



Exploiting the “white coal” of the Pasvik River. Negotiating corporate and national interests in the border region during the German occupation of Norway

Kari Aga Myklebost & Maria Lähteenmäki

To cite this article: Kari Aga Myklebost & Maria Lähteenmäki (30 Apr 2024): Exploiting the “white coal” of the Pasvik River. Negotiating corporate and national interests in the border region during the German occupation of Norway, *Scandinavian Journal of History*, DOI: [10.1080/03468755.2024.2342840](https://doi.org/10.1080/03468755.2024.2342840)

To link to this article: <https://doi.org/10.1080/03468755.2024.2342840>



© 2024 The Authors. Published by Informa UK Limited, trading as Taylor & Francis Group on behalf of the Historical Associations of Denmark, Finland, Iceland, Norway and Sweden.



Published online: 30 Apr 2024.



[Submit your article to this journal](#)



Article views: 174



[View related articles](#)



[View Crossmark data](#)

Exploiting the “white coal” of the Pasvik River. Negotiating corporate and national interests in the border region during the German occupation of Norway

Kari Aga Myklebost^a and Maria Lähteenmäki^b

^aDepartment of Archaeology, History, Religious Studies and Theology, UiT – The Arctic University of Norway, Tromsø, Norway; ^bKarelian Institute, University of Eastern Finland Joensuu, Finland

ABSTRACT

The history of the Pasvik River, demarcating Norway’s border with Russia in the north is inextricably linked with issues of security and national interests on the one side, and exploitation of natural resources and business interests on the other. This applies not least to the war years, as German warfare in Europe increased the value of the hydropower and the strategic metals of the border region. Drawing on sources from the archives of the mining company AS Sydvaranger and Norwegian state administration, this article traces the negotiations on hydropower exploitation in the Pasvik River throughout the Second World War focusing on Norwegian key actors, and analyses Norwegian national and corporate interests and strategies in the border area during the German dominance in the region.

ARTICLE HISTORY

Received 21 May 2023
Revised 25 March 2024
Accepted 9 April 2024

KEYWORDS

Pasvik River; hydropower; Second World War; corporate and national interests; strategic metals

The history of the Pasvik River, demarcating Norway’s border with Russia in the north, is inextricably linked with issues of security and national interests on the one side, and exploitation of natural resources and business interests on the other. This applies not least to the war years, as German warfare in Europe increased the value of the hydropower and the strategic metals of the border region – iron and nickel. German military interests and dominance on both sides of what was then the Norwegian-Finnish border paved the way for a project on transnational exploitation of the river hydropower. This article examines why and how negotiations on joint Norwegian-Finnish hydropower exploitation in the border river were initiated and conducted under German control during the Second World War, focusing on Norwegian actors, agendas, and strategies. How were issues of corporate and national interests in the border region perceived by key Norwegian actors, and what became the outcome of the hydropower negotiations? By delving into the wartime archives of the iron mining company AS Sydvaranger and the Norwegian state administration under German occupation, the article analyses the nexus between corporate and national interests at stake in the hydropower project of the border river in Pasvik during the Second World War. The article traces the motives and strategies of iron mining

CONTACT Kari Aga Myklebost  kari.myklebost@uit.no

© 2024 The Authors. Published by Informa UK Limited, trading as Taylor & Francis Group on behalf of the Historical Associations of Denmark, Finland, Iceland, Norway and Sweden.

This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0/>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited. The terms on which this article has been published allow the posting of the Accepted Manuscript in a repository by the author(s) or with their consent.

company AS Sydvaranger, the cornerstone factory in the town of Kirkenes, and concludes that the company represented a driving force in pursuing the hydropower project during the war. From 1942, the project was pursued in close cooperation with Hans Skarphagen, head of the Directorate for Water and Energy appointed by Minister President Vidkun Quisling. The study documents how general director of AS Sydvaranger Fredrik Behrens together with Skarphagen forwarded negotiations and navigated between the Norwegian nazified state administration, the German Reichskommissariat in Norway, Finnish state authorities, and the Petsamon Nikkeli Oy mining company.

The interests at stake were manifold. For AS Sydvaranger, the business potential in fuelling the iron mine production with hydropower was great; the 'white coal' of the nearby Pasvik River represented a rich energy source that would allow for increased dividends and stable energy supplies. However, a main challenge was how to exploit the hydropower of a border river, with the state border demarcated along the middle of the waters and the rapids belonging to both bordering states. The only way to realize the project was through agreement with the neighbour state. With this, issues of national interests and security came to the fore. From a Norwegian state perspective, national control with energy production and supply was crucial. The Norwegian concession laws of 1906 had been adopted for this purpose; to secure state control and prevent private and foreign capital to monopolize the rich hydropower and other natural resources of Norway. Another concern was related to the interests and properties of the Norwegian citizens living along the river, and in Finnmark County as a whole. During the wartime negotiations, Norwegian state departments argued that the livelihoods and economy of the local population had to be secured by limiting the level of damming to avoid flooding of lands. Also, long-term energy supply for the growing population in Finnmark County should be considered when planning for exploitation of the hydropower, the state administration argued.

Recent works on Norwegian industrial history during the war provide important context for this study, in particular works that explore relations with the German state bodies in Norway and attitudes within the Norwegian state administration towards cooperation with Germany.¹ The article adds to previous research by examining the specific case of the Pasvik River hydropower project, where rich fields of strategic metals on both sides of the border and the promising but difficult exploitation of the border river paved the way for prolonged negotiations throughout the war. The study in particular highlights how exploitation of natural resources, corporate interests, and issues of national interests in the border region were linked, perceived and navigated by key Norwegian actors. Previous research has documented a growing ideological conflict within the Norwegian nazified government of Minister President Quisling concerning industrial cooperation with Germany, including the exploitation of Norwegian hydropower. During the war, a power struggle developed between two camps: On the one side, German-friendly actors aligned with the institutions founded by the German occupational powers in Norway to conduct an active policy of industrial development, such as the *Arbeitsgemeinschaft*, and argued that German investments would benefit Norway. On the other side, we find actors who endorsed a 'national line', arguing that it was in Norway's interest to preserve national control with natural resources and industry and not accept German offers to invest and develop the sector jointly.² Eventually, a conflict along these lines would play a major role in the negotiations on the Pasvik River hydropower project.

The article draws on works on the local history of Sør-Varanger Municipality, as well as on the corporate and labour union history of AS Sydvaranger, and expands the somewhat meagre existing body of literature on the ambitions and agendas of the mining company during the Second World War.³ Recent articles exploring the hydropower project in the Pasvik River both before and after the Second World War are applied to contextualize the wartime negotiations. These works demonstrate how the border river and its 'white coal' make up an integrated part of the history of AS Sydvaranger throughout the 20th century. However, whereas the realization of hydropower exploitation in the border river during the Cold War was characterized by a political context of Norwegian and Soviet mutual rhetoric of good neighbourly relations and peaceful co-existence, the wartime materials give insight into a period of highly conflicting conceptions of corporate and national interests in the border region.⁴

The article is based on analysis of the war period archival materials of AS Sydvaranger, as well as the archives of the Norwegian Directorate for Water and Energy and Norwegian ministries. Select Finnish archival materials and research literature is applied to draw a more comprehensive picture of the interests and agendas in the Pasvik River hydropower project. The article starts with two sections presenting first the international political context for the border river project, and secondly German industrial policy in Norway. It then lays out the developments of the negotiations in chronological order, before discussing the corporate and national interests at stake in the Pasvik River project as seen from a Norwegian perspective.

The pre-war years: Germany entering the border region

To understand the efforts of AS Sydvaranger to advance the border river hydropower project during the war, we need to take a glance at the preceding decades. The iron mining company of AS Sydvaranger was established in Kirkenes in 1906 after the discovery of rich iron ores in the region. However, extracting and processing the iron in a profitable manner required access to ample low-cost power. Early on, the direction of AS Sydvaranger realized that the rapids of the border river in the Pasvik Valley could supply hydropower to fuel production. A recent study reveals how the company worked with regional and central state authorities of Norway and tsarist Russia to facilitate hydropower exploitation, from 1911 under the leadership of the young and ambitious new director Fredrik Behrens.⁵ The efforts proved fruitless, as sharing the power of the border river implied sensitive issues of strategic and national interests as well as a multitude of practical and judicial challenges.⁶ In the aftermath of the First World War, the Petsamo corridor along the border with Norway was ceded to Finland. The archives of AS Sydvaranger and Norwegian state administration show how during the interwar years, the company continued to pursue the hydropower project in the border river, now inviting Finnish partners into negotiations. Due to various obstacles, not least growing distrust between Finland and Norway in the years leading up to WWII, the efforts were still unsuccessful.

With the outbreak of war in Europe in 1939, new players entered the border region. Both Germany and the Soviet Union's interest in Finnish Petsamo had been growing in the interwar years, much due to the potential military value of the nickel ore in Kolosjoki.⁷ The Soviet attack on Finland and the ensuing Winter War of 1939–1940, as well as the

strengthening of Germany's position in Europe by the occupation of Norway, Denmark, the Benelux countries, and parts of France, made the Finnish government turn towards cooperation with Germany. In the spring and summer of 1940, German occupation troops moved north in Norway. At the same time, Finland closed an agreement on transit of German troops to Finnish Lapland. This was followed by a contract in July 1940 between Finland and the German I.G. Farbenindustrie AG about the transportation of nickel ore from Petsamo to Germany. According to the deal, Finland would sell 60% of its nickel to Germany.⁸ In March 1941, three months before the German attack on the Soviet Union known as Operation Barbarossa, Germany promised Finland security against potential aggression from the Soviet Union. This paved the way for a functional military alliance between Germany and Finland and further development of economic relations. After Germany attacked the Soviet Union on 22 June 1941, German troops were deployed to the entire territory of northern Finland. With this, Germany was in command of all military activity in Northern Norway and Finnish Lapland.⁹

German economic interests were present also on the Norwegian side of the border in the decades prior to the war. The iron mining company AS Sydvaranger in Kirkenes had been engaged in cooperation with Germany since its establishment in 1906, both by way of investments from Norddeutsche Bank in Hamburg and by way of export of iron ore to the German market. Director Fredrik Behrens was himself of German origin and during the interwar years he nurtured relations with German industry to the benefit of the mining company. From the late 1920s, German interests in AS Sydvaranger increased as the steel company Vereinigte Stahlwerke invested in the stocks of the corporation.¹⁰ In the immediate pre-war years, AS Sydvaranger was one of three major mining companies in Norway exporting iron ore to Germany.¹¹

The outbreak of war and the German occupation of Norway represented great difficulties but also new opportunities for AS Sydvaranger. On the one hand, the war made shipping of iron ore to the European market more difficult already from 1939, and in the spring of 1940, German air raids destroyed parts of the company facilities in Kirkenes. The production at AS Sydvaranger was further hampered as Kirkenes was turned into a main base for German military activity on the North Front after the German attack on the Soviet Union.¹² The mining company's infrastructure, such as rail lines, were now to be used for German military construction works. AS Sydvaranger did not manage to keep up any significant production of iron ore during the war.¹³ On the other hand, the German interest in the iron and nickel resources in the border region as well as German industrial policy in Norway opened up for renewed negotiations with Finland on the long-desired project of AS Sydvaranger to exploit the rapids of the Pasvik River.

German hydropower ambitions in Norway

Developing hydropower was a topical part of German industrial policy in Norway during the war.¹⁴ In the autumn of 1940, the Arbeitsgemeinschaft was established as a unit under the German Reich Commissariat in Norway to facilitate cooperation with the Norwegian state administration on energy issues. Reich skommissar Josef Terboven was personally engaged and took on the position as head of the Arbeitsgemeinschaft. The rich hydropower of Norwegian waterfalls was to be used mainly for two purposes: the production of light metal in Norway to supply German war industry, and energy transmission to

Germany. In addition, the German war administration in Norway aimed to increase the general provision of hydropower-based electricity in Norway, to households, local communities, and industry alike. Working together with the Norwegian state administration on development and provision of hydropower energy was part of an overarching cooperative German policy line in Norway, aimed at increasing German-Norwegian economic relations and thus facilitate the growth of political and ideological unity between the countries.¹⁵

The German hydropower ambitions in Norway were followed closely by the Finnish press. In December 1940 *Helsingin Sanomat* reported that *Deutsche Zeitung in Norwegen* had published an interview with Terboven, who proclaimed that destiny had decided for Norway and Germany to cooperate and understand each other, and that 'grand-scale utilization of Norwegian hydropower will be realized already by the spring [of 1941]'.¹⁶ German optimism seemed to be high, and in November 1941, *Helsingin Sanomat* reported that the construction of an underwater power line from the southern coast of Norway to Denmark would start soon. 'At the same time, plans for several Norwegian hydroelectric power plants are developed under German leadership', the newspaper reported.¹⁷ In February 1942, the leading Swedish newspaper in Finland, *Hufvudstadsbladet*, commented that Germany had quickly gained a remarkable economic position in Norway. The observation was correct; Germany was cooperating actively with Norsk Hydro, a major company in Norwegian tin and mining industry under the Herman Göring institute. Germany was also actively developing Norwegian fishing industry, and hydropower plants were planned by the Nordag corporation, which was under German control.¹⁸

The Norwegian state administration was divided on the issue of economic and industrial cooperation with the German occupying powers. Whereas some Norwegian officials clearly sympathized with German industrial ambitions in Norway, others firmly opposed this, not least as the war dragged on and fears of German control over Norwegian natural resources became more pronounced. The burning issue during the war dividing the Norwegian state administration – and eventually also the German-friendly National Socialist Party of Norway – was how far Norway should venture into economic and industrial integration with Germany, and whether German investments were an acceptable way to develop Norwegian natural resources, or if the risk of giving away Norwegian national control made this an illegitimate strategy. The Norwegian concession laws were topical to the dispute, but the political and judicial system established during the previous decades proved itself solid and the laws were preserved.¹⁹

The issue also split Norwegian business owners. Reich skommissar Josef Terboven himself was highly aware that German industrial success in Norway depended on a certain level of support, both from leading political circles and from the Norwegian private business sector. Forcing German plans onto Norway, disregarding the concession laws and existing legislative practice, was not a viable solution, according to Terboven.²⁰

In late September 1940, Terboven appointed so-called commissioner ministers to head state departments in Norway. Architect and member of the National Socialist Party of Norway Tormod Hustad was appointed head of the Department of Labour, which was in charge of the Norwegian Directorate for Water and Energy responsible for hydropower projects. From February 1942, Hustad continued as Minister of Labour in the so-called national government organized by Minister President Vidkun Quisling. In this position, Hustad developed a pronounced national stance on the question of hydropower

exploitation, opposing German plans to develop Norwegian waterfalls and voicing concern that the German ambitions were not compatible with Norwegian long term national interests.²¹ As this study reveals, Hustad became a key figure in the discussions within Quisling's government on the Pasvik River hydropower project, questioning the results negotiated by Hans Skarphagen and AS Sydvaranger. Hustad was supported by the Ministry of Agriculture and also by Minister of Trade and Industry Eivind Blehr but was eventually forced to resign due to criticism of among others Skarphagen.

May 1941: Pasvik River hydropower negotiations "by the wish of Germany"

Finland's reorientation towards Germany was noted by AS Sydvaranger, who saw this as an opportunity to initiate talks in the spring of 1941 with the mining company Petsamon Nikkeli Oy on the use of the Pasvik River rapids.²² The hydropower project had grown in importance for AS Sydvaranger compared with the interwar years, as increasing war prices on the traditional energy source of the company, black coal, made production more expensive. Director of AS Sydvaranger Fredrik Behrens communicated closely with the Ministry of Labour in Oslo on the plans, and a first meeting of AS Sydvaranger and Petsamon Nikkeli Oy was scheduled for 22–24 May in Stockholm.²³ According to Behrens, the talks would concern the lower part of the border river from lake Sundvatnet to the Arctic Ocean, including the rapids of Skoltefossen, Harefossen, and Holmfoss. From the point of view of AS Sydvaranger, negotiating on this river stretch as a whole instead of single waterfalls was highly advantageous, as the potential production of hydropower was estimated to cover the total needs of the company in the foreseeable future.

The meeting in Stockholm was only partially successful seen from the perspective of Behrens, as the parties reached just a preliminary agreement, and only on Skoltefossen. The agreement stated that the companies of AS Sydvaranger and Petsamon Nikkeli Oy intended to build a hydropower plant jointly in Skoltefossen on the Finnish side of the border, cooperating on the construction process, sharing the costs, and eventually also sharing the resulting hydropower. However, to achieve this, judicial obstacles relating to Norway's concession laws had to be addressed. The state of Norway would grant concession rights to exploit hydropower only to corporations under national control. Due to the German investments in AS Sydvaranger, the mining company was not in position to apply for concession. To circumnavigate this, the preliminary agreement suggested that a new stock company was established especially for the purpose, as a subsidiary company of AS Sydvaranger. Petsamon Nikkeli Oy would follow the same strategy, and the subsidiaries would apply for the necessary concessions and rights for a period of 50 years. A joint commission of AS Sydvaranger and Petsamon Nikkeli Oy was to plan and conduct the construction works, which would take place mostly on Finnish territory. According to the agreement, because of the tight labour market situation in occupied Norway, the work force was to be primarily Finnish. Construction materials would be supplied from both the Finnish and the Norwegian side, and the parties would apply to their respective authorities to allow tax free arrangements for the project. Moreover, the preliminary agreement stated that Norway would accept that Finland was responsible for regulating the water flow in the border river, by way of a dam at Upper Jäniskoski close to Lake Inari

which was already under construction. The hydropower produced was to be split equally between the two parties.²⁴

A letter from the direction of AS Sydvaranger to the Norwegian Ministry of Labour reveal that the German Reich Commissariat in Norway encouraged negotiations, and that AS Sydvaranger informed the German bodies in Norway directly about the developments and suggested how to proceed. In late May, director Fredrik Behrens wrote to the Ministry of Labor.

Since the Reich skommissariat has contacted us earlier on this matter, stating that they would welcome an arrangement securing hydropower supplies for AS Sydvaranger, and since there is no longer a Ministry of Foreign Affairs [in Norway], we will now write also to the Reich skommissariat and Dienststelle Energie-Wirtschaft.²⁵

He went on suggesting that 'the complex nature of the issue' demanded the organization of an official conference between representatives from the two states of Norway and Finland as well as from the two mining companies. The Norwegian Directorate for Water and Energy should also be represented, Behrens wrote, adding that Petsamon Nikkeli Oy would send a similar request to Finnish authorities. Behrens ended the letter by emphasizing that he would be most grateful for 'swift action on this urgent matter'. This would make it possible to start construction works already in 1941 and consequently make use of the labour force that was already employed by Petsamon Nikkeli Oy in the Upper Jäniskoski dam construction.

The Norwegian Directorate for Water and Energy sent a positive assessment of the plan to the Norwegian Ministry of Labor, who also endorsed the project and forwarded it to the Reichskommissariat. However, we find a certain amount of caution in the assessment made by the Norwegian Directorate. One issue was the percentage split of waterpower between the two states. If the Norwegian side could in fact receive 50% of the power, the needs of AS Sydvaranger would be covered, the Directorate wrote. Still, according to the geography of the border region, a natural split would be 30%–70% in favour of Finland, the Directorate pointed out. Further caution was expressed by the Directorate concerning the fact that Norwegian state security could be affected if the hydropower project was implemented as proposed, since the plans implied that 'grand-scale Norwegian industry will become dependent on energy supplies from a power plant located on foreign territory'.²⁶ Still, wrote the Directorate, it was not in their mandate to assess this issue, which should be left to the political authorities of Norway.

The Finnish Ministry of Trade and Industry for their part stated that they were ready to continue with 'urgent negotiations', based on the preliminary agreement reached by Petsamon Nikkeli Oy and AS Sydvaranger in Stockholm in May.²⁷ The sources indicate that beyond the diplomatic wording lay a certain pressure which was exerted upon Finland by the German side; a report from the May negotiations written by J. O. Söderhjelm on behalf of Petsamon Nikkeli Oy states that the hydropower project in the border river was initiated 'by the wish of Germany', and that Finland was strongly encouraged by Germany to enter the negotiations. Moreover, when discussing the issue with representatives of the German Reich skommissar in Norway, Söderhjelm had learned that utilizing Norwegian mining and hydropower resources to a maximum was 'a matter of honor' to Germany. The Reich skommissar in Norway had even said that he was intent on constructing a hydropower plant further upstream in Harefoss from the Norwegian side alone

if Finland was not willing to cooperate.²⁸ In addition to this rather straightforward expression of German intent, we should also keep in mind that the new political situation in Europe after the German attack on the Soviet Union in June 1941 presumably added to Finland's willingness to accept German economic development plans in the Petsamo region.

Despite director Behrens encouraging 'swift action' and Finland responding positively, negotiations on the Pasvik River project were put aside until the beginning of 1942. We do not know the exact reasons for this, but we can assume that the growing dispute in Norway on German industrial ambitions and conflicts between the German administrative bodies and Norwegian state institutions inflicted on the border river project. In 1940 and 1941, the Reich skommissariat worked on the so-called aluminium program, through the companies AS Nordag and AS Nordisk Lettmetall, to advance the plans on energy transmission to Germany. Both the energy export to Germany and the aluminium program proved hard to realize, not least due to resistance from the Norwegian representatives in the Arbeitsgemeinschaft. The years of 1940–1941 also witnessed a first round of controversy over the concession laws between officials in the Ministry of Labour, Norwegian private industry owners, and the German Reich skommissariat and its Arbeitsgemeinschaft.²⁹ In early 1942, Vidkun Quisling was given a mandate from Terboven to solve these issues.

1942: State level negotiations

In February 1942, Quisling appointed ministers for a new so-called national government in Norway, after his National Socialist Party had agreed with Reich skommissar Josef Terboven that part of the civil administration was to be transferred to a government headed by Quisling. Simultaneously, Quisling appointed two new state officials responsible for cooperation with the Reichskommissariat on hydropower, Hans Skarphagen and Alf Whist.³⁰ Skarphagen entered the position as general director of the Directorate for Water and Energy, with an instruction from Quisling to reach an agreement with the German powers on hydropower exploitation in Norway. Both Skarphagen and Whist were known for their explicit Germanfriendly attitudes, arguing in favour of improving conditions for Norwegian businesses in occupied Norway and stating that German investments would contribute to building competitive Norwegian export industry. In the concrete case of AS Nordag and AS Nordisk Lettmetall, Skarphagen went even further, arguing in March 1942 that German military-strategic interests should be given prevalence over Norwegian business development.³¹

Shortly after Skarphagen came into office, the hydropower project in the Pasvik River was picked up again. In March, state level talks were quickly prepared, and renewed negotiations were to be conducted in accordance with the preliminary agreement reached the year before. A Norwegian delegation was appointed, headed by Skarphagen, who represented the Norwegian state. General director of AS Sydvaranger Fredrik Behrens represented the mining company, whereas the German Reich skommissariat was represented by F. Heuser from Arbeitsgemeinschaft.³² The Finnish delegation included state representation by way of Minister of Foreign Affairs Henrik Ramsey, as well as representatives from circles of diplomats and judicial, engineering and hydropower expertise.³³

In May 1942, a meeting was summoned in the German Foreign Office in Berlin, Auswärtiges Amt. In a confidential letter to the Reich skommissariat shortly before the meeting, director Behrens of AS Sydvaranger wrote that he expected the talks to become difficult, as he was informed by his contacts in Finland that the Finnish state administration had internal disagreements on a number of points in the preliminary plans made the year before.³⁴ In addition, the percentage split of the hydropower of the border river between Norway and Finland was a key issue of disagreement. The archives of the Norwegian Directorate for Water and Energy contain several documents prepared by Behrens before and during the Berlin meeting, describing in a systematic way the geography of the border region, judicial aspects of joint Norwegian-Finnish use of the hydropower as seen from a Norwegian perspective, and also the production and power needs of AS Sydvaranger and the efforts of the company since the beginning of the century to exploit hydropower from the border river of Pasvik. The sources indicate that Behrens did what he could to argue the case of AS Sydvaranger, including a 50–50% split of the hydropower between the two parties.³⁵

The negotiations turned out fruitless, except that the delegations agreed to continue the work.³⁶ On 3–7 November 1942 they met again, this time in Helsinki. A detailed protocol from the negotiations shows that the parties now compromised on the issue of percentage split of the hydropower: an agreement was reached stating that 70% of the waterpower belonged to Finland and 30% to Norway, with an option for Norway to buy another 20%. Finland alone was to be responsible for building and maintaining the plant, and most of the construction expenses would be defrayed by the Petsamon Nikkeli Oy. Apart from this, the protocol was in line with the preliminary agreement reached in May 1941: The parties agreed that a new power plant was to be built in Skoltefossen on the Finnish side, and new subsidiaries of the two mining companies would be established to apply for 50 years' long concessions from their respective states.³⁷

As a result of the Helsinki negotiations, the two subsidiaries Kolttaköngäs Oy in Finland and Harefossen Kraft AS in Norway were founded. The agreement contained a specific paragraph stating that the two countries of Norway and Finland had to approve of the plans before the project could be realized. In another paragraph, the Norwegian delegation agreed to a Finnish demand on damming up to contour 21 in the area of the planned hydropower plant. As we will see, both these issues would resurface and complicate matters with the Norwegian state administration and government over the next year, along with the issues of concession law and national control of the subsidiary Harefossen Kraft AS. But this was still in the future. Hans Skarphagen wrote in a report to the Norwegian Ministry of Labour that as far as he could tell, the agreement was highly beneficial from a Norwegian point of view.³⁸ The parties had now seemingly solved all judicial, technical, and financial questions concerning joint hydropower exploitation in the border river. Draft versions of all required applications and documents were forwarded by Harefossen Kraft AS to Norwegian authorities in late December 1942. The companies planned for a new meeting in February, to agree on details.³⁹

The *de jure* problem and director Behrens' solution

However, the issue of state approval of the plans soon presented itself as a major problem: The Finnish government did not *de jure* recognize the Norwegian government headed by

Minister President Vidkun Quisling and consisting of ministers from the Norwegian National Socialist Party. This meant that Finland could not formally enter into an agreement on the border river with the Norwegian government representatives. In January 1943, a solution to this problem was sketched out in a document written by general director Fredrik Behrens. Here, Behrens suggested that the representative signing the concession granting the rights to use the water of the Pasvik River on behalf of Norway should be not one of the ministers or Quisling himself, but a figure representing the Norwegian state administration. Behrens proposed the head of the Directorate for Water and Energy, Hans Skarphagen. He went on explaining that to empower Skarphagen with the formal authority to sign the concession on behalf of Norway, permission had to be granted by Minister President Quisling. Behrens assured the recipients of the document that he had sought legal advice on the procedure from Supreme Court attorney Carl Lundh, a board member of AS Sydvaranger. Behrens had also discussed the procedure with the Ministry of Interior and its Department of Foreign Affairs, who approved. Furthermore, wrote Behrens, he had informed the leadership of Petsamon Nikkeli Oy, who accepted the solution and promised to discuss it with Finnish authorities.⁴⁰

Within a few weeks, Behrens's plan was formally approved by Norway's Minister of Interior, Albert Hagelin, who informed the Ministry of Labour about the decision.⁴¹ On 4 March, Minister President Quisling assembled a government meeting where he stated that he had no objections to the plans between Norway and Finland on hydropower exploitation in the Pasvik River, which were to be pursued in accordance with the lines drawn up in a speech given by the Ministry of Labour at the meeting.⁴²

The archival documents from the Norwegian Directorate for Water and Energy indicate that the speech performed in the government meeting on March 4, and approved by Quisling, was written by someone in the Directorate for Water and Energy, perhaps director Skarphagen himself. Whereas no final typewritten or printed version of the speech can be found in the archives of the Directorate, a draft is preserved. This contains a paragraph on the authorization of the head of the Directorate to grant concession rights to the subsidiary of AS Sydvaranger in the Pasvik River, Harefossen Kraft AS.⁴³ Moreover, the draft emphasizes that the majority of stocks of Harefossen Kraft AS were on Norwegian hands, ensuring that the plans were in accordance with Norwegian concession laws. A sentence stating that some of the stocks that were formally registered on Swedish and Deutsch ownership, were actually on German hands, is crossed out in the draft version, presumably to avoid discussions about German interests in the project. The draft went on to explain that Harefossen Kraft AS had obtained permission from the Ministry of Trade and Industry to enlarge its funds from 10 million to 16 million Norwegian kroner, of which 50% was allowed to be on foreign hands.⁴⁴

Other documents from March 1943 confess to the fact that the Pasvik River project was becoming highly controversial within the government of Quisling. The Norwegian Ministry of Agriculture voiced concern over national interests in the border region, and pointed out that in the longerrun, additional hydropower would be needed to provide electricity for the county of Finnmark. The county's population was growing, and Norwegian authorities were running a settlement program in the immediate border region. 'This must be taken into consideration [...], and Norway must secure rights to construct new hydropower stations in the [upper] border river in the future [...] more specifically in Skogfoss and Melkefoss [and perhaps even] Grensefoss', the Ministry

pointed out. Moreover, the Ministry was concerned that the projected damming should not under any circumstances exceed contour 19, as this would lead to flooding of both farms, roads, and valuable forest on the Norwegian side of the border. Traditional timber rafting and salmon fishing in the river should also be provided for in a good way.⁴⁵ Similar concerns were voiced by Minister of Labour Tormod Hustad.⁴⁶

Skarphagen answered the Ministries that Norway would of course ensure the right to future constructions further upstream in the border river, and thus secure electricity for Finnmark County as a whole. However, wrote Skarphagen, the terms of the draft concession implied that no more than 10% of the produced hydropower was to be set aside for Sør-Varanger Municipality, and no more than 5% for the state. He went on reassuring the Ministries that AS Sydvaranger would provide the necessary electricity to the municipality, which he expected to be modest, within the existing terms of the concession:

The power needs are quite small for the time being, and there is no reason to believe that the terms stated in the concession on the amount of power to be transferred [to the municipality] are insufficient. Most likely, only a part of this power will actually be used,

Skarphagen argued.⁴⁷

May 1943: Last issues to be settled

On 5–8 May, 1943, a third round of state level negotiations was conducted in Stockholm's Grand Hotel and at the Finnish Embassy in Sweden. A topical issue on the agenda now concerned the board of the subsidiary of Petsamon Nikkeli Oy, the Kolttaköngäs Oy which was to supervise the construction plans. The parties agreed that the board should consist of two representatives from Petsamon Nikkeli Oy, one representative from the state of Finland, and one representative from AS Sydvaranger.⁴⁸ In addition, the level of damming was discussed and once more settled on contour 21, as the Finnish representatives insisted on this. Positive intentions were expressed from both sides to continue with future joint hydropower projects above lake Sundvatnet as well as in the Neiden River, in accordance with suggestions put forward by director Behrens.⁴⁹

With these issues settled, AS Sydvaranger once more prepared all documents for the necessary state permissions in Norway. On 17 May, the Ministry of Labor received a letter from Harefossen Kraft AS applying for a concession to exploit the hydropower between lake Sundvatnet and the Arctic Ocean, as well as permission to expropriate the needed grounds along the river. Two separate permissions were sought for AS Sydvaranger to buy the produced hydropower from Harefossen Kraft AS, and to transfer the power by cable to the mining facilities around Kirkenes. The company assured the Ministry that all stocks in the Harefossen Kraft AS were owned by AS Sydvaranger, except for two, who belonged to 'people close to our company'. Last, the company attached a copy of the statutes for Harefossen Kraft AS and explained in more detail the stock funding of the subsidiary: 100 stocks with a value of 100 Norwegian kroner per stock were according to the statutes to be owned or bought only by the state, municipalities and/or citizens of Norway, or by the National Bank of Norway. Other banks or companies could only obtain stocks in the company by special permission from the Norwegian state. AS Sydvaranger was the only party with permission to hold a majority of stocks. Others would need royal permission.⁵⁰

Three weeks later, a short letter from director Behrens to Skarphagen at the Directorate for Water and Energy indicated that by now the paperwork and formalities were well underway: 'The contract is now sent to Helsinki for signatures, and we will send you an official translation of it as soon as all signatures are in place', Behrens wrote to Skarphagen.⁵¹ However, when assessing the application from Harefossen Kraft AS, the two Ministries of Agriculture and of Labour insisted that damming up to contour 21, as suggested in the documents, was unacceptable from a Norwegian perspective as it would inflict damage upon valuable land and forest on the Norwegian side of the river. In response to this, Hans Skarphagen hastily requested that a special commission be established to examine the landscape once more.⁵² A commission was quickly convened and put to work in August.⁵³ The conclusion arrived in early December 1943. Skarphagen immediately informed the Ministry of Agriculture that the commission recommended contour 21.⁵⁴ The Ministry of Agriculture took its time to process this and only in the middle of January stated that they trusted the commission's assessment and agreed to contour 21. Still, the Ministry wrote, it should be taken into consideration that this decision would put 1013 acres of forest under water. A compensation fund should be established for this as well as for potential damage on the public rights to fishing and travelling on the river.⁵⁵

Spring 1944: Time running out

In late April 1944, Skarphagen forwarded a letter to Minister of Trade and Industry Eivind Blehr, containing all documents and applications from Harefossen Kraft AS requested by the state to close the deal with Finland on hydropower exploration in the Pasvik River.⁵⁶ Skarphagen attached the agreement reached during the negotiations in Stockholm in May 1943. A handwritten letter from Skarphagen accompanying the documents reveals the political sensitivity of the matter. At the top, Skarphagen had written 'I have assumed that this letter should be addressed to you [Minister of Trade and Industry Eivind Blehr] personally'. Skarphagen was appealing to Blehr directly, probably hoping to make an alliance that could solve the issue in his favour. The attached documents were mostly identical to the papers submitted by Harefossen Kraft AS to the Ministry of Labour in May one year earlier – but one significant addition had been made: in the new papers, Skarphagen emphasized that the board of the subsidiary company Harefossen Kraft AS was required to be seated in Norway and should consist solely of Norwegian citizens. As in the papers from May, it was highlighted that the stocks of Harefossen Kraft AS could be acquired only by the Norwegian state and Norwegian citizens, and stock majority could not be owned by companies using or renting hydropower elsewhere in Norway, nor by anyone controlling majority of stocks in another company who owned or rented hydropower in Norwegian rivers – unless royal permission was given for this. The only exception from this was AS Sydvaranger, who was allowed to own a majority of Harefossen Kraft AS stocks.⁵⁷

The answer from Minister Blehr was not encouraging. After two weeks, Blehr wrote that he had not had time to look into the matter, and he returned the documents with a short statement that the contract between Harefossen Kraft AS and Kolttaköngäs Oy could be concluded only after the governments of both Norway and Finland had given their

approval of the project.⁵⁸ The Minister obviously did not want to discuss the matter with Skarphagen directly.

Simultaneously, time was running out for war time plans on the Pasvik River hydropower project. The German defeats in the Soviet Union in 1943 and early 1944, in particular the Red Army's lifting of the siege of Leningrad, made it gradually more clear to Finland that it was time to break away from Germany. During the first months of 1944, Finland conducted preliminary peace talks with the Soviet state powers.⁵⁹ Materials from the archives of AS Sydvaranger show that in March 1944, the company was actively assessing other hydropower sources than the waterfalls of the Pasvik River, such as Norskvelven in Gandvik and Adamselven.⁶⁰ Still, a letter from the middle of April 1944 indicates that director Behrens still hoped that the Pasvik project could be realized.⁶¹ Two months later, he had changed his mind. The developments in international politics made him order factory director Hans Torgersrud in Kirkenes to secure a swift expedition of invoices to the German company Rohstoffhandel and others, 'because one believes that the occupation situation [in Norway] can change fairly soon'.⁶²

Behrens was right. During the autumn of 1944, Germany withdrew its troops on the Northern Front, forcibly evacuating the population of Finnmark and northern Troms Counties in Norway and implementing a policy of scorched earth.⁶³ On the Finnish side of the border in the north, construction on the Upper Jäniskoski worksite were dramatically interrupted as Finland signed the Moscow truce agreement with the Soviet Union on 19 September 1944. In October 1944, Soviet forces entered the Petsamo region, only to discover that the German soldiers had destroyed the mines in Kolosjoki and all industrial infrastructure in the area.⁶⁴

To AS Sydvaranger, the end of the war meant that production facilities and properties in Kirkenes were severely damaged, as the retreating German troops burned down almost all existing buildings and infrastructure. The end of the war and the Soviet seizing of Petsamo also meant that the hydropower plans with Finland were dead. In May 1945, AS Sydvaranger filed a long report entitled 'Overview of future energy needs and potential hydropower constructions' marked 'For internal use only'. Concluding on the Pasvik River hydropower project, the report stated that the future of the preliminary agreements reached in 1943 between Kolttaköngäs Oy and Harefossen Kraft AS was most uncertain; '[W]hether this agreement [...] will be realized now that Russia [the Soviet Union] has taken over the Petsamo region and Petsamon Nikkeli Oy, is unclear'.⁶⁵ The report shows that AS Sydvaranger had started making estimates of the hydropower resources in five other rivers, all located on undisputed Norwegian territory.

Negotiating national and corporate interests under German occupation

It belongs to the story that the rapids of the Pasvik River would eventually be exploited jointly by Norway and the Soviet Union after an agreement was reached in 1957.⁶⁶ The realization of the project during the Cold War speaks to the importance of the hydropower for industrial development in the border region, as seen from both a Norwegian and Soviet perspective.

As for the war period, the archival materials that this study is based upon reveal how AS Sydvaranger was a main driving force for the Pasvik River hydropower project. Director of AS Sydvaranger Fredrik Behrens eagerly embraced the opportunity for renewed negotiations under the new political and military circumstances in the border region in 1940, and worked systematically throughout the war years to reach an agreement that would secure the corporate interests of his company. Moreover, the materials indicate that the Finnish side was somewhat hesitantly pushed into negotiations by Germany. Due partly to judicial complexities, but primarily to disagreement within the Norwegian state administration whether it was in Norway's national interest to develop hydropower under German control, the project never came to fruition.

The difficult negotiations and the unsuccessful attempt to make use of the 'white coal' of the Pasvik River during the war is part of a bigger picture of failed plans on hydropower in German-occupied Norway. A major complicating factor was the growing conflict during the war within the Norwegian state administration and also within the National Socialist Party on economic cooperation with Germany. As previous studies have shown, Hans Skarphagen and Alf Whist on the one hand, and Tormod Hustad and Eivind Blehr on the other, represented opposite positions concerning industrial cooperation with Germany. Whereas Skarphagen and Whist have been characterized as utterly German-friendly, Hustad and Blehr took a far more restrictive position, voicing concern that Norwegian long-term national interests were being sold out by German engagement with Norwegian industry and hydropower resources. During his period as Minister, Blehr argued that Norway under the government of Quisling was better off preserving a certain level of independence from Germany, and he repeatedly rejected demands from the German administration in Norway on economic integration.⁶⁷ The conflict within the National Socialist Party reached a high point during a Ministerial meeting on concession for AS Nordag and AS Nordisk Lettmetall in May 1943. Here, Eivind Blehr together with Minister of Labour Tormod Hustad accused Skarphagen and Alf Whist of acting in an 'un-national manner'. Hustad later added that he believed Skarphagen and Whist were paid by Germany.⁶⁸ After Hustad refused to withdraw the accusation, he was asked in February 1944 to resign from his ministerial position, only to be replaced by Skarphagen. Some months later, Blehr was also forced to withdraw. He was replaced by Whist.⁶⁹

The archival materials on the Pasvik River hydropower project reflect this conflict within Quisling's government, between a pronounced 'national line' and a German-friendly line. The study shows how the Ministries of Labour and of Agriculture from March 1943 voiced explicit concern that Norwegian national interests were not sufficiently safeguarded in the preliminary agreements reached on the Pasvik River project. Moreover, the sources show that AS Sydvaranger and director Fredrik Behrens played a topical role throughout the negotiation process, working closely with Hans Skarphagen as he was appointed head of the Directorate on Water and Energy to forward negotiations with Finland and secure the approval of the project and concession rights from Norwegian authorities. Behrens' plan to solve the judicial problem on granting of concession rights seems to have been key to realize the project. Even if the archival materials do not unveil all details of the negotiation process, the sources indicate that the Pasvik project was close to success. However, the rejection from Minister Blehr to process the applications in the spring of 1944 halted the project.

The materials analysed in this article do not contain any outspoken ambitions from Hans Skarphagen to achieve privileged concessions for the Pasvik River project, as was the

case in the AS Nordag and AS Nordisk Lettmetall projects that Skarphagen also negotiated from early 1942.⁷⁰ However, the many draft agreements and attached applications worked out on behalf of Harefossen Kraft AS bear witness to the fact that strict compliance with the concession laws became key during 1943 and early 1944 to attain the necessary permissions from the involved Norwegian ministries. The sources can be read as indications that Skarphagen tried to stretch the limits of the concession laws in the Pasvik River project, without success, and that he was pushed into compliance with the laws by the Ministries of Labour and Agriculture. Still, we cannot conclude on this; the sources are fragmented, and the long and difficult negotiation process was never completed.

Fredrik Behrens and Hans Skarphagen cooperated closely to advance the Pasvik River hydropower project, which they seem to have perceived as a mutual goal. The sources reveal how both Behrens and Skarphagen on several occasions during the negotiations worked to settle disputed issues and conclude a final agreement. This goes both for Behrens' solution to the problem of Finland not recognizing *de jure* the government of Quisling, and for Skarphagen's hastily established commission on the contour issue. Also, the way Skarphagen chose to dismiss concerns voiced by the Ministries of Agriculture and Labour on the long-term supply of electricity in Finnmark County can be read in this context. The sources indicate that realizing the project on hydropower exploitation in the Pasvik River was paramount to these two key actors.

At the same time, Behrens and Skarphagen held different positions and worked to advance quite diverging interests: Behrens was promoting the private business interests of AS Sydvaranger in what was very harsh economic times, whereas Skarphagen was working on the instruction of Quisling to forward cooperation with Germany on Norwegian hydropower. Previous research has shown that Skarphagen took a radical position within the National Socialist Party, arguing that securing victory for Germany was priority number one and should be given prevalence when developing Norwegian industry. Skarphagen's persistent involvement in the Pasvik River project was presumably driven by the same motivation and perceptions, as the Pasvik River negotiations were parallel in time and purpose with Skarphagen's involvement in the Nordag and Nordisk Lettmetall negotiations.

The ensuing political and judicial processes after the war speak to the fact that the roles and motivations of Behrens and Skarphagen were perceived to be very different also by their contemporaries. In 1946, Skarphagen was sentenced to 20 years of forced labour, due to his German friendly attitudes and policy line.⁷¹ Behrens for his part was considered a pillar of society and admitted a key role in the planning and restoration of Kirkenes town in the immediate post-war years.⁷² The infrastructure and production of AS Sydvaranger had been seriously damaged during the war, and the mining company and its director were clearly perceived as victims of the German occupation. The archival documents on the Pasvik River hydropower project during the war demonstrate how the German military control on both sides of the border paved the way for and played heavily into Norwegian-Finnish negotiations, and how corporate and national interests were linked and navigated by key Norwegian actors. The materials also clearly show how national interests were perceived as closely related to security in the border region, and how the dispute within the National Socialist Party on Norwegian long-term national interests concerning hydropower played a role also in the case of the Pasvik River project.

Notes

1. Thue, *Statens kraft*; Storeide, *Norske krigsprofitører*; Sanders, "Skorovas Gruber"; Sandvik and Scherner, "Why did Germany"; Sanders and Ingulstad, "Hitler's Achilles Heel?"; and Hoppe, "Å holde hjulene i gang".
2. Sørensen, *Hitler eller Quisling*; Ødegaard, "Kampen om vannkraften"; and Thue, *Statens kraft*.
3. Fasting, *Aktieselskabet Sydvaranger*; Lunde, *Sør-Varangers historie*; Sør-Varanger historielag, *Sør-Varanger under 2. verdenskrig*; Wikan, *Grubeforeningen Nordens Klippe*.
4. Karelin, "The Problem of Pasvik Border River"; Frey, "A Fluid Iron Curtain"; Brusletto, "Forhandlinger".
5. On the biography of Fredrik Behrens, see Skadsem, *Fredrik Behrens*.
6. Karelin, "The problem of Pasvik Border River". On Norway's border diplomacy in the North up until 1920, see Myklebost, "Nikolai Prebensen and Norway's First Legation in Russia, 1906–1920".
7. Fasting, *Aktieselskabet Sydvaranger*, 82–4; Eloranta and Nummela, "Finnish Nickel"; Sandvik and Scherner, "Why did Germany".
8. In the years 1943–1944, the nickel shipped from the Kolosjoki mines run by Petsamon Nikkeli Oy made up 80% of the nickel supplies of Germany. Cf. Rowe, "Russia is interested," 127; Vahtola, "Kaivostoiminta Petsamossa".
9. Fagertun, *Overfall og okkupasjon*; Vehviläinen, *Finland*.
10. Fasting, *Aktieselskabet Sydvaranger*, 62–4; 78–80.
11. Hoppe, "Å holde hjulene i gang," 52–3.
12. Fasting, *Aktieselskabet Sydvaranger*, 82–3.
13. Fosdalen Bergverk was the only mine in Norway producing substantial amounts of iron ore for German steel and weapon industry during WWII, cf. Hoppe, "Å holde hjulene i gang," 49.
14. Thue, *Statens kraft*, 352–6, 361.
15. Thue, *Statens kraft*; Ødegaard, "Kampen om vannkraften"; Sanders and Ingulstad, "Hitler's Achilles Heel," 365.
16. "Norjan itsehallinto – Saksan päämäärä," *Helsingin Sanomat*, December 24, 1940, 7.
17. "Norjasta sähkövirtaa Tanskaan ja Saksaan," *Helsingin Sanomat*, November 12, 1941.
18. "Föreligger dock ett avtal i princip?," *Hufvudstadsbladet*, February 12, 1942, 6; see also Thue, *Statens kraft*, 358; Storeide, *Norske krigsprofitører*.
19. Thue, *Statens kraft*, 359–62, 370–5. Cf. also Sanders, "Skorovas Gruber"; Hoppe, "Å holde hjulene i gang," who document a pragmatic attitude with Norwegian business leaders towards cooperation with Germany, to keep their factories running during the occupation, or who even saw German investments to be in line with long-term interests of Norwegian industry.
20. Thue, *Statens kraft*, 372.
21. Dahl et al. *Norsk krigsleksikon*, 184–5.
22. RA/S-5946/D/Dc/L0098a, letter from AS Sydvaranger to Ministry of Labour, May 30, 1941; see also Fasting, *Aktieselskabet Sydvaranger*.
23. RA/S-5946/D/Dc/L0098a, letter from AS Sydvaranger to Ministry of Labour, May 30, 1941.
24. RA/S-5946/D/Dc/L0098a, letter from AS Sydvaranger to Ministry of Labour, May 30, 1941; PM wegen Ausbau der Wasserkraft im niederen Lauf des Pasvikflussen. Anlage I. May 24, 1941. Signed Fr. Behrens.
25. RA/S-5946/D/Dc/L0098a, letter from AS Sydvaranger to Ministry of Labour, May 30, 1941.
26. RA/S-5946/D/Dc/L0099, letter from the Board of the Directorate for Water and Energy to Ministry of Labour, August 5, 1941: On the rental of waterfalls in Pasvik.
27. Letter from the Ministry of Foreign Affairs to the Ministry of Trade and Industry February 4, 1942. Koskitoimikunnan arkisto, National Archives of Finland (KA), Helsinki. However, the Embassy of Germany in Helsinki did not respond to Finland until January 1942, when the Ministry of Foreign Affairs in Helsinki received a letter stating that Germany was now willing to negotiate further on a joint Finnish-Norwegian hydropower plant in the Pasvik River. Cf. Letter of the Finnish Foreign Ministry to the Finnish National Rapid Committee (Koskitoimikunta), February 4, 1942. TVH files. National Archives of Finland (KA).

28. P.M. Koskeva Paatsjoen alajuoksun vesivoiman hyväksikäyttämistä. Report by J. O. Söderhjelm, May 28, 1941. Koskitoimikunnan arkisto, National Archives of Finland (KA), Helsinki. According to Hugo Malmi, a leading figure in the negotiations, the German authorities had suggested negotiations. Cf. Letter from the Finnish National Rapid Committee to the Ministry of Transport and Public Works, February 2, 1942. Koskitoimikunnan arkisto. National Archives of Finland (KA), Helsinki.
29. Thue, *Statens kraft*, 359–62, 370–5.
30. Thue, *Statens kraft*, 373–8.
31. Dahl et al., *Norsk krigsleksikon*, 382, 450; Sørensen, *Hitler eller Quisling*, 225–31; see also Ødegaard, “Kampen om vannkraften,” 92–3.
32. Cf. Thue, *Statens kraft*, 369.
33. The delegation included one of Finland’s leading engineers, Hugo Malmi, head of the Finnish Hydropower Commission and managing director of the construction company Imatran Voima Oy.
34. RA/S-5946/D/Dc/L0098a, Vertraulich. Betr. Ausnutzung der Wasserkraft im niederen Lauf des Pasvikflusses. Signed Oslo, May 23, 1942. Behrens.
35. RA/S-5946/D/Dc/L0098a, Vertraulich. Betr. Ausnutzung der Wasserkraft im niederen Lauf des Pasvikflusses. Signed Oslo, May 23, 1942. Behrens. PM wegen Ausbau der Wasserkraft im niederen Lauf des Pasvikflussen. Anlage I. Signed May 24, 1941. Behrens.
36. Dr. K. Schnurre’s letter on July 4, 1942 to August Ramsay Helsinki. Correspondence in 1942. Koskitoimikunnan arkisto. National Archives of Finland (KA), Helsinki. Cf. also RA/S-5946/D/Dc/L0098a, letter from Skarphagen to Minister Hustad, Ministry of Labour November 23, 1942.
37. RA/S-5946/D/Dc/L0098a: Protokoll fört vid finsknorska underhandlingar angående utbyggnad av de mellan Salmijärvi/Sundvatnet och Ishavet liggande forsarna i Paatsjoki/Pasvikelv. Underhandlingarna föriggingo den November 3-7, 1942 å Imatran Voima Osakeyhtiös kontor i Helsingfors.
38. RA/S-5946/D/Dc/L0098a: Maskinskrevet brev fra NVE/Skarphagen til herr minister Hustad, Arbdep, her. Ad utbygging av Skoltefoss og Harefoss i Pasvikelven, November 23, 1942.
39. Negotiations between Norway and Finland, and Finland and the Petsamo Nickel Company Ltd in November 3-7, 1942, and Minutes of the Finnish-Norwegian committee related to the use of the downstream rapids in the Paatsjoki (Pasvik) River, November 11, 1942, and Reports and Minutes related to the constructions of the Paatsjoki River. VVT files. National Archives of Finland (KA), Helsinki.
40. RA/S-5946/D/Dc/L0098a, letter signed by Fr. H. Behrens: Betr. Wasserkraft Pasvik, January 16, 1943.
41. RA/S-5946/D/Dc/L0098a, letter from Minister Hagelin to Minister of Labour Hustad, March 1, 1943.
42. RA/S-6242/F/Fa/L0537: Letter from the Ministry of Labour to the Directorate of Water and Energy, March 6, 1943. See also RA/S-5946/D/Dc/L0098a, letter from Ministry of Labour to Head of Directorate for Water and Energy, Hans Skarphagen, March 5, 1943.
43. RA/S-5946/D/Dc/L0099, ‘7/1943 Innstilling om utbygging av Skoltefoss og Harefoss i Pasvik. Vedtak 4/3 1943’.
44. This was in line with Norwegian concession laws from 1906–1907, which were adopted to limit foreign exploitation of Norwegian hydropower. The laws stated that only companies where a majority of the board and capital was Norwegian, could be included in the Register of Trade and thus receive loans and credit from Norwegian banks. The laws also stated that Norwegian construction materials and workers should be prioritized, and 10% of hydropower production was to be transferred to the state and municipality. See Ødegaard, “Kampen om vannkraften,” 8.
45. RA/S-6242/F/Fa/L0537. Draft report from the Norwegian Ministry of Agriculture, March 4, 1943; see also RA/S-5946/D/Dc/L0099, PM om utbygning av Skoltefoss og Harefoss i Pasvik; letter from Ministry of Agriculture to Ministry of Labour, March 10, 1943.
46. RA/S-6242/F/Fa/L0537, Letter from the Ministry of Labour, March 4, 1943.

47. RA/S-5946/D/Dc/L0099, letter from director Skarphagen to Ministry of Labour, March 16, 1943: Utbygging av Skoltefoss og Harefoss i Pasvik.
48. Draft of the Kolttaköngäs Power Plant Oy in 1941, and Yhtiöjärjestys (the corporate by-laws) of the Kolttaköngäs Voima Oy in 1942, and Protokoll fört vid finsk-norska underhandlingar angående av de mellan Salmijärvi/Sundvandet och Ishavet liggande forsarna i Paatsjoki November 3–7, 1942 i Helsingfors. VVT files, National Archives of Finland (KA), Helsinki; Overenskomst. Signed on May 8, 1943 by J. O. Söderhjelm from the Kolttaköngäs Oy, Fr. Behrens from the Harefossen Kraftaksjeselskap, J. O. Söderhjelm and Walter Nordin from Petsamon Nikkeli Oy and Kristian Nygaard and Fr. Behrens from the Aktieselskabet Syrvaranger. Koskitoimikunnan arkisto, National Archives of Finland (KA), Helsinki; see also *Helsingin Sanomat*, February 21, 1943, 17.
49. RA/S-5946/D/Dc/L0099, letter from AS Sydvaranger to the Directorate for Water and Energy, May 12, 1943: Protokoll fört ved finsk-norske underhandlingar angående utbygginge av de mellan Salmijärvi/Sundvandet och Ishavet liggende forsarna i Patsjoki/Pasvikelv. Underhandlingarna foreginggigo den May 5–8, 1943 på Finlands Beskickning i Stockholm.
50. RA/S-5946/D/Dc/L0099, letter from AS Sydvaranger to Ministry of Labor, May 12, 1943.
51. RA/S-5946/D/Dc/L0099, letter from AS Sydvaranger to the Directorate for Water and Energy May 12, 1943.
52. RA/S-5946/D/Dc/L0098a, letter from Skarphagen, head of the Directorate for Water and Energy to the Ministry of Labour, July 14, 1943.
53. RA/S-5946/D/Dc/L0098a, letter from the Ministry of Justice to Skarphagen, 28.07.1943; letter from Ministry of Agriculture to Ministry of Labour, August 16, 1943; letter from Skarphagen to Ministry of Labour, August 20, 1943; RA/S-6242/F/Fa/L0537, letter from Commission on dams in Klistervatn and Sundvatn to the Directorate for Water and Energy, September 24, 1943; attachment to letter: Tabular overview of damage on property after construction in Skoltefoss, Harefoss, m.v.; Letter from the Directorate for Water and Energy to the Ministry of Labour, October 12, 1943: Commission costs and receipts.
54. RA/S-5946/D/Dc/L0098a, letter from Skarphagen to Ministry of Agriculture, March 12, 1943.
55. RA/S-5946/D/Dc/L0098a, letter from Ministry of Agriculture to Skarphagen, January 20, 1944.
56. RA/S-5946/D/Dc/L0098a, letter from Minister Skarphagen til Minister E. Blehr, April 27, 1944.
57. RA/S-5946/D/Dc/L0098a, letter from Minister Skarphagen til Minister E. Blehr, March 27, 1944, attachment.
58. RA/S-5946/D/Dc/L0098a, letter from Minister Blehr to Minister Skarphagen, May 16, 1944.
59. Vehviläinen, *Finland*; see also Rowe, *Industry, War*, 57.
60. GR/Sydvarangerarkivet, 10: Krig og gjenreiseing, boks 2–235: Behrens to Torgersrud, March 3, 1944.
61. GR/Sydvarangerarkivet, 10: Krig og gjenreiseing, boks 2–235: Behrens to engineer Lien, April 18, 1944.
62. GR/Sydvarangerarkivet, 10: Krig og gjenreiseing, boks 2–235: Behrens to Torgersrud, June 14, 1944.
63. See Bones, *Kampen om frihet*.
64. Rowe, *Industry, War*, 57.
65. RA/S-6242/F/Fa/L0537, "Overview of future energy needs and potential hydropower constructions", AS Sydvaranger May 4, 1945.
66. Frey, "A Fluid Iron Curtain"; Brusletto, *Forhandlingler*.
67. Dahl et.al., *Norsk krigsleksikon*, 44, 382; Ødegaard, "Kampen om vannkraften," 92–4.
68. Sørensen, *Hitler eller Quisling*, 227 f.; Ødegaard, "Kampen om vannkraften," 115–7.

69. Ødegaard, "Kampen om vannkraften," 116 f.; Thue, *Statens kraft*, 374.
70. Cf. Sørensen, Hitler eller Quisling, 225 on 'privileged concessions'.
71. Dahl et al., *Norsk krigsleksikon*, 382.
72. GR/Sydvarangerarkivet, 10: Krig og gjenreising, boks 1–234; Skadsem, *Fredrik Behrens*.

Disclosure statement

No potential conflict of interest was reported by the author(s).

Notes on contributors

Kari Aga Myklebost is Professor of History and holds the Barents Chair in Russian Studies at UiT – The Arctic University of Norway.

Maria Lähteenmäki is Jutikkala Professor and historian at the Karelian Institute, University of Eastern Finland.

References

Archival sources

National Archives of Norway, Oslo (RA):

Archive of the Vassdragsavdeling/Norges vassdrags- og elektrisitetsvesen (Directorate for Water and Energy) under the Norwegian Ministry of Labour:

RA/S-5946/D/Dc/L0098a

RA/S-5946/D/Dc/L0099

RA/S-6242/F/Fa/L0530 – L0538

Grenselandmuseet, Kirkenes

Archive of AS Sydvaranger [Sydvarangerarkivet]:

No. 10: Krig og gjenreising, boks 2–235

National Archives of Finland, Helsinki (KA):

Koskitoimikunnan arkisto (Valtion vesivoimatoimikunnan ja vesistöjen säännöstelytoimiston arkisto/The Archives of the State Hydro Power Commission and Water Regulatory Office)

TVH files: Tie- ja vesirakennushallituksen vesivoimaosaston arkisto/Vesilaitoksiin liittyvä kirjeistö 1928–1961

VVT files: Valtion vesivoimatoimikunta ja vesistöjen säännöstelytoiminta/Vesivoimaselvitykset 1920–1951/Petsamon voimakysymys

Newspapers

Helsingin Sanomat 1940–1941

Hufvudstadsbladet 1942

Bibliography

Bones, S., ed. *Kampen om frihet. Andre verdenskrig i nord*. Stamsund: Orkana Akademisk, 2022.

Brusletto, H. "Forhandlinger mellom Norge og Sovjetunionen om kraftutbygging i Pasvikelven 1945-1963. Norsk-sovjetisk brobygging under den kalde krigen." Master thesis in history. Universitetet i Oslo, 1994.

Dahl, H. F., et al., eds. *Norsk krigsleksion*. Oslo: Cappelens forlag AS, 1995.

Eloranta, J., and I. Nummela. "Finnish Nickel As a Strategic Metal, 1920–1944." *Scandinavian Journal of History* 32, no. 4 (2007): 322–345. doi:[10.1080/03468750701747528](https://doi.org/10.1080/03468750701747528).

- Fagertun, F., ed. *Overfall og okkupasjon. Andre verdenskrig i nord*. Stamsund: Orkana Akademisk, 2022.
- Fasting, K. *Aktieselskabet Sydvaranger 1906–1956*. Oslo-Kirkenes: Kirstes Boktrykkeri, 1956.
- Frey, F. "A Fluid Iron Curtain. Norwegian-Soviet Hydropower Cooperation in the Pasvik Valley, 1955–1965." *Scandinavian Journal of History* 45, no. 4 (2020): 506–526. doi:10.1080/03468755.2019.1629336.
- Hoppe, R. B. "Å holde hjulene igang: Fosdalens bergverks historie 1940–1945." *Trondhjemske Samlinger* (2017): 49–75.
- Karelin, V. "The Problem of Pasvik Border River Hydropower Resources Exploitation and Russian-Norwegian Border Cooperation: First Steps, 1906–1913." [In Russian, with English Abstract] *Nordic and Baltic Studies Review*, no. 7 (2022): 117–139.
- Lunde, A. *Sør-Varangers historie*. Vadsø: Sør-Varanger kommune, 1979.
- Myklebost, K. A. "Nikolai Prebensen and Norway's First Legation in Russia, 1906–1920." In *Caution & Compliance. Norwegian-Russian Diplomatic Relations 1814–2014*, edited by K. A. Myklebost and S. Bones, 71–85. Stamsund: Orkana Akademisk, 2012.
- Ødegaard, Ø. "Kampen om vannkraften, Tyske planer og norske reaksjoner 1940–1945." Master thesis in History. Universitetet i Oslo, 1992.
- Rowe, L. "Russia Is Interested in the Petsamo Nickel." *Journal of Slavic Military Studies* 33:1 (2020): 113–135. DOI: 10.1080/13518046.2020.1723235
- Rowe, L. *Industry, War and Stalin's Battle for Resources: The Arctic and the Environment*. I.B. Tauris: Bloomsbury, 2021.
- Sanders, A. R. D. "Skorovas Gruber, Elkem og norske bedrifters manøvreringsrom i det okkuperte Norge (1940–45)." In *Midnorske Historier*, edited by M.B. Rabben, A.R.D. Sanders, and M.A. Sæther, 101–140. Oslo: Novus Forlag, 2021.
- Sanders, A. R. D., M. Ingulstad. "Hitler's Achilles Heel? Norwegian Molybdenum As a Bottleneck in the German War Economy." In *Industrial Collaboration in Nazi-Occupied Europe. Norway in Context*, edited by H.O Frøland and M. Ingulstad, Scherner, 359–387. London, UK: Macmillan Publishers. Palgrave Studies in Economic History, 2016.
- Sandvik, P. T., J. Scherner. "Why Did Germany Not Fully Exploit the Norwegian Nickel Industry, 1940–45?." In *Industrial Collaboration in Nazi-Occupied Europe. Norway in Context*, edited by H.O Frøland and M. Ingulstad, Scherner, 273–298. London, UK: Macmillan Publishers. Palgrave Studies in Economic History, 2016.
- Skadsem, M. *Fredrik Behrens. Norsk biografisk leksikon* at snl.no. Accessed October 1, 2023. https://nbl.snl.no/Fredrik_Behrens
- Sørensen, Ø. *Hitler eller Quisling? Ideologiske brytninger i Nasjonal Samling 1940–1945*. Oslo: Cappelen, 1989.
- Sør-Varanger historielag. *Sør-Varanger under 2. verdenskrig. Arena i stormaktskonflikt*. Kirkenes: Sør-Varanger historielag, 1997.
- Storeide, A. *Norske krigsprofitører: Nazi-Tysklands villige medløpere*. Oslo: Gyldendal forlag, 2014.
- Thue, L. *Statens kraft 1890-1947: Kraftutbygging og samfunnsutvikling*. Oslo: Universitetsforlaget, 2006.
- Vahtola, J. "Kaivostoiminta Petsamossa." In *Turjanmeren maa. Petsamon historia 1920–1944*, edited by J. Vahtola and A. Onnela, 285–309. Rovaniemi: Petsamo-seura, 1999.
- Vehviläinen, O. *Finland in the Second World War: Between Germany and Russia*. New York: Palgrave, 2002.
- Wikan, S. *Grubeforeningen Nordens Klippe: Arbeiderkamp i nord 1906–2006*. Oslo: Pax Forlag, 2006.