⁶ On the odd occasion that the Netherlands is mentioned, it is usually in relation to the *Poldermodel* or to the astonishing economic growth the country experienced from the early 1950s until the oil crisis of 1973. Publications on the post-war economic history of Germany usually cover the years of the Allied occupation, the development of West Germany, the *Wirtschaftswunder*, and comparisons between the *Bundesrepublik* and the German Democratic Republic (GDR).⁵⁷ Even Abelshauser, one of the most prominent German economic historians, only mentions the Netherlands three times in his latest, extensive publication.⁵⁸ How Bonn regarded its relations with its small, but economically important western neighbour, remains vague.

⁵⁶ Wielenga, *West-Duitsland: partner uit noodzaak*, 8.

⁵⁷ C. Kleßmann, *Die doppelte Staatsgründung. Deutsche Geschichte 1945-1955* (Bonn 1991); R. Spree (ed.), *Geschichte der deutschen Wirtschaft im 20. Jahrhundert* (München 2001); W. Abelshauser, *Deutsche Wirtschaftsgeschichte seit 1945* (Bonn 2004); M. von Prollius, *Deutsche Wirtschaftsgeschichte nach 1945* (Göttingen 2006); K. Jarausch, *Die Umkehr. Deutsche Wandlungen 1945-1955* (Bonn 2004); H.A. Winkler, *Der lange Weg nach Westen II. Deutsche Geschichte 1933-1990* (Bonn 2004); C. Kleßmann en P. Lautzas (red.), *Teilung und Integration. Die doppelte deutsche Nachkriegsgeschichte* (Bonn 2005); P. Zolling, *Deutsche Geschichte von 1871 bis zur Gegenwart* (Bonn 2005); R. Bessel, *Germany 1945: From War to Peace* (London/New York 2009); C.L. Glossner, *The Making of the German Post-War Economy: Political Communication and Public Reception of the Social Market Economy after World War II* (London/New York 2010).

⁵⁸ Abelshauser, *Deutsche Wirtschaftsgeschichte seit 1945*, 290, 358 and 374.

⁵⁹ Unlike the United States, Germany, Great Britain and France, where the first post-war years have been the focus of many books, although these primarily focused on the advent of the Cold War. According to Abelshauser, German history after 1945 is above all *economic* history. Abelshauser, *Deutsche Wirtschaftsgeschichte*, 11.

⁶⁰ Klemann, *Waarom bestaat Nederland eigenlijk nog?*, 11.

To sum up, there is obviously a gap in Dutch and German historiography covering the Dutch-German economic relations in the post-war period.⁵⁹ Historians agree that economic contact with Germany was particularly important to the Netherlands. Most studies stop, however, with this, in itself, correct observation. There are few concrete quantitative and qualitative statistical figures on the extent of the Dutch services supplied to Germany or to the importance of Germany for the Netherlands and vice versa. There is no coherent work on the interaction between the political and economic relations between the Netherlands and Germany. For the last century and a half, there has been intensive economic contact between the two countries, but political relations have been tense on more than one occasion. In spite of this, there has been very little research in which the nature and extent of economic relations have been compared systematically with political contacts.⁶⁰ This study aims to rectify this omission, at least for the period between 1945-1957.

1.3 Central research question and subquestions

This study centres on the issue of how political and economic relations between the Netherlands and Germany developed in the years between 1945-1957 and how these influenced each other. As a consequence, the central research question will be: „How did German-Dutch economic 22

relations develop during the period between 1945-1957, and what consequences did these relations have for the bilateral political relations?" By beginning with economic relations, it is indicated that it is expected that the economic ties have been a vital factor in determining the post-war bilateral Dutch-German relations. It is to be investigated whether these can be labelled *the* determining factor, or whether Dutch-German post-war ties were formed through a combination of economic, political and international developments.

A broad central research question must lead to a number of subquestions. One of these is how Dutch economic relations with its large eastern neighbour recovered and what obstacles this encountered between 1945 and 1949. With Germany in ruins and a public opinion that was fiercely anti-German, how could The Hague politicians raise the question of restoring economic ties with their former enemy without committing political suicide? Why was the Dutch policy towards Germany so ambivalent, and when did this come to an end? When and why did the Dutch government realise that integrating Germany into a western alliance and the European economic community would not only ease the tension between East and West, but also present a solution for the fact that although Germany was of vital economic interest, it was also considered a potential political and military threat? Another issue was the question of why The Hague became a fierce proponent of European integration and of including the German Federal Republic in it. Which factors gave rise to this Dutch attitude, and which had the upper hand? Was it the importance of strong economic ties with Germany or the new political constellation created by the Cold War?

When analysing the bilateral economic ties between the Netherlands and Germany, a number of questions come to mind. First of all, how intertwined were the German and Dutch economies? Or, more precisely, what was the total extent of Dutch-German trade, reciprocal investments and financial contacts, compared to the German and Dutch economies as a whole? How important were the trade relations between the two countries before World War II and how did these change in the post-war period? The uniqueness of the Dutch-German economic relations is to be analysed. What is so particular about them? Were they totally different from those of other German neighbours like Denmark and the Scandinavian countries? The Dutch economic relations with Germany will be compared to those with other important trading partners. This comparison will enable us to judge whether, and to what extent, Dutch-German economic relations differed from those of other small German neighbour states, and analyse the uniqueness of Dutch-German economic ties. Then the question can be answered whether the Netherlands was economically dependent on Germany or whether this small German neighbour was so important to the German economy that the Bonn was prepared to give them preferential

treatment. If so, could it be possible that the Netherlands was in a stronger political position than one would have expected, given the size of its population or geographical extent?61

⁶¹ Klemann, *Waarom bestaat Nederland eigenlijk nog?*, 9.

Secondly, the development of the financial relations between the two countries will be analysed. The most important issue here is that of *Foreign Direct Investments* (FDI's). In the period between the wars, especially in the 1920s, Dutch multinationals and other companies invested heavily in Germany. After World War II, it was difficult for the Dutch government to recover these possessions. This is an important issue, as it can shed light on the intensity of the German-Dutch economic relations.

Thirdly, it will be investigated which factors drove the two economies towards each other. Was it the western and European umbrella that offered security? Or are there other explanations, like the loss of contact with other areas in eastern and central Europe? Could it have been due to the independence of the Dutch East Indies in December 1949? It seems hardly surprising that the German Federal Republic turned to the Netherlands for most of its agricultural imports like fruit and vegetables and finished products like bacon, after it lost its vast agricultural areas in Eastern Germany. One can also wonder whether it is only logical that The Hague concentrated on its economic relations with Germany after losing its large colony in Asia, which had been an important source of foreign currency, especially dollars.

Fourthly, what were the consequences for the position of Rotterdam as transit port that after 1945 coal, the most important pre-war raw material of the industrial area of the Ruhr, never got as important again as before World War II? How did Rotterdam cope with this change and how did it become the largest oil harbour in Europe? What was the role of West Germany in this development?

Fifthly, it will be analysed how Dutch and German business saw the economic ties between their countries. One would expect, considering the presumably huge mutual investments, that they were strong supporters of the recovery of the Dutch-German trade relations. If so, how did they make sure their interests were looked after?

Finally, the question is asked how the political relations between the two countries developed. Which stance did the West German government assume towards the Netherlands and vice versa? Were they friendly towards each other or did the Germans hardly pay attention to the position of the Netherlands, and how did this attitude towards each other correspond with the close economic ties? What was the influence of international developments on the German *and* Dutch positions? 24

1.4 Composition of the study

Historians have been labelled „sculptors of the shapeless time“ as they are occupied with „the art of dividing history in pieces“.⁶² This study adopts a thematic approach, as it has numerous advantages over a chronological one. It makes it possible to analyse different developments, causes, events and consequences, and brings cohesion into the text. Of course, within the different themes a certain chronology will be necessary.

⁶²H. Righart, *De eindeloze jaren zestig. Geschiedenis van een generatieconflict* (Amsterdam 1995) 12.

This study is divided into seven chapters, of which this forms the first. Chapter 2 presents an analysis of the problems in Dutch-German relations that resulted from World War II. As such, it provides an overview of the Dutch-German political and economic relations between 1945 and 1949. It analyses the economic situation in the liberated Netherlands, in occupied Germany as well as the Allied occupation policy in the former Third Reich as this had a profound influence on The Hague's attempts to reinstate Dutch-German economic ties in the period immediately after the war. This, however, was only one part of Dutch policy towards its former occupier. The Netherlands also wanted Germany to atone for the crimes it committed during World War II and demanded the annexation of parts of Germany, restitution of stolen goods and reparation payments. Dutch policy was thus ambivalent in character, and it became difficult to formulate a clear policy. The Allies refused to comply with Dutch demands and also to the swift recovery of trade relations between the Netherlands and Germany. It was only in 1948, when the Americans and British decided to establish an independent West German state that was capable of taking care of itself economically, that the Dutch request for the recovery of trade relations stood a little more chance.

Chapter 3 explores and analyses the Dutch-German financial relations in the period between 1945-1957. Chapters 4 and 5 respectively investigate trade relations and the role of Rotterdam, Rhine shipping and the Ruhr area in Dutch-German relations. All these chapters start with a short sketch of the pre-war situation to give a framework for the post-war developments.

One of the main questions to be addressed is what caused the impressive growth of the Dutch economy as of 1949. Traditionally, the Marshall Aid has been seen as the main reason for this upsurge. However, it should be asked what role the opening of the German market for Dutch products played. Other important issues in chapter 3 are the financial ties between the two countries. It investigates how the Dutch government looked after Dutch investments in Germany and what role big business played in this. Here, as well as in chapter 2, the Allied policy in Germany provides the main focus, as it deeply influenced Dutch-German economic relations and had disastrous consequences for years. At the same time, it was one of the Allies, The United 25

States, which finally provided the essential breakthrough by lifting the bottleneck in Dutch-German bilateral trade relations: the impossibility to trade with one another.

In chapter 5 special attention is given to the transit of goods from and to Germany's most important industrial areas, especially the Ruhr, in which the river Rhine and the port of Rotterdam played vital roles. The part played by the Dutch in Rhine shipping is analysed as well as the political tension caused by the fact that Allied policy initially prohibited Dutch shipping on the internal German waterways. This policy was continued by Bonn after the Federal Republic of Germany was founded in May 1949. In 1956, however, Bonn suddenly changed its policy and until now there is no explanation for this sudden change.

Chapter 6 delves into the bilateral Dutch-German political relations. Did the economic importance of Germany make The Hague more sympathetic to its former enemy? Or was it the other way round?

According to Wielenga, the policy issued from Bonn can hardly be called responsive towards The Hague in the period between 1949-1955. There are indications, however, that the Federal German government took account of Dutch feelings of hatred, revanchism and moral superiority. This chapter aims to answer the question what the consequences of economic interdependence for the political relations between the Netherlands and Germany were at this period. Was there any continuity in The Hague's policy towards Germany after the formation of the *Bundesrepublik*?

Finally, chapter 7 sums up the main conclusions of the thesis.