

# **The Comintern Experience:** **How it influenced the Icelandic Left**

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## **Introductory**

### **Icelandic Socialists and the Soviet Union**

The Communist Party of Iceland had a short life. On paper it looks as if Iceland had a Communist party for mere 8 years from 1930 to 1938. In 1930 a leftist group split from the Labour Union, which was then an association of both trade unions and socialist organizations, to form a Communist party. This party became at once a member of the Communist International, the Comintern. In 1938 after more than a year of negotiations and conflict, a left arm of the Labour Union again departed, this time to join with the Communists who then dissolved their party and founded the so-called United People's Socialist Party. This party was not officially a Comintern section but remained affiliated with the Comintern unofficially.<sup>2</sup>

The short life of a real Communist party, an actual member of the Communist International, in Iceland is thus deceptive. Icelandic Communists and radical Socialists began their affiliation with the Comintern in 1920. For various reasons, however, they chose to remain a part of the Labour Union

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<sup>2</sup>The Labour Union had not been separated from the Social-Democratic party. Until 1940 the Social-Democrats were thus officially in control of the trade union movement in the whole country.

and therefore de facto members of a Social-Democratic party longer than most other Communists in Europe. This is somewhat surprising given Comintern's increasing leftism in the twenties, turning extreme by the end of that decade. Comintern's Executive Committee (ECCI) approved of this arrangements until 1928. Only then did the leadership send instructions to the Icelandic Comrades to found their own party.

In the latter half of the thirties the Comintern leadership strongly urged the Icelandic comrades to seek alliance with the Social-Democrats as by then had become the official policy of the Communist movement. First Comintern urged unity in trade union work as well as the formation of united electoral fronts. Later it suggested political and organizational unification in one Socialist party. The Comintern strongly opposed policies that might lead to a split in the Labour Party. In the end that was nevertheless the result of the united front negotiations that took place between Communists and Social-Democrats in 1936 and 1937. But since the new party consisted of Communists and left Socialists only, the Comintern affiliation remained in fact unchanged from what it had been in the days of the CPI.<sup>3</sup>

Between the world wars Iceland was an sovereign country under the Danish king whose government also handled most of Iceland's foreign affairs. It was only in 1944 that Iceland won its full independence, and a republic was founded. Given the tiny size of the population and the country's political insignificance the Comintern leadership paid considerable attention to the Icelandic comrades. Direct interference in their dealings started in 1924 when a Comintern representative was sent to

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<sup>3</sup>In this essay I refer to members of the radical left wing of the Labour Union until 1930 and members of the CPI as Communists. I refer to members of the Socialist Party founded in 1938 and members of the People's Union as Socialists. To members of the Labour Union who were moderate until 1930, those that remained there after the split

Iceland to solve a conflict between warring factions in the Socialist organization of Reykjavík. The ECCI regularly dealt with Icelandic affairs throughout the thirties and the last documented directive sent to the Icelandic comrades was issued in 1940.

The Communist movement in Iceland considered itself from the beginning to be a part of the world movement. The Communist International always seems to have regarded it to be genuinely Communist. Icelanders sent representatives to all major assemblies of the Communist International and its organizations except only for the first Congress of the Comintern in 1919. A relatively large number of Icelandic students went to study at party schools in Moscow in the thirties. Around 25 Icelanders studied at Comintern schools or about as many as came from Switzerland, to give a comparison (the Swiss population is 20 times greater than Iceland's).

Three aspects in particular of the Communist movement in Iceland make it a topic worthy of serious study:

(i) The Communist movement was a significant political force in Iceland before, during and after the CPI existed. In the twenties and thirties this movement was a conspicuous element in the trade unions even though the Communists never became strong enough to actually challenge Social-Democratic dominance in the Labour Union. In the forties, when the Social-Democratic party had finally been made independent of the Labour Union, the Socialist party (UPSP) became larger than the Social-Democratic party and gained control of some of the strongest workers organizations and trade unions. The party more or less maintained its strength until it was dissolved in 1968 when a new party was founded to accommodate a broad spectrum of leftist organizations.

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in 1930 and to members of the Social-Democratic party after 1940 as Social-Democrats.

(ii) The Icelandic Communist movement had less internal conflict than most European Communist movements. Comintern's authority was taken very seriously by the whole party and except for a conflict between a left wing and a right wing in the early days of the CPI, disagreement was contained by leaders of the party until in 1962. It is my hypothesis that Icelandic Communists greatly needed the international identity which affiliation with the ruling parties in the Soviet Union and Eastern Europe kept awake. The gradual moral collapse of Communism from 1956 to 1968 also marks the demise of radical Socialism in Iceland.

(iii) Before the second World War the Soviet Union did not have strategic interest in Iceland. Therefore the relations with the Icelandic CP can be characterized as purely political. This means, I believe, that Comintern's recommendations and instructions represent ideological commitment clearer than in most other cases where various other interests complicate the picture.

The Communist movement in Iceland remained within the political mainstream but never marginalized itself. The successes of the Communist Party in the thirties (8.5 % of the vote in 1937) were well followed up on in the forties by victories of the Socialist Party, especially in 1942 when the party got almost 20% of the general vote. The Communist leaders remained in the forefront of the party through the sixties. Their considerable influence on the political life in the country makes a study of their ties to the Comintern and later to the Communist Party of the Soviet Union necessary in order to elucidate an important part of post-war politics in Iceland. The study has also a more general interest. Soviet policy in and about Iceland are an important part of the history of the Cold war due to Iceland's strategic importance after World war II.

Iceland's strategic location was used by all political parties during the Cold for economic gain. The Socialists were no exception. Their negotiating position against the Communist Party of the Soviet Union would have been quite different had Iceland not been of strategic importance. The Socialist leaders, by sticking to a pro-Soviet attitude, could offer the Soviet leadership the possibility of political influence. This is in my view the main reason for a continued support of the Socialist party and its organizations in the fifties and sixties. During this time Soviet leaders seem to have thought that Iceland was in the process of gradually weakening its ties with the Western world while its ties to the Communist bloc were becoming stronger.

The Soviet connection, although largely secret and a matter of intense criticism from political opponents, was a trump card in the hands of the Socialists. The special access they had to the ruling body of a country that bought a large part of Icelandic exports gave them a key role in Iceland's foreign trade. This presented a second reason for them not to cut these ties even when they seemed to go against principles held by majority of party members.

In this essay I will try to shed light on the party connections. I will argue that the Socialist movement in Iceland was strongly influenced by Comintern methods, tactics, strategy and philosophy. I do not mean to say that Icelandic Communists or radical Socialists were "agents of Moscow." They did not, as a rule, receive detailed instructions or carry out orders. But fascination with Soviet culture and the promises of Communism channeled into the movement by direct experience of the Soviet Union and the Communist International determined methods and philosophy of the Socialist movement in Iceland for decades.

This essay is divided into two parts. In the first part I deal with the Comintern years, beginning with the first contacts made by Icelandic delegates who participated in Comintern's second congress, ending with a war-time journey of a leading party member to Moscow to receive advice on the work of the Icelandic Socialist party (UPSP) which by then had succeeded the CPI. In the second part I deal with the ties between this Socialist party and its successor, the People's Union, and the CPSU, from 1945 when Iceland and the Soviet Union made the first trade agreement, until 1981 when documents suggest that the relations between the two parties were not considered confidential anymore.

### **The state of research**

When Soviet archives started to declassify material pertaining to Soviet and international Communism and allow foreign scholars to enter their vaults the challenge was great for Icelandic historians. The situation in Iceland with respect to contemporary history is, I believe, inferior. Efforts to preserve and study contemporary records have only recently been professionalized. This applies especially to the history of the workers movement. Icelandic historians who have studied some aspects of it have been forced to rely on memoirs and oral accounts. The archival situation in Iceland has been, and remains, primitive. Several rudimentary document collections belong to labor and trade unions. The Socialist and the Social-Democratic parties also preserve incomplete collections of their records. But most of the materials that would have to form the basis of any serious historical study belong to

individuals, who are often extremely reluctant to allow scholarly use of their collections, even though they may have skillfully organized them.<sup>4</sup>

So far, however, the increased accessibility of former Soviet party archives has not resulted in a stream of discoveries and revelations as some may have hoped for. After a few sensational news-stories in the summer of 1992 and a documentary film highlighting the relations of the Icelandic left with the Comintern and the CPSU, new sources have not added substantially to factual knowledge about these relations.<sup>5</sup>

As elsewhere, debate in Iceland about the extent and significance of Soviet affiliation and co-operation is heavily politicized. This aspect of the debate has disappeared only very slowly. It is still very hard to avoid the charge of bias when taking part in any discussion, scholarly or not on matters related to the Socialist movement in Iceland and its ties to the Soviet Union. Charges of political sensationalism and witch hunt are not entirely unfounded. It was the practice of Western journalists to bribe Russian archivists in order to gain access to classified, scandalous materials. Many journalists and scholars pretended to be doing serious research in the former party archives while in actuality they were only interested in a story that would sell.<sup>6</sup>

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<sup>4</sup>Former Socialist Party leader Einar Olgeirsson is for instance known to have meticulously collected and preserved important documents. While he was alive he allowed historians he trusted limited access to his files. After his death, however, Einar's former political protege Ingi R. Helgason has preserved the collection and does not allow any use of it. See also Jón Ólafsson. 1992. *Römm er sú taug*. (The unbreakable strand) Icelandic National Broadcasting Service.

<sup>5</sup>It was revealed that Mál & menning, a publishing house closely connected to the Socialist movement, had received financial support in the fifties and sixties. Also that some leaders of the People's Union (a successor to the United People's Socialist Party which was dissolved in 1968) had maintained active contact with the CPSU throughout the seventies and even committed themselves to the cause of formal Party relations between the two parties in talks with Soviet representatives.

<sup>6</sup>A useful discussion of this aspect of research in Russian and Soviet history is provided in *Slavic Review* 52, 1/1993, 87-106. Especially Mark von Hagen: "An archival Goldrush" See also Mark Kramer "Archival Research in

This essay is the first to deal with the Socialist movement in Iceland from the perspective of its ties to the Soviet Union using Soviet sources as source material. Therefore it is one of my goals to seek a balanced tone of discussion, relying more on recent work in Soviet history than on traditions of the Icelandic debate.

Soviet archival material is slowly having its effect on Soviet and Communist history. Works like Stephen Kotkin's *The Magnetic Mountain*<sup>7</sup> are examples of how free access not only to Soviet archives but to former Soviet space and former Soviet citizens is transforming the understanding of Soviet society. My work follows in these steps. I resist interpretative habits of Icelandic and some Nordic historians in the belief that post-Soviet conditions require new questions to be raised which the various pro- and anti-Soviet models cannot possibly accommodate.

I have tried to place my research within a post-Soviet framework with the goal of understanding motivations, reasons and functions. The questions relevant for this essay are in particular these: How was the Icelandic Socialist movement influenced by Comintern in its early stages? How important was Comintern's influence later on? What did the Soviet Union mean to the Icelandic Socialists? Why did Moscow loyalists manage to maintain a strong position within the Socialist movement for so long? How did the Socialist party exploit its friendly relations with the CPSU? It is also important to bring

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Moscow: Progress and Pitfalls" *Cold War International History Project Bulletin*, 3 1993. *The Secret World of American Communism* (Harvey Klehr, John Earl Haynes and Fridrikh I Firsov. Yale University Press, 1995.) presents another side of this. The authors are eager to prove certain views, mainly strongly anti-communist. This leads them at times into straightforward methodological error, when they insist that a possible interpretation is corroborated if a document is found that is consistent with it. The most respectable genre, however, in the recent archival literature are accounts of persons whose fate was kept secret by Soviet authorities. The fate of the Danish Communist leader Arne Munch-Petersen is a good example. Ole Sohn. 1992. *Fra Folketinget til Celle 290. Arnes Munch-Petersens skabne*. Copenhagen: Vindrose.

<sup>7</sup>Kotkin, Stephen. 1995. *The Magnetic Mountain: Stalinism as a Civilization*. University of California Press.

out, in so far as that is possible, the intentions of the Soviet leadership with respect to Iceland and the Socialist movement in Iceland. What did the CPSU try to achieve through party connections and what did it achieve through them? <sup>8</sup>

<sup>8</sup>My source material is from four archives in Moscow. They are: Russian Centre for Preservation and Study of Documents of Contemporary history; Centre for the Preservation of Contemporary Documentation, Archives of the Ministry of Foreign Affairs; Archive for Literature and the Arts. See Bibliography.

# I. The Comintern years

## The Mielenz Report and the Origins of CPI

A few moments of the history of Icelandic left and labour movements have become the matter of heated debates over the years. One such episode is the founding of the Communist Party of Iceland in 1930, which occurred after a split in the Labour Party. The real controversy was whether the Communist faction had split the Labour Party or whether the Social-Democrats had actually forced the Communists out. The Social-Democrats maintained that the split had been carried out on orders from Moscow, just as anything else that was said or done by the Communists. This controversy is only a part of a larger one: Whether and to what extent Icelandic Communists and Socialists merely carried out “orders” that came from Comintern’s headquarters in Moscow, were “Moscow’s puppets” so to speak. The split, however, became a focal issue of that controversy.<sup>9</sup>

For one group of scholars the split follows a pattern of behavior within the Communist movement which can best be explained by assuming that the Icelandic Communists acted on instructions they

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<sup>9</sup>A few works on the history of the socialist and labour movement in Iceland are available in other languages than Icelandic. See especially Þorleifur Friðriksson. 1990. *Den gyldne Flue*, Selskabet til Forskning af Arbejderbevægelsens historie, Århus (in Danish). Also Stefán Hjartarsson. 1989. *Kampen om Fackföreningsrörelsen. Ideologi och politisk aktivitet på Island, 1920-1938* (PhD dissertation at the University of Uppsala in Swedish). Magnús S. Magnússon. 1986. *Iceland in Transition. Labour and Socio-economic change before 1940*. Ekonomisk-historiska foreningen, Lund. (A doctoral dissertation at the University of Lund, in English). The split is discussed in several works that have been published in Icelandic. Þór Whitehead. 1979. *Kommúnistahreyfingin á Íslandi 1921-1934*. *Studia Historica*, Vol. 5. Bókaútgáfa Menningarsjóðs, Reykjavík. This work, even if modest in its scope, remains the major study of Icelandic Communism. Also Ingibjörg Sólrún Gísladóttir. 1979. *Vinstri andstaðan í Alþýðuflokknum 1926-1930*. Reykjavík. Ingólfur Á Jóhannesson. 1980. *Úr sögu Kommúnistaflokks Íslands*, Reykjavík. Svanur Kristjánsson discussed the controversy in a lecture entitled “Icelandic Communists: Comintern’s Puppets or a National Movement”, which was later published in Icelandic: “Kommúnistahreyfingin á Íslandi Þjóðlegir verkalýðssinnar eða handbendi Stalíns.” *Saga*, XX, 1984. Þorleifur

received from Moscow. According to this picture Icelandic Communists and radical socialists acted on such instructions from the early twenties and continued to do so after the dissolution of the Communist Party. It is often assumed further that a nucleus of those Communists who continued to lead the Socialist party also received instructions during the forties, fifties and sixties, mainly because the party depended on Soviet support. These scholars in general emphasize Soviet control as an explanation of actions taken by the Socialists.<sup>10</sup>

Another group of scholars has argued that Soviet control does not explain the politics of Icelandic Communists and Socialists very well. According to this view Icelandic communism and socialism always had a nationalistic element that required considerable ideological and practical independence.<sup>11</sup> The split, according to this picture may well have been a result of a policy shared by the International movement and even something that the Comintern leadership expected the Icelanders to do, but that does not mean that specific instructions represent the necessary and sufficient conditions of this event. These scholars explain the development of the Icelandic left after the second world war in terms of cultural conservatism and idealistic nationalism, which characterized of the Icelandic left. They claim that no Moscow dependence is needed to explain why the left movement in Iceland after the war was categorically opposed to Iceland's membership in NATO and generally hostile to western cooperation in foreign policy and trade, particularly to agreements involving the US military.<sup>12</sup>

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Friðriksson 1990 discusses the split in a more recent article "Af Sögusniffi í Moskvuborg, gömul saga í ljósi nýrra heimilda" *Mannlíf*, Aug. 1992.

<sup>10</sup>See Þór Whitehead. 1995. *Milli vonar og ótta: Ísland í síðari heimstyrjöld*. Vaka-Helgafell, Reykjavík p.62. and Þór Whitehead 1979 p. 10.

<sup>11</sup>See above-mentioned works. Especially Þorleifur Friðriksson 1990.

<sup>12</sup> In controversy over the future alliances of Iceland, the Socialists turned extremely nationalistic. See Pálsson. 1989. *Anthropology in Iceland* on some discussion of nationalism in Iceland.

My research has shown that the Icelandic Communists did indeed receive instructions from the Comintern according to which they were to form a party. But it is absurd to take these instructions as if they were fully determinate orders which one could either carry out or disobey. The founding of a Communist Party in Iceland was surely considered an important step, but the point is that it had been under discussion for several years between the Icelanders and the center. Thus the eventual instructions to found a party must be evaluated with respect to that discussion.

In 1926 a Labour Union congress passed a resolution that the Labour Party should enter the Amsterdam based Socialist International. This caused certain confusion and demoralization among the Communists in the Labour Party. The leaders of the main Communist organizations in Reykjavík and Akureyri described the situation in appeals to the Comintern leadership which they made independently of each other. In both cases advice was requested, especially on the question of whether the Icelandic Communists should now found their own party.<sup>13</sup>

Einar Olgeirsson, who led the movement in North-Iceland addressed his letter directly to Nikolai Bukharin, then Comintern's president, whom he greatly admired. He seems to have thought that his suggestions would be most likely to get Bukharin's support. In the letter Einar<sup>14</sup> suggested that it might be prudent for the time being that the Communist party would not become a formal member of the Communist International. It was in fact a breach of protocol to write directly to Bukharin, since allied communists were expected to direct all correspondence through the appropriate regional departments.

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<sup>13</sup> The letters describe critically the decision to join the II International as a deliberate attempt to make it impossible for Communists to stay within the Labour Union. RTsKhIDNI 495-177-16.

<sup>14</sup> Icelanders, as a rule, have no surnames. Last names are patronymics ending in -son (men) or dóttir (women). First names are used even in formal address. Therefore I refer to Icelanders by first names in this paper and list Icelandic authors by first names in the bibliography.

Comintern's response came neither from the ECCI, nor from Bukharin himself, but from the Scandinavian Regional Department (Ländersekretariat). It is likely that Einar compromised his position by this letter. The other letter was written by Brynjólfur Bjarnason and Ársæll Sigurðsson who led the communists in Reykjavík. They reported the founding of the Communist group Sparta and preparations for a communist conference during the summer to discuss founding a party. Brynjólfur and Ársæll requested advice: "Your assistance is quite necessary. Only a communist authority can dissolve the controversies."<sup>15</sup>

The immediate answer from the Comintern was that the time had not come for the Icelandic Communists to found their own party.<sup>16</sup> The long-term reaction, however, was to assign the task of making a detailed report of the political situation in Iceland to one of Comintern's then trusted men, Willi Mielenz.<sup>17</sup> This report seems to have changed Comintern's attitude toward the Icelandic Communists.

The report shows that from the beginning it had been Comintern's policy that the Communist faction in the Icelandic Labour Party should try to increase its influence there, rather than splitting. It is remarkable that the Comintern leadership should recommend further cooperation with the Social-Democrats in Iceland in 1927. At this time Comintern's bolshevization was well underway. The attitude toward Social-Democrats had become extremely hostile. They were usually referred to as Social-Fascists, an epithet meant to compare them to the extreme right so as to imply that Social-Democrats were no better than the extreme right, and most probably worse since they deceived the

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<sup>15</sup>Both letters are contained in RTsKhIDNI 495-177-16. The quote is from p.12.

<sup>16</sup>See RTsKhIDNI "Excerpts" (concerning Iceland) 19 April 1927. Decision made by the Small Commission.

<sup>17</sup>RTsKhIDNI 495-33-372. Willi Mielenz was later sent to Iceland to assist in founding the party. He is reported to

workers. It is hard to understand why the Comintern leadership would believe that an exception should be made in Iceland, unless it was deemed possible that the Communists might defeat the Social-Democrats politically and gain control over the whole Labor Union.<sup>18</sup>

It seems fair to assume that the Icelandic Communists were told to found their own party when the leadership in Moscow had realized that they were not capable of winning a majority in the Labour Union. The directive to do so coincided with the VI. Comintern Congress, convened in 1928, which also marks the beginning of the total Stalinization of the Comintern. A resolution was passed by the Congress according to which a Communist party was to be founded in Iceland within six months.<sup>19</sup>

It took the Icelanders two years, however, to comply. At a congress of the Labour Union in November of 1930 the Communist faction set up a fight and posed conditions as a matter of principle. The Social-Democratic majority turned all their requests down whereupon they left the congress and announced the founding of the Communist Party of Iceland. Soon after that one of the leaders of the Communists arrived in Moscow, where CPI was made a member of the Communist International by ECCI's Political Secretariat just before ECCI's 11th enlarged Plenum.<sup>20</sup>

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have disappeared in Moscow in 1933. Þór Whitehead 1979, p.54.

<sup>18</sup> It is necessary, however, to keep in mind that Comintern's radicalization was a gradual process. At the V. Congress in 1924 the International finally got a coherent structure that made it possible to implement whatever the leadership decided. In 1928 the so-called bolshevization of Communist parties was well under way and many European parties had been purged. At the VI Congress of the Comintern convened that year the Social-Democrats were identified as a hostile force, yet not with the starkest terms. It wasn't until at the 10. plenum of the ECCI a year later that left extremism in the Comintern reached its heights. See Protokoll des VI. Weltkongresses p. 87-94; Cohen. 1983. p. 292.

<sup>19</sup>RTsKhIDNI 495-3-79 pp. 97-106 A resolution outlining how the Icelandic comrades should prepare the founding of the new party. It assumes that this can all be done in 6 months. The resolution shows a certain insensitivity to a dilemma which was important to the Icelanders. They had greatly emphasized their readiness to work with Social Democrats and strongly condemned their policy of splitting party organizations where the Communists acquired a majority. Now to keep face they would have to found the party without showing themselves to be splitters. See a letter from Brynjólfur Bjarnason to the Scandinavian Regional Department 2. April and 6. May 1930 in 495-177-18.

<sup>20</sup> See Excerpts Iceland 18 February 1931. Also 495-4-96 Politsekretariat, 18 March.

Comintern's policy toward Social-Democrats had made it impossible for Communists to remain in a political association under Social-Democratic control. Hence, when it became clear that the balance of power would not shift, it made no sense for the Communists not to found their own party.

Mielenz's report of 1927 led to a reassessment of the situation in Iceland. It was the first detailed description and analysis of the situation there prepared by the Scandinavian regional department and therefore marks the first attempt by the Comintern to come to terms with it in order to regulate the policy of the Communist movement. Although Comintern representatives had visited Iceland several times since 1920 Comintern had not made resolute attempts to control the Icelandic Communists. After 1927 that changed and it was expected that the Icelandic Communists would be in a more direct contact with the center. The Icelandic Communists welcomed this interference with their work, as they would do later when directives from Comintern were needed to solve a nasty battle between opposed groups in the party leadership.<sup>21</sup>

### **An inevitable conflict**

After the Communist Party of Iceland had finally been founded and become a section of the Communist International the nature of the struggle changed somewhat for the Communists. On the one hand, since Communists were now outside the Social-Democratic Labour Union they advocated the founding of an independent Labour Federation more fiercely than before.<sup>22</sup> On the other hand it was only now that real bolshevization of the Icelandic Communists could start. Soon this led to a serious

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<sup>21</sup> The share number of directives sent out shows this change. The Scandinavian Regional Department carefully monitored activities of the CPI in 1930 and 1931. See Auszüge 1930-1932, 495-31-113, 495-31-114.

<sup>22</sup> Þór Whitehead 1979 p.79 and Stefán Hjartarsson chs. V,VI.

split within the party between those who, in strict accordance with the current Comintern line, regarded Social-Democrats as the main enemy of the working class and those who, while acknowledging that Social-Democratic leaders were the main support of the bourgeoisie, believed that political cooperation of some sort between Communists and Social-Democrats should be advocated, such as by forming electoral alliances whenever that was clearly the best way to prevent conservative candidates from being elected, as well as cooperation in the trade unions.<sup>23</sup>

Social-Democrats were eager to minimize the influence of Communists in the Labour movement. Their tactic was to split trade- and labour-organizations in which Communists won a majority. Communist dominated organizations were then expelled from the Labour Union and the splinter groups admitted instead. Although the Communists were by far the weaker party in terms of general following in the early thirties, the Social-Democratic strategy did not work. In North-Iceland Communists managed to maintain control in the biggest labour organizations and emerged victorious from a series of violent disputes that resulted, among other things, from the struggle for control in the labour movement. Thus the Communist led Workers Union of North-Iceland was recognized as a rightful negotiating partner by employers in the early thirties, a major setback for the Labour Union.<sup>24</sup>

If Communists had considerable success within the labour movement during those years, the same cannot be said of their politics. On CPI's second party congress a conflict emerged between leftists and rightists. This conflict, which almost split the party, raged from late 1932 until the summer of 1934, when the Comintern's Executive Committee interfered decisively, made a final decision about the

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<sup>23</sup>See *Þjóðviljinn* August and September 1937. Various articles.

<sup>24</sup>Þór Whitehead 1979 p.83, Stefán Hjartarsson ch. VI.

expulsion of the leader of the rightists from the party and chastised those from both camps who had most actively participated in the conflict.<sup>25</sup>

The conflict was typical of the conflicts that emerged in Comintern member parties during the years of extreme leftism in the International. Most European parties had gone through similar conflicts earlier than the CPI. But since before 1930 the Icelandic Communists did not have their own party, it had been spared them. Nevertheless two separate wings can be said to have existed already in 1926, and the conflict that flared up in 1932 articulated deep-seated differences within the movement about Communist methods and legitimate goals. In the letters, mentioned above, which Einar Olgeirsson and Brynjólfur Bjarnason sent separately to the Comintern in 1927, it is clear that while for Einar and his comrades the main struggle was in the labour movement and a new party was to be founded as a result of the formation of an independent Labour Federation, Brynjólfur and Ársæll Sigurðsson focused on a strong leftist vanguard force in the Labour Union, whose political following and power would grow.<sup>26</sup>

The belief that extreme leftism was likely to win mass following was quite widespread in the Communist movement at the time. At Comintern's VI congress and at ECCI plenums that followed many bolshevik leaders, not the least Stalin himself, expressed the conviction that if Communists could successfully "expose" Social Democrats as Social Fascists, their extremism would pay off in greatly increased following among the workers. Rightists, and in the Western communist parties there had been many rightists before 1928, did not see this as self-evident.

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<sup>25</sup>RTsKhIDNI 495-31-117. See letters to Eggert Þorbjarnarson, Hjalti Árnason, Einar Olgeirsson and Haukur Björnsson.

<sup>26</sup>RTsKhIDNI 495-177-16. This also amounted to a regional conflict since Communists in Reykjavík were

The differences between Brynjólfur and Einar in 1927 repeated themselves in their differences in 1932. Now the question was in essence whether Communists should seek to unite the working class through collaboration with reformist socialists and Social Democrats or whether they should seek to win the workers over through relentless propaganda against Social Democrats and reformists. The latter was clearly in tune with the Comintern song at the moment, and thus Brynjólfur got strong support from some of the younger and more militant members, especially from those who had been in the Soviet Union.<sup>27</sup>

Extreme leftism in the CPI proved disastrous as it had in other Communist parties. In elections to the parliament in 1934 the Communists had minuscule following while the Social Democrats won their greatest election victory ever and formed a government with the Progressive Party.<sup>28</sup>

The infighting among the Communists prevented them from presenting their party as a real alternative to the Social Democrats in elections. If the Icelandic Communists had not changed their tactic in 1934 it is hard to see how even the victories they had won in the labour movement could have prevented their party from marginalizing itself. It is tempting to speculate whether the late birth of a Communist party in Iceland and, consequently, relatively short period of extreme leftism, may not have been what saved the Icelandic Communists. In 1934 the party had almost taken the step of expelling some of its leading members, such as Einar Ólgeirsson himself. A number of comrades had been expelled already when the Comintern finally put an end to the conflict.

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considerably weaker than in Northern Iceland.

<sup>27</sup>At this time the party had already been sending some of its more promising younger members on a regular basis to study at Comintern's party schools in Moscow. See Jón Ólafsson. 1997. "Í læri hjá Komintern" *Ný Saga* vol. 10.

<sup>28</sup>The Progressive Party (Framsóknarflokkurinn) had its following mainly among the rural population. Due to peculiarities in Icelandic election laws, which gave uneven weight to votes in different regions, the same overall

Had the year not been 1934, but say, 1930 or 31, things would have looked differently. Then Comintern would probably have confirmed all the expulsions and instructed the party to form a politburo of leftists only. Things like that had happened in other European Communist parties, such as the Danish, a few years earlier.<sup>29</sup> But the times were changing. Popular Front policies were on the rise. It was beginning to dawn on the leaders of the International Communist Movement, that Communist policies would have to change. The Comintern, thus, gave the CPI strict orders to reconcile the warring factions and confirmed only one expulsion, that of Stefán Pjetursson, who had led the rightists in the party, originally with Einar Olgeirsson's support.<sup>30</sup>

Even Stefán Pjetursson, however, might have been spared the expulsion, had he not come into a conflict of his own with Comintern authorities. In 1933 Stefán had been invited to Moscow where he was supposed to continue his studies in Marxism at the Leninschool and at the same time discuss his views with competent comrades and correct his errors. Stefán made self-criticism and appeared before a meeting of Scandinavian Communists in the fall of 1933.<sup>31</sup> Apparently, however, he did not go far enough in the revision of his opinions. More was expected, but Stefán resisted. It is not likely that this by itself would have sufficed for the authorities to detain Stefán in Moscow or to arrest him, although in the spring of 1934 he seems to have become quite nervous since he wouldn't yet get the required exit visa.<sup>32</sup> A conversation with a Swedish comrade, Tage put him right in the lion's den, however. What prompted Stefán to be so open to him is impossible to say, but for some reason he

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number of votes gave the Progressive Party a much stronger representation in parliament than the Labour Party.

<sup>29</sup>Ole Sohn. 1992. p. 72.

<sup>30</sup>RTsKhIDNI 495-4-297

<sup>31</sup>RTsKhIDNI 495-31-119 Larson is referred to in Comintern files by the pseudonym Oman.

<sup>32</sup>Pór Whitehead. 1979. p. 90. Jón Ólafsson. 1997. p. 8.

told Larson that he thought that Comintern had almost destroyed his party and that its influence should be fought against by all means. Comrade Larson reported the conversation to the head of Comintern's cadre department, M.B. Chernomordyk, who forwarded the information to one of ECCI's leaders, Otto Kuusinen. Chernomordyk suggested that Stefán be sent "into the production" by which, presumably, labour camps should be understood.<sup>33</sup> But before anything could be undertaken to introduce Stefán to the production, he managed to get away from the Soviet Union, by reporting to the Danish Embassy (Iceland was still under the Danish crown). The embassy helped him leave the country.

Needless to say, Stefán did not reenter the ranks of his former comrades. He became one of the more outspoken anti-Communists in Iceland. After his departure Comintern sent a telegram to the CPI confirming his expulsion, formerly he had been given a final warning. The Icelandic comrades also received instructions on the formation of a new, mixed Politburo. Both Einar Olgeirsson and Brynjólfur Bjarnason were to stay in the leadership which now should contain both left-leaning and right-leaning members.<sup>34</sup>

Several studies have been made of the conflict in the CPI and the Communists's successes in the labour movement. The recently available Comintern documents do not significantly alter the conclusions drawn in those studies. What becomes clear, however, is that the conflict itself was not about orthodoxy or unorthodoxy in Communist matters. It resulted from two different viewpoints, both strictly Communist, which had spurred conflict in most European Communist parties in the late

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<sup>33</sup>RTsKhIDNI 531-1-215 p.34-5.

<sup>34</sup>RTsKhIDNI 495-4-243 also Excerptsd (Iceland) 3 June 1934, 3 July 1934.

twenties, including the Russian Bolshevik party. On the one hand there was Communist militancy, the idea that a communist vanguard should reveal the true nature of things to the masses and win them over. On the other hand there was Communist politics, the view that Communists should gradually increase their influence in trade unions and other labour organizations.

The conflict in the CPI had interesting consequences. Since it was came relatively late and since it was resolved, unlike what the case had been in some other Communist parties, without massive losses to the party, it was easy to engage the party in the new united front politics that became Comintern's concern in 1934 and its official message after its VII. Congress in 1935.<sup>35</sup>

After 1934 no major disagreement seems to have arisen between the two main leaders of the party, Brynjólfur Bjarnason and Einar Olgeirsson. The astonishing unity among Icelandic Communists is without doubt a major reason for their longevity and ability to maintain their influence within the Socialist movement.

### **The Summer of '37**

For the Comintern 1937 was the year of the terror. Although arrests of officials and collaborators of the organization had been quite common well before that, this year saw the Comintern apparatus shrink to less than half of what it was at the beginning of the year.<sup>36</sup> From mid-summer to the end of the year the Comintern leadership was primarily engaged in matters that concerned expulsions and arrests. Several members of the leadership cooperated closely with law enforcement agencies, and

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<sup>35</sup> A recent book on the the Communist International explains this transition well. McDermott and Agnew. 1996.

<sup>36</sup>Firsov. 1993. "‘Säuberungen’ im Apparat der Komintern"

were duly praised by the party secretary in charge of purging the ECCI party committee, F.S. Kotelnikov.<sup>37</sup>

The operation seems to have been carried out in the following way: The party organization of Comintern's Executive Committee appointed officials who would study the personal files of members and employees of the ECCI. They would then compile a list of suspicious comrades and submit it to the Party-committee which, in turn, would investigate further. Finally the Party-committee would prepare a list of those who were to be expelled from the party. Then the lists would be handed over to the NKVD which decided what arrests were to be made and when. The NKVD and the Party-committee worked tightly together. The NKVD did not withhold information about arrests and the leaders of the Comintern knew quite well what kind of fate awaited those who the NKVD chose to arrest.<sup>38</sup>

When Brynjólfur Bjarnason came to Moscow at the beginning of August that year to prepare for a party conference of the CPI, most of the ECCI Secretariat was busy examining personal records of party members, making expulsions and arrest recommendations. Nevertheless there was time for business as usual and if anything the meetings and discussions with the Icelandic representative were more candid than any time before. The Icelandic party was becoming a mature party in the eyes of the leaders. That view must have been considerably strengthened by the fact that the Icelandic Communists had just won a great victory in parliamentary elections and now had deputies in the parliament for the first time.

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<sup>37</sup>Firsov. 1993. p.46. Dimitrov and Manuilski are especially mentioned.

<sup>38</sup>Firsov. 1993. p.44.

Before the elections the CPI leaders asked the ECCI for some financial support which was granted. The Comintern had established a so-called reserve-position for the Icelandic Communist party. This meant that, unlike some other Comintern member parties, the CPI did not receive regular payments from Moscow. Instead a certain sum of money was put aside, to be made available when and if the party would need it. In the spring of 1937, a month before the elections were to take place, this sum was channeled to the Icelandic party in order for it to pay for campaign expenses.<sup>39</sup>

Ever since the VII Comintern congress, which was convened in 1935, the CPI had actively advocated a united front of the left parties in Iceland and cooperation of Communists and Socialists in the trade unions. In accordance with Comintern's policy the Communists had consistently sought to win a majority in trade unions. The united front policy of the CPI was carefully worked out in consultation with the ECCI leadership in Moscow.

In 1935 the structure of the Comintern apparatus had been changed. The regional departments were abolished but instead the daily work with member parties and other Comintern business was run directly by members of ECCI's Secretariat. This system made the International even more centralized than it had been before.<sup>40</sup>

At the VII Congress Brynjólfur Bjarnason and Einar Olgeirsson had both given speeches and been cordially received by the Comintern leadership. The Icelandic party was clearly in good standing.

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<sup>39</sup>RTsKhIDNI 495-15-101. Wilhelm Florin to Moskwin. I have not been able to disclose the amount awarded to the CPI. Moskwin's real name was M.A. Trilisser. He headed at this time the section of the Comintern that dealt with foreign relations, the Sluzhba Sviazei, formerly Otdel Mezhdunarodnikh Sviazei.

<sup>40</sup>Curiously I have not seen any account of these organizational changes in published works. It is clear from Comintern documents, however, that such changes occurred in or around 1935. The last File from the Scandinavian Regional Department is from 1934 and the first Florin file contains information from 1934. After the regional departments were abolished individual Communist Parties seem to have had better access to the leaders of the International than before.

Even though it did not have a permanent representative in Moscow in the thirties, some Icelanders who were in Moscow for other reasons, such as to study at the Lenin school, performed the necessary functions of representing the party.<sup>41</sup> Members of the leadership were also frequent guests in Moscow. Contact with Iceland in these years was, thus, not as complicated as Iceland's geographical position might suggest. Given the willingness which the Icelanders frequently expressed to receive Comintern's advise it is clear that there was no internal resistance in the CPI to increased centralization of the International. Quite the opposite. The increased centralization meant that each member party in fact became closer to the leadership of the Communist International. Before it had been necessary to direct all correspondence through the regional departments, and therefore with them a filter disappeared. For a small and young party like the Icelandic one can assume that this presented a welcome change.

Early in the year of 1936 two prominent ECCI members, Wilhelm Most and Otto Kuusinen seem, however, to have been somewhat unsatisfied with the Icelanders. In a letter to Dimitrov they complained that documents of the CPI's 3rd conference, held in the fall of 1935, had been sent much too late and that the party was not forthcoming enough about preparations for a party plenum to be held in 1936. They recommended that either Brynjólfur Bjarnason be called to Moscow immediately or comrade Johnson, a student at the Leninschool, be sent to Iceland with a Comintern directive.<sup>42</sup>

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<sup>41</sup>Jens Figved who studied at the Western University from 1929-1932 talks about attending various meetings on behalf of the Icelanders as one of his tasks during his stay in Moscow. It can be assumed that Eggert Þorbjarnarson who worked at the Lenin school for three years 1934-1937 had such tasks as well as being responsible for overseeing Icelandic students and other Icelanders in Moscow. Benjamín Eiríksson. Interview, 1995.

<sup>42</sup>RTsKhIDNI Excerpts (Iceland) 26.6. 1936; 495 18 1095 Protokolle 48-51. Johnson was probably Kristján Júlíusson, one of the last Icelanders to study at the Leninschool.

The latter was decided upon and within two weeks detailed suggestions had been worked out with the collaboration of “the Icelandic comrades Björnsson and Jonasson.” In a document entitled “Suggestions on the Icelandic question” concrete proposals were made about tactical moves that the Communists should undertake in order to facilitate a union with Social-Democrats both on a party level and in the trade-unions as well as how they should prepare for elections in case a coalition government of Social-Democrats and Progressivists, which had been in power since 1934, would collapse.<sup>43</sup>

The “suggestions” show that the Comintern leadership was familiar with the political situation in Iceland. The main emphasis was on two things: Unity in the labour movement and a struggle by all means against the conservative Independence party. The Icelandic Communists should proceed in the following way: In order for Communists to be readmitted to the Labour Union they should advocate the creation of regional organizations in which both the Social Democratic and the Communist unions would participate. The regional organizations would then become the constituent organizations of the Labour Union. The same should be repeated on a lower level. The creation of united district and town organizations should eliminate the existing split. In case this strategy would not deliver the desired results Communist unions were to apply individually for admittance to the Labour Union. At the same time the Communists were to begin a nationwide propaganda campaign for the unity of the labour movement. The main thing was to get support from opposition members of the Labour Union and even some of the member organizations to admit Communist controlled trade unions to the Labour

<sup>43</sup>RTsKhIDNI 495 15 104 “Diktat” from 23.6. 1936. Björnsson was the pseudonym of Eggert Þorbjarnarson who at this time worked in the Leninschool’s Scandinavian department. Jonasson is most probably the abovementioned Johnson.

Union. The Communists were to make it absolutely clear that “their struggle for the unity of the labour movement [was] no maneuver” but an honest attempt to maximize the influence of the labour movement.<sup>44</sup>

In the case of new elections to the parliament the Communists were also to show their unconditional support of labour unity by supporting Social Democratic or Progressive Party candidates in all constituencies where a Communist candidate would be unlikely to get much support. On the other hand, they should not offer their support for nothing, but rather try to use such a commitment skillfully to influence the choice of candidates in these two parties. The Communists were also reminded that their long-term goal was that a majority of the Icelandic labour movement would support “revolutionary class struggle.”<sup>45</sup>

Interestingly the Communists did not act conscientiously on these directives. When the Communists had started to speak in favor of a united front they had insisted that such a front was to be created by negotiating an agreement on strategy with the political leadership of the Labour Union. But Labour leaders never gave in to that demand. To begin with they simply offered the Communists to apply individually to member organizations, i.e. reenter the Labour Union as individuals rather than as a special group. This might have satisfied the Comintern leadership, but the Icelandic Communists were, presumably, afraid that they would not be able to maintain their collective power unless the labour leadership would accept their organization as a valid partner. But the Labour Union refused to

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<sup>44</sup>RTsKhIDNI 495 15 104.

<sup>45</sup>Ibid.

do so and in 1936 a nasty resolution was passed which rejected all offers from the Communist party of formal cooperation.<sup>46</sup>

According to the Icelandic leadership however, the prospects for a united front were growing dramatically in Iceland in 1936. Already in July Brynjólfur Bjarnason sent a request to Wilhelm Florin for more Comintern involvement. “The political developments here are extraordinarily swift” Brynjólfur wrote. “The possibilities of a united Front of the two worker-parties, and even for going beyond that to build a united front of the three left parties, are very good. A popular front of that kind, however, has great difficulties to overcome and success depends on the correctness of CP policy.”<sup>47</sup>

Brynjólfur specifically asked for advice on the following questions: What are the correct tactical moves in the current stage of the struggle for a united front? How can the Communists prepare for the party congress of the Labour Party, planned in the fall? He also mentioned the creation of a daily newspaper and the perspectives of a left coalition and a Popular Front. What is interesting are the differences in emphasis between Brynjólfur’s letter and the Comintern document brought to Iceland by “comrade Johnson.” The Comintern was still concentrating on unity in the Labour movement. Peace between the CPI and the Social-Democrats was clearly considered to be a prerequisite for cooperation on the political level. Brynjólfur, on the other hand, was thinking in terms of an electoral front. His idea seems to have been that a united front of the CP, the Labour Party and even the Progressive Party could be created by an understanding to be reached by the leaders of these parties.

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<sup>46</sup>*Þingtíðindi Alþýðusambands Íslands 13. Sambandsþing 1936.* (Congress report, 13th congress of the Labour Union) Alþýðuprentsmiðjan, Reykjavík, 1936. p. 116.

<sup>47</sup>RTsKhIDNI 495 15 103. 9 July 1936.

The Icelandic Communist leaders Einar Olgeirsson and Brynjólfur Bjarnason had begun to advocate a united front late in 1935. In the fall of 1936 the leadership of the Labour Party was forced to respond in some way to their proposals, which it did by rejecting all cooperation with Communists. This was the situation when the abovementioned correspondence between Brynjólfur and the ECCI leaders took place. Given the anti-Communist position of most of the Social Democratic leaders it is not quite clear what Brynjólfur had in mind when he claimed that the possibilities for a united front were extremely good. Comintern had made it clear earlier, that it should be avoided to split other parties. The keyword was cooperation, but the level and extent of that cooperation was left open.<sup>48</sup>

It is also somewhat remarkable that Brynjólfur would think that the extremist line of the CPI which the party followed at least until 1934 could be forgotten so quickly by the Social Democratic leaders. As things were it seems that Brynjólfur was overly optimistic if he thought in the summer of 1936 that there was a very good possibility that the two parties could agree to form a united front, presumably on the French Front Populaire model. One may assume that he considered the situation, objectively speaking, to be such that the Social-Democratic leaders would be forced to accept popular front policies. But that did not happen.

Comintern's position seems indeed closer to reality, as well as to the position that Einar Olgeirsson had outlined before 1930. Instead of direct appeals to Social-Democratic leaders, the Comintern

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<sup>48</sup>See Stefán Hjartarsson pp. 211-218 for a discussion of the debates surrounding a "united front" in Iceland. Stefán argues that the CPI leaders tried to appeal directly to "the reformist workers, and thereby upheld a distinction between leaders and masses." It seems to me that while it is true that the propaganda was directed mainly at rank and file Social-Democrats and workers of socialist and social-democratic orientation, the CPI focused on an electoral front that would have required the assent of Social-democratic leaders rather than on winning Labour Union members over to the cause of a united front. But a fiasco of a united front in the local elections of 1938 when the leaders of the Labour Party refused to endorse common candidates shows the intense animosity of leading Social-Democrats toward the Communists.

leaders thought it would be more realistic of the communists to try to convince workers and rank and file Social-Democrats of their genuine commitment to maximizing the influence of the labour movement and of their readiness to make significant compromises which might help to reach that goal. Comintern categorically rejected attempts to win over the left wing of the Social Democrats.<sup>49</sup> A united front should be the goal, rather than a unification of Communists and left Social Democrats. Unification was only feasible if no split would occur.

It can be seen from the importance attached to the “suggestions” that the ECCI sent to Iceland in 1936, that the Comintern feared the Icelanders were following a path which might lead them away from the stated goal of collaboration with Social-Democrats and other leftist forces. The Comintern leaders were, probably, not convinced that CPI’s proposals to the Labour Party would meet with success. To split Labour and either found a new party with its left arm or have the left arm of the Labour Party join the Communist Party was not a good option because one of the stated goals of the united front policy was that Communist parties were really trying to help find a general policy which the left as a whole could agree upon.

It is unclear what impact the letter brought by comrade Johnson had on the leadership of the CPI. The letter Brynjólfur wrote to Florin does not suggest that the Icelanders believed themselves to be bound by Comintern’s suggestions. Wilhelm Florin did not make a big fuss over this, though. He sent a memorandum to Dimitrov describing the situation in Iceland as “extremely tense” and that CPI’s policy is almost certain to split the Labour Party but he did not suggest any measures to be taken to

<sup>49</sup>See numerous letters contained in RTsKhIDNI 495-15-103 and 495-15-104.

correct the course. No Comintern representative was sent to Iceland and there was no emergency meeting to discuss the idiosyncrasies in the Icelandic movement.<sup>50</sup>

According to a record of meetings of ECCI committees and commissions the matter was not treated further on highest levels in the Comintern until Brynjólfur asked for a meeting in Moscow in 1937. Officials in Florin's department, however, maintained uninterrupted contact with the Icelanders. They seem to have got all materials pertaining to the plenum held in the fall of 1936 immediately after the plenum. It was evaluated by top officials who saw some positive change in Communist policy but were nevertheless critical of them. The resolution of the Plenum was criticized on a number of counts by some Iceland-specialist at Wilhelm Florin's office who gave Fbrin a summary of the Icelandic situation. According to that summary, from Comintern's point of view the plenum showed that the party had made significant "progress in working out a smart and correct United Front and Popular Front politics in Iceland"<sup>51</sup> The author of this memorandum points out that more emphasis should have been put on the importance of unity among workers, and that such a unity would be best suited to place the demands of the working class in the foreground. But in general the criticism offered was mild.

It is in many ways astonishing that the Comintern did not more consistently follow up on the differences and force the party to eradicate them. The Icelandic leaders continued their policy of proposing an electoral front even though it was quite clear that a split of the Labour Party was more likely than an actual organizational unity of Social-Democrats and Communists. By going further and

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<sup>50</sup>RTsKhIDNI 495-18-1095 bls. 113.

<sup>51</sup>RTsKhIDNI 495-15-104

further in this direction, the Icelandic Communists were not following “Communist authority” closely. This does not necessarily suggest that the CPI leaders had some kind of a permission to do “as they thought best.” It seems more plausible that the paralysis of Comintern’s headquarters had something to say. With its apparatus greatly reduced and with those officials who still remained at liberty living in helpless terror, Comintern was understandably not overly concerned about the politics of one of its smallest member parties. As popular front and unification became more serious, there was not much direction to be had from the Comintern.

In 1937 the Social-Democratic party changed its position toward cooperation with Communists. The reasons were several. In June the Communists had had a great success in parliamentary elections and three of their candidates elected to the Althing. Shortly after that one of the biggest trade unions, Dagsbrún in Reykjavík, had passed a resolution submitted by Héðinn Valdimarsson who led this union and was also an influential and popular figure in the Social-Democratic party, which declared that the two parties, the CPI and the Labour Party should unite immediately.<sup>52</sup>

The Communists were not entirely ready for this and even suspected that this was some kind of a trick. But negotiations started just before Brynjólfur left for Moscow. The first few weeks the Communists wavered and went around in circles making the other side a bit confused. After all it had never been their intention to unify the parties, at least not at this point, first they wanted cooperation, then maybe later, unification.<sup>53</sup> The Comintern leadership, however, came to the conclusion that

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<sup>52</sup>Einar Olgeirsson: “Sameining takmarkið, samfylking leiðin” *Þjóðviljinn* 21 August 1937.

<sup>53</sup>*Sameiningartilraunirnar. Skýrsla frá Samninganefnd Alþýðuflokksins. Lagt fyrir Alþýðusambandsþing 1937.* (Report on unification negotiations as prepared for Labour congress in 1937) Alþýðuprensmiðjan, Reykjavík, 1937. p.13.

unification was a lucrative option at this point, even if the Communists would have to accept that to begin with the unified party would be less Marx-Leninist than they would wish it to be.<sup>54</sup>

The Communists did not really want unification and this can easily be seen by their rhetoric over the next months. The negotiations eventually ended in failure. By early December after both the CPI conference and a congress of the Labour Union had issued provocative demands before unification could take place, a last attempt to reach an agreement was made by forming three committee's of two Communists and two Social-Democrats each of which was to discuss all aspects of the differences between the two parties. The series of meetings that resulted from this did not yield any positive conclusion and the unification attempt was finally called off.<sup>55</sup>

The left arm of the Labour Union, however, could not accept this conclusion, and this led to a split in the Labour Party. Héðinn Valdimarsson, the leader of Dagsbrún who could be considered responsible for the whole episode, continued challenging the more right leaning leaders of the party who eventually had him expelled in February of 1938. He and the group that followed him from the

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<sup>54</sup>A report that Brynjólfur brought from Iceland and supposedly presented to the ECCI committee requires some textual reconstruction. Assuming that he had with him a handwritten draft which was to be presented and then prepared as a formal document, it appears that he was forced to make certain changes such that some things said at the beginning are not consistent with statements made in the final parts. Thus he seems at the beginning to stick to the view that unification of the Communist and Social-Democratic parties is not desirable at the moment. Later, however, he remarks, uncharacteristically, that perhaps the Communists should use the chance to form a united party where they can exert considerable influence, even if such a party is not really a Marx-Leninist party. Thus I conclude that Brynjólfur was corrected on some points in Moscow and that corresponds to the sudden changes in the views of the Communists that Social-Democratic negotiators reported by the end of August of 1937. See RTsKhIDNI 495-15-105.

<sup>55</sup>One of the issues raised by the Communists concerned the meaning of "parliamentary democracy" and "rule of law." The Social-Democrats had included a commitment to both of those in a draft agreement under discussion by the parties. After Brynjólfur came from Moscow he made this a key issue in the negotiations. Communists could not commit themselves to parliamentary democracy and rule of law, he argued, because recent experience showed that this is no absolute framework. Therefore it must not be included in the political agreement on which the united party was to be based. It is quite clear that this point, although philosophically sound and intelligently argued by Brynjólfur, would not have prevented unification had the CPI leaders and the leaders of the Social-Democrats

Labour Party united in founding a new party with the Communists later that year.<sup>56</sup> This was an ideal scenario for the Communists although it did not quite follow Comintern's suggestions and directives. Now they had a party with much broader appeal than the CPI had had, but under firm Communist control.

### **Socialist party under Communist control**

The quantity of documents pertaining to CPI-Comintern relations per se shows something about the strength of these relations. During the late twenties and early thirties pages go in the hundreds, even thousands each year. In 1938, suddenly, things have clearly changed. A few memoranda, newspaper clippings and short letters announcing one thing or the other. No directives from the ECCI, no suggestions or friendly advice. The only interesting piece of correspondence during the entire year is a letter written by Einar Olgeirsson in August, describing the split of the Labour Party, the dissolution of the CPI and the prospective founding of a new Socialist Party, the United People's Socialist Party (UPSP). Einar's letter is interesting for several reasons. It is neither a request for Comintern's blessings nor an attempt to acquire Comintern's permission to found a Socialist Party with a splinter group from the Labour Party. It is a victorious letter, self-congratulatory in tone, announcing the founding of the UPSP as an extremely smart move by the Communists.<sup>57</sup>

The split between right and left Social-Democrats in the Labour Party provided the opportunity for a restructuring among Socialists and Communists, although it was not the popular front originally

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wanted the parties to be unified. See *Þjóðviljinn*, articles by Brynjólfur Bjarnason, October 1937.

<sup>56</sup> See Óskar Guðmundsson. 1987.

desired. The United People's Socialist party did not inherit the CPI's Comintern membership card. The new party was declared neutral to both the Communist and the Socialist Internationals.<sup>58</sup> Not before long, however, it became evident that the Communist leadership of the new party was not going to tolerate any significant change of policy. In foreign affairs the party staunchly supported the Soviet Union. The non-aggression treaty with Hitler-Germany and the invasion of Finland, met with support by the majority of the party's central committee. This dismayed the moderate part of the leadership. In late 1939 Héðinn Valdimarsson, the leader of the left Social-Democrats who had joined the Communists and party chairman, resigned from the party with several of his supporters.

Einar's letter of August 1938 and the course of events that followed together corroborate the hypothesis that even though the Icelandic Communists acted independently of Comintern's suggestions there was a mutual understanding about the nature of the new party. It was not to be a Comintern member party, but it was to have a prominent international role, maintain contact with Comintern and the II International as well as to send its representatives to conferences and congresses of both Internationals.<sup>59</sup>

Einar did not doubt that the new party, whatever its title and prima facie composition, would be under the control of the Communists. Thus it would give them the chance to reach a much broader audience than before, since a large part of the working class, although of socialist orientation, was reluctant to become involved with a Communist party:

The new party ... would lead to a great activation of the working class. We expect

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<sup>57</sup> RTsKhIDNI 495-74-265 (Dimitrov's papers)

<sup>58</sup> See RTsKhIDNI 533-10-1342 and 495-74-182.

<sup>59</sup> RTsKhIDNI 495-74-265, p. 4 of the letter.

to become strong enough, both with respect to membership as well as the party's governing bodies, to be able to enforce the right political line. At the same time we will be in a position to influence the most significant groups of workers directly and to provide these workers with Socialist education, to make their politics really Marxist. Thus we do not fear that we Communists will become too weak within the united party.<sup>60</sup>

But this does not mean that Einar was secretly planning to convert the Icelandic working class to bolshevism and then have the UPSP join the Comintern. His ideas were greater than such, as always. The new party, as Einar envisaged it, was to play a leading role in reconciling the labour movement. The UPSP was not to be a passive spectator on the congresses and conferences of the II and III Internationals. Its representatives were supposed to facilitate "international unity."<sup>61</sup> In other words, the International that the UPSP was to join in the filling of time was a new one, formed by the unification of the II and the III Internationals.

It was Einar Ólgeirsson's dream, or obsession, that the Icelandic Socialist Party could somehow play a role in the unification of the world's Socialist movement in one powerful International. Throughout his political career, even during the years of extreme leftism in the Communist movement, Einar believed that the divisions within the labour movement and the political left could be reconciled. Before the Icelanders founded their own Communist party in 1930 he even seems to have discussed with Comintern leaders the founding of a party that would stay out of the Comintern but maintain friendly ties.<sup>62</sup> Such a party had now come into existence with the founding of UPSP.

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<sup>60</sup>RTsKhIDNI 495-74-265. p. 5 of the letter.

<sup>61</sup>RTsKhIDNI 495-74-265. p. 4 of the letter.

<sup>62</sup>RTsKhIDNI 495-31-111; Einar Ólafsson. 1989. p. 83.

Einar seems, however, to have believed to the end that the unity of left forces on an international scale was impossible without the active and leading participation of the Communist Party of the Soviet Union. Everything else was secondary. This attitude had a decisive effect within a year of the founding of the UPSP. When the Soviet Union made a pact with Nazi-Germany and invaded Finland, the majority of the party's central committee refused to condemn these actions in any way. At a fateful moment Einar showed that the international unity he envisaged was dearer to him than the unity of the party itself.

### **A sentimental journey or a crucial mission?**

Kristinn E Andr sson, a prominent member of the party, went to Moscow in April of 1940 where he had long meetings with Comintern officials. He was given a document of "advice" which was worked out while he stayed in Moscow by top officials under Wilhelm Florin's leadership on the basis of Kristinn's report. In this document the "Communists in the UPSP" were given instructions on general policy and on the correct reaction to some possible national and international developments.

Kristinn's trip to Moscow seems in many ways similar to Brynj lfur Bjarnason's visit three years earlier. Just like then a committee was put together to meet with the Icelandic representative, discuss what he had to say and to author a document pertaining to the situation in collaboration with him, to be used in forming policy and directing further activities of the party.<sup>63</sup>

It is not clear how the discussions in Moscow influenced the work of the Communists in the UPSP. The document that the ECCI produced did not contain very specific instructions. It was similar

in content to suggestions that the ECCI had made about the policy of Scandinavian Communist parties two months earlier, about general attitudes, party organization, preparations for underground activities in the case of a ban and so on.<sup>64</sup> It cannot be considered an important document since it is negligible whether it was studied and had influence or not. The result would have been much the same. What is interesting is simply its existence, for it shows the clear commitment of the Icelandic Socialists to Comintern and its policies and the mutual agreement of the ECCI and the party leadership about these policies. The party had demonstrated its commitment thoroughly during the months before by defending the Soviet Union in making peace with Hitler and invading the Soviet Union.

One can only speculate on the actual motivations behind the solid loyalty of the Icelandic Communists to the Soviet Union and Comintern at this time. There seems to have been very little correspondence between Iceland and the headquarters; between September of 1937 and May of 1940 Icelandic matters were not discussed at top level meetings at all. The Icelandic Communists had, moreover, pursued a somewhat independent policy by founding the UPSP. What would have been the loss for the Communist leadership of the UPSP the protest to go through in the party in particular to express disgust over the Soviet Union's invasion in Finland? Nothing much indeed seemed at stake, yet the majority of the party's central committee passed a resolution which declared that the party was "neutral" on the issue, even though this created unreparable divisions within the party and in effect split it. It also vilified the Socialists since the popular mood sympathized strongly with the Finns.

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<sup>63</sup>Detailed documentary evidence about Kristinn's consultations in Moscow can be found in RTsKhIDNI 495-15-104 and in 495-74-265.

<sup>64</sup>RTsKhIDNI 495-20-542, p. 16-31.

Þór Whitehead has maintained that the Communist leaders in Iceland believed that the invasion in Finland was only the beginning of a victorious Sovietization of the whole of Europe. *Þjóðviljinn*, the Socialist daily, published articles which argued that while German and Allied forces would exhaust themselves on the battlefield, the Soviet Union could move its borders to the west. In the end the working class of Western-Europe would rise up and with the help of the Red army destroy what would be left of capitalist forces.<sup>65</sup> The belief in the unavoidable social uprisings in Europe in the wake of the war as well as the idea that there could not be any international movement that was not led by the Soviet Union seems to have prompted the Socialist leaders to embrace policies which were, at least to begin with extremely self-defeating. The other political parties reacted aggressively and popular animosity against the UPSP became very strong. Suddenly the Socialists, after all the unification struggle, were more isolated than even the Communist Party had been in its earlier days.

It is hard to say whether the Communist leadership of the UPSP received any specific instructions from the Comintern during these years. Research in the Comintern archive has not revealed any evidence that the ECCI directed any “advise” to the Icelandic comrades after 1937 other than the document that Kristinn E Andrésson was entrusted with. There are historians who take it for granted that the Icelanders received instructions during that time, and the main argument seems to be that their canals of communication were unobstructed. But it is more likely that the leaders of the UPSP remained firmly supportive of Soviet policies even in the absence of any instructions. A report about a secret meeting of Soviet naval intelligence officers with Einar Olgeirsson in July of 1942 states that for more than two years preceding that meeting, the party had not had any contact with Moscow.

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<sup>65</sup>Þór Whitehead 1995. p. 65.

The officers who met with Einar had come to Iceland on an official mission, but agreed to meet Einar secretly after having received a request from a member of the UPSP's youth league. The officers met him late at night at his home. In the conversation that followed he expressed very strongly how indispensable he considered Comintern's advice for the correct development of party policy. He gave them a decisive message about the need he saw for the party to engage in a close cooperation with Comintern on various internal questions. Einar was convinced that the US was preparing to make use of Iceland after the war for a huge navy base in order to fight a possibly Communist Europe.<sup>66</sup>

It is safe to assume that the Icelandic Communists never intended to break their confidential relations with the Comintern leadership. Einar's consultations with the naval intelligence officers show how important he found Comintern's advice in dealing with increasing American influence in Iceland. He was worried and thought that only the Soviet Union could help Icelanders resist American pressure. Einar was not aware that the Soviet government was ready at this point to accept that Iceland would become American dominion after the war.<sup>67</sup>

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<sup>66</sup>RTsKhIDNI 495-74-182. A report submitted to Dimitrov, Comintern's Secretary General, in November of 1942. Einar's suspicions were essentially correct in the sense that the US government did not want to share Iceland with other powers such as Britain. The Americans now regarded their sphere of influence to include Iceland. (Þór Whitehead. 1995) It does not mean, however, that Einar had received any special or secret information. What he shared with the naval officers seem to have been impressions and his analysis of the situation rather than military information.

<sup>67</sup>See Filitov. 1996. especially pp. 11-12.

## II. Cold war years

### **Socialists in power: the government of reconstruction**

The Socialist Party, in spite of initial difficulties and vilification in the wake of the Hitler-Stalin pact and the Soviet invasion of Finland, won a great victory in parliamentary elections held in 1942. It secured almost 20 percent of the vote and 10 parliament seats (out of 52). Earlier it had successfully fought for a split of the Labour Union from the Labour Party. After the elections of 1942 the Socialists had in effect taken the place of the Social-Democratic leadership in the labour movement. The results of the elections, however, caused a prolonged government crisis which ended in an unprecedented move of the governor of Iceland, Sveinn Björnsson, who installed a cabinet of professionals, thereby shunning the mandate of the political parties in the country to form a coalition government based on parliamentary majority. It was only in 1944 that the situation changed, when an unlikely alliance was formed between the conservative Independence Party and the Socialist Party. These parties, with the reluctant participation of the Social-Democratic Party, formed a coalition government pledging cooperation in a radical reconstruction of the country's industries, especially in the fish industry. The government, accordingly, was called the government of reconstruction.<sup>68</sup>

The Socialist agenda in the government was to lead this reconstruction and thereby exercise control over decisions which would have long-term effects on the economic structure of the country and the ownership of productive enterprises. The Socialists called their participation in a coalition

<sup>68</sup>For the significance of this government see comments in Gröndal. 1971. and Lundestad. 1980.

government with Conservatives a “temporary cease-fire” and made no secret of their intention to maximize the influence of “progressive forces” in the economic life of the country.<sup>69</sup>

In 1944 Iceland declared itself fully independent of Denmark and a republic was founded on June 17th of that year. The war had changed the Icelandic economy for the better. After the country was occupied by the British army there was plenty of work for unskilled workers and open markets for Iceland’s fish exports in Britain. In 1944 the new government, therefore, had access to considerable funds with which it could finance the acquisition of fishing boats and machinery needed for renewing the fishing industry. But one of the government’s top priorities was also to seek new markets for Iceland’s fish products. The Socialists were in favor of making an extensive trade agreement with the Soviet Union. They seem to have believed that not only would the Soviet government be willing to buy a considerable part of their product, but also that the government could buy much of the required machinery in the Soviet Union.

It has been a matter of speculation in Iceland whether and to what extent the Soviet Government was informed about the negotiations between Conservatives and Socialists preceding the formation of the coalition government. Some historians have maintained that the Socialists would not have made such a move without consulting with the Russian Communist Party. It has been pointed out that the Soviet consulate, which had been opened in Iceland that same year, evidently increased telegraphic correspondence with Moscow significantly while the parties were negotiating.<sup>70</sup> There is, on the other

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<sup>69</sup>Brynjólfur Bjarnason. 1944. p. 130-135.

<sup>70</sup>The files that contain telegram traffic to and from Soviet embassies remain classified in Russia’s Ministry of Foreign Affairs (*The Cold War International History Project Bulletin*, 3 1993, 22.) Until some of those files are released it will be impossible to know with certainty whether and how the Comintern leadership (still working at the time although Comintern had been dissolved) were involved and whether any advice from the Soviet Communist

hand, no evidence of a deal between the Socialists and the Soviet Government. After the government had been formed, the Socialist leaders tried to establish contact with the relevant ministries in Moscow and initiate trade negotiations. Eventually a trade agreement was concluded which made the Soviet Union one of Iceland's main trading partners, second only to Great Britain.<sup>71</sup>

The Soviet government was not forthcoming to begin with, however. The Icelandic government, i.e. the Socialists in the government, approached them with concrete trade proposals early in 1945. The Soviet Ministry of foreign trade declared trade negotiations "premature".<sup>72</sup> But not long after that some change of attitude was effected in Moscow and the Soviet leadership came to the view that extensive trade with Iceland might prove politically lucrative. In 1947, when the original agreement was renewed for that year, Stalin's foreign trade minister Anastas Mikoyan described the trade as "politically important" and said that it had been worked out with "friends". He also emphasized that even if some of the prices the Soviet Union was paying were quite high, the political profit from trade with Iceland would more than justify paying them.<sup>73</sup>

It is quite clear that the decision to conclude a trade agreement with Iceland in 1945 was taken on political grounds only. The Soviet Union agreed to buy fish products from Iceland in 1946 and 1947 at prices which were generous, to say the least. It is not clear what concrete political profit the Soviet government did expect as a result of the trade agreement. The Socialists characterized the Soviet attitude as that of friendship and support to Iceland's efforts to become economically independent of Great Britain and the United States. The Socialists claimed that opposition to the government within

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Party accompanied the participation of the socialists in the government.

<sup>71</sup>See National Bank of Iceland Year Reports 1946 and 47.

<sup>72</sup>Russian MFA Archive 200-2-7-101. A statement dated 19 January 1945.

the country was motivated by a justified expectation, that the economic reconstruction would lead to social progress. The wealthiest boat and fish plant owners naturally reacted against such prospects, so the Socialists argued, since it was more in their interest that Iceland would remain backward and dependent on either the US or Great Britain, than that it would become economically independent and prosperous and a friend of the Soviet Union.<sup>74</sup>

It is clear from reports written in 1947 and 1948 that this rhetoric also characterized the information that the CPSU received through its channels. Kaj Moltke, who in the thirties had been one of the leaders of the Communist Party of Denmark and a Comintern functionary, sent reports about Iceland to the Department of Foreign Affairs of the Central Committee of the Soviet Communist Party, which was established in 1946 and employed some of the former leading members of Comintern's Executive Committee.<sup>75</sup> In his reports Moltke seems to share the Socialists's viewpoints. A report written in the spring of 1947 describes the government's program as primarily an effort to secure the economic independence of Iceland.<sup>76</sup> Moltke pointed out that the opposition to the government within the country was formidable, and that many supporters of the Conservative Independence Party could not accept its collaboration with Communists. He explained that the government's program imposed serious restrictions on imports and greatly limited the amount of hard currency available for buying and importing foreign goods. Moltke maintained that political reasons as well as self-interest played a role in the hostile attitude of those involved in the import business to the government:

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<sup>73</sup>Russian MFA Archive 200-9-805-54.

<sup>74</sup>Einar Olgeirsson. 1980. p. 226.

<sup>75</sup>17-3-1059 no. 95. Politburo. See also Nevakivi. 1996.

Major importers are against the limitations that the council of reconstruction has prescribed. They demand the right to determine on their own what should be imported, i.e. the right to import luxury goods so that by selling such goods they will get access to savings that the people now possess and thereby increase their earnings.<sup>77</sup>

He further claimed that Pétur Magnússon, the minister of finance, had sabotaged the government's program by granting unnecessary import licenses. This, according to Moltke, was the main reason that hard currency spending had been considerably more than the government had planned in 1945, a fact which was on his account one of the reasons for the breakup of the coalition by November of 1946. Moltke appears to have believed that the finance minister wanted the economic reconstruction to fail, because in that case Iceland would become seriously dependent upon either Great Britain, the United States or both. He even connects this to an idea expressed in the US senate shortly before the end of the war that Iceland might join the US as its 49th republic.<sup>78</sup>

Moltke's reports fit the Socialist rhetoric. They are sympathetic to the Socialist party and explain internal political struggle in Iceland with reference to the interests of foreign powers, especially the US and Great Britain. Thus one can conclude that the political profit the Soviet government saw in a trade agreement with Iceland had mainly to do with the direction of Iceland's economic development. If Iceland were able to conduct lucrative trade with the Soviet Union, and had guaranteed markets there for a part of its fish product, the Socialist party would clearly profit. They had the contacts needed to

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<sup>76</sup>RTsKhIDNI 17-128-1108

<sup>77</sup>Ibid.

<sup>78</sup>Ibid. As was the custom in the Socialist movement at the time Moltke greatly exaggerates the significance of this idea.

initiate and maintain the necessary relations, and with some help they would be able to demonstrate how necessary their participation in government was for the economic well-being of the country.<sup>79</sup>

The Socialists were quite frank about the importance of trade with the Soviet Union at the beginning of their tenure in the government of reconstruction in 1944 as their attempts at reaching Soviet trade officials show very well. The initial reluctance of the Soviet side to react positively to their proposals, however, can be compared to the Soviet government's attitudes to trade with France and Italy where, as in Iceland, Communist Parties were in government until 1947. The Soviet government was very reluctant to offer any kind of economic assistance or negotiate trade agreements with these countries, in spite of the fact that even just a gesture of that sort might have helped the communist parties greatly.<sup>80</sup>

There are two sides to the attempts made by the Socialists in 1945 to get the Soviet side to agree to at least hold negotiations. On the one hand it seems to have been quite hopeless to approach these matters through the official channels open to Icelanders after an Icelandic mission was established in Moscow on a permanent basis by the end of 1944. On the other hand it was easy to show party representatives that trade with Iceland was a good way of keeping the Icelandic public aware of the friendly attitude the Soviet Union supposedly had to Iceland and that it could provide the government with guaranteed markets and reasonable prices for Icelandic products. Such guarantees were highly valued by a people dependent for survival on the caprice of nature.<sup>81</sup>

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<sup>79</sup>This is a recurrent theme in conversations of Icelandic party leaders and Soviet representatives. See conversation from 25 July where Einar seeks to direct timber imports from the USSR through a firm connected to the party.

<sup>80</sup>Zaslavsky and Rossi. 1996. p. 165.

<sup>81</sup>All reports without exception that I have seen from the Soviet embassy in Iceland and which mention trade

When the Soviet government failed to react positively to the Icelandic proposals, in the early months of 1945, the leader of the Socialists offered to have the mission chief in Moscow, Pétur Benediktsson, who was allied with the conservative party, replaced with a Socialist.<sup>82</sup> Although this did not happen, negotiations were already under way in the early fall, and by the end of the year an agreement was concluded according to which Iceland would sell up to 40 percent of its fish production to the Soviet Union. For a part of their exports the Icelanders were to get Soviet raw materials such as timber and oil, but a large part was to be paid in dollars. This agreement was without doubt of major importance for Iceland at the time. After the war markets had gradually tightened and the special goodwill that the British had extended to Icelanders during the wartime occupation of Iceland came to an end. It was of primary significance to ensure that the country once more had stable markets for its product. The Socialists, naturally, took the credit for making the deal, and rejected criticism, that the government was leaning dangerously toward Soviet style economy.<sup>83</sup>

During the reign of the government of reconstruction the trade agreement between Iceland and the Soviet Union was extended once. After the collapse of the coalition, however, large scale trade between the two countries was discontinued. It has been a matter of some dispute in Iceland what was the real reason that the trade agreement was not renewed in 1948.<sup>84</sup> The Socialists claimed that the

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encourage trade and urge the government to increase it rather than decrease it. One explanation is obviously the fact that it is in the interest of those who are representatives in Iceland that ties be stronger rather than weaker. But even people who had been quite critical of the Socialists and their politics were convinced that increased trade would be extremely profitable for the Soviet Union politically. The main adversaries were officials in the Ministry of Foreign Trade.

<sup>82</sup>Russian MFA Archive 200-7-1-101 p. 42.

<sup>83</sup>See a later evaluation of these agreements by one of the Socialist leaders. Brynjólfur Bjarnason. 1949. p 214.

<sup>84</sup>It is worth noting that the agreement was formally renewed rather late, in March of 1947, almost a half year after the socialists had resigned from the government. It was clearly not regarded a necessity that the Socialists remained in government. Therefore it cannot have been a sufficient reason for the eventual disruption of Icelandic-

government was under secret obligations from the United States not to conclude trade agreements with the Soviet Union because of Iceland's participation in the Marshall plan. But the government denied these allegations and maintained that the Soviet government was simply less willing to do business with Iceland than they had been before.<sup>85</sup> The departure of Socialists from government seemed to many to be a good enough reason for the Soviets to discontinue trade with Iceland.<sup>86</sup>

But the actual reasons are more complicated. Since one may assume that the Soviet government's main goal was to influence the economic structure of Iceland it was not essential that the Socialists should remain in government. Their decision to leave the government had mainly to do with their opposition to a treaty with the US about the future of a naval base in Iceland which their coalition partners and the Progressive party, which did not participate in the government, all endorsed. No evidence has been found, however, which suggests that consultations with Soviet representatives preceded the decision of the Socialists to leave the government. Recently available material about Soviet intentions after the war suggests the opposite, that the Soviet government never intended to dispute the American domination in Iceland, and therefore would not have demanded of Icelandic Socialists that they be categorically opposed to the base.<sup>87</sup>

A reversal of policy rather than political and strategic planning may have influenced the collapse of trade with Iceland. In 1946 and 1947 the Soviet government changed its attitude toward socialist parties and organizations in the west. Instead of supporting broad coalitions of communists, socialists and social-democrats, radicalism was once again the first principle. This coincided with the beginning

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Soviet trade in 1948 that the Socialists were in opposition.

<sup>85</sup>Einar Olgeirsson. 1980. p. 272-273.

<sup>86</sup>See Þór Whitehead. 1996.

of Sovietization in Eastern Europe and the founding of the Cominform, a body which was supposed to coordinate policies of Communist parties.<sup>88</sup> After the Soviet Union rejected the Marshall Plan, which was seen by the Soviet leadership as an attempt to extend American political and economic influence beyond “spheres of influence”, the Soviet leadership ceased to tolerate cooperative and united front policies which it had supported more or less since in the thirties. Since Iceland participated in the Marshall plan, it seemed a pointless effort from this perspective to offer Iceland lucrative trade agreement. The country was already located within the US sphere of interest and given its commitment to the Marshall plan, was also to become economically answerable to the US government. The political profit for the Soviet government was now questionable.<sup>89</sup> When such considerations are coupled with criticism of the Socialist party the “no action” policy of the Soviet government with regard to Iceland is well understandable.

An agreement was still possible, however, but the Icelandic government acted rather clumsily. Diplomatic effort to get negotiations started seems to have been minimal. At a time when Icelandic proposals were stalled in the Ministry of Foreign Trade in Moscow, government ministers and officials would at most mention the issue at cocktail parties. Although it was obviously very important for Iceland to renew the agreement, the Icelandic government did not engage in any behind-the-scenes

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<sup>87</sup>Filitov. 1996. p. 12

<sup>88</sup>Cominform was founded in September of 1947.

<sup>89</sup>I have not found documentary evidence which shows that an explicit decision was made not to extend the agreement for another year. Instructions to diplomats not to discuss these matters with certain members of the Socialist party, as well as the tendency later to discuss the question of trade with Iceland directly in terms of the profit such trade would bring the Socialist party makes it reasonable to assume that the Soviet government was waiting for a good reason to start the negotiations but that such reasons simply failed to appear. Thus the Keflavík agreement, Iceland’s participation in the Marshall plan and the fact that Socialists were now out of government did not automatically mean that the Soviets would stop the trade. See however to the contrary Whitehead. 1991. p. 118.

diplomatic activity to ensure it. Icelandic officials only made repeated inquiries, and impatiently waited for official views about their proposals.<sup>90</sup>

The role of the Socialist leader, Einar Olgeirsson, at this time is not entirely clear. Judging from conversations Einar had in Moscow and in the Soviet embassy in Iceland, he may have thought that his word weighed heavier than was actually the case. In the spring of 1948, when the Icelanders had been expecting the negotiations to start for several months, he suggested that the start of negotiations be delayed a bit more just in order to demonstrate how helpless the government was without the Socialists. The breakdown of trade was hardly what he had intended, he was merely thinking up a scenario in which the Socialist party would emerge victorious.<sup>91</sup> Einar's reluctance to endorse a deal at a crucial moment may not have caused the eventual disruption, but it shows a certain conflict between the interests of the Socialist Party on the one hand and the country on the other.

Some party officials in Moscow at this time and later realized that a collapse of negotiations and disruption of trade might turn out to be in the interest of the Socialist party even if the consequences for the country as a whole were severe. Thus the lesson that Soviet party leaders could derive from

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<sup>90</sup>Only in 1952 when hints had come from the Soviet side that they might be interested in striking a new trade agreement (See Einar Olgeirsson. 1980. p. 186) did the foreign minister, Bjarni Benediktsson, conservative, seek informal talks with Soviet representatives in Iceland. In Bjarni's conversations with Soviet mission chief I.G Sysoev in 1952 he expressed regrets that the trade between the countries was disrupted in 1948. Sysoev replied that the Icelandic government had been responsible for that and the Soviet government expected the initiative to come from Iceland. He advised Bjarni to make a formal request about the renewal of trade negotiations which he did. These conversations show that conservative ministers had made no attempt to approach the Soviet government earlier. Bjarni complained that the Soviets focused too much on the Socialists and that therefore other parties were reluctant to establish contact. Sysoev replied that the Soviet Union was eager to have relations with other parties too. (Russian MFA Archive 036-9-4-109, various conversation reports from 1952).

<sup>91</sup>Russian MFA Archive 033-5-4-04a. In a conversation with V.A. Rybakov in the spring of 1947 Einar explained that it would not help the Socialists, being in opposition, if a profitable trade agreement were reached at the time. He did not make any suggestions, but it is clear that he wanted the Soviet side to drag its feet for a while. Later that year however, Einar very strongly advocated a renewal of the agreement, especially when it became clear that the government was considering taking a US loan in case of a collapse of Iceland-Soviet trade relations. RTsKhIDNI

the crisis caused by their reluctance to renew the trade agreement with Iceland in 1948 was that trade and politics could be closely coordinated in dealings with Iceland. This became evident once again in 1949, when the Socialists tried to put some pressure on the Soviet government to reestablish Icelandic-Soviet trade. An official in the Russian foreign ministry reminded the Soviet mission chief that Vyshinsky himself had pointed out that given the current conditions (the Icelandic government at the time was a minority Conservative government) collapse in trade talks would be a political gain for the Socialists. They could point out that this only showed that the Conservatives were unable to reach an agreement with the Soviet government.<sup>92</sup>

The question can be asked on the other hand whether the Soviet Union had anything to lose in continuing to buy a large part of Iceland's exports. Iceland, after all, is a tiny country which suddenly had become geopolitically significant. Even if the Soviet government did not like the behavior of the current government, it may be argued that it was still quite obviously in the Soviet Union's interest to continue cultivating ties of this sort and prepare the ground for a pro-Soviet government.

Two answers seem to me possible to this question. On the one hand it may have been the intention of the Soviet government, (Einar's suggestion which I mentioned above, not to hurry to conclude a deal supports it), to pressure the Icelandic government believing that it could lead to either government crisis or willingness on behalf of the government to make some political deal. On the other hand the reasons may have been ideological. At this time Stalin and his closest associates, such as Zhdanov and Malenkov had resolved to attempt to bring the World- Communist movement under some Soviet control. The United People's Socialist Party of Iceland did not fit into this framework. It was too much

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200-5-7-104a 1.7. and 3.8. 1948.

of a hybrid and although a Communist faction was still in control it was unclear how strongly it would be able to bend the party toward the acceptance of Soviet, Comintern style control.<sup>93</sup>

The stages in this development of ties between Iceland and Icelandic socialists on the one hand and the Soviet Union and its Communist party on the other seem to me to follow the general pattern at this time. Before and just after the end of the war the Soviet government displayed some confusion about the direction in foreign policy. The Soviet Union wanted to continue to cooperate with its wartime allies, especially Britain and the US. But behind that wish there remained another, namely Stalin's desire that the allies would fully and unconditionally respect each other's spheres of influence. The Marshall plan was a violation of that principle. Thus the isolationist policies that now started to unfold, a Soviet led attempt to radicalize the Communist movement, the Sovietization of Eastern Europe and the consequent intensification of the Cold war meant that politically motivated trade with Iceland did, for the time being, not fit into the overall goals of the Soviet government.<sup>94</sup>

The three periods in Soviet-Icelandic relations and trade are consistent developments in International Affairs and in the Communist movement at the same time. The first period, 1944 to 1947 is the time of Socialist government participation generously supported by the Soviet Union. The end of the coalition coincides with a reversal of the Soviet policy toward Western Communist parties marking the second period. In the early fifties the policy changed again. The Soviet Communist party

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<sup>92</sup>Russian MFA Archives, 200-7-10-107. P. Orlov (5. European Department) to mission in Iceland, 15 Dec 1949.

<sup>93</sup>A recent publication of reports of the three meetings of the Cominform confirms this insight. See Porcacci. 1994. also reports from Soviet diplomats in Iceland quoted earlier.

<sup>94</sup>Recent scholarship based on fresh archival material from the Soviet Union in general corroborates these conclusions. See especially *The Soviet Union and Europe in the Cold War, 1943-1953* especially Anna DiBiagio.1996. "The Marshall Plan and the Founding of the Cominform".

individualized and custom designed its relations with Socialists and Communists in capitalist countries while continuing ruthless Sovietization in Soviet dominions in Eastern Europe.

Representatives in the Soviet mission in Iceland expressed an attitude to the UPSP from 1947 to 1950 which is unmistakably colored by Cominform considerations in particular the Soviet Union's attempt to reassert its control in the movement. The Moltke report, mentioned above, mainly expressed a point of view generic to the Socialist party itself. It explained the situation in Iceland as that of reasserting national independence against US and British domination and fully justifies the UPSP's decision to pull out of the coalition in terms of the party's opposition to the so-called Keflavík treaty, according to which the United States would be allowed to maintain a military airport in Keflavík, a small town on the south-western tip of the country. Moltke ends his report on a sentimental note, quoting a well known poet who was also a member of the Socialist party who had lamented the situation of Iceland at a conference of the Swedish Communist Party: "American imperialism hangs over our land like a Democlesian sword. In the North of the globe Iceland subsists under the threat of aggressive occupation plans implied in the Truman doctrine."<sup>95</sup>

Soviet diplomats writing reports for the Foreign Commission of the VKP(b) saw matters differently. Late in 1947 V. Rybakov, a first secretary in the Soviet diplomatic mission in Reykjavík, wrote a lengthy report on the Socialist party and its politics. Rybakov was very critical of the party and its leaders and maintained that it was not really a communist party. He argued that the UPSP was

<sup>95</sup>Jóhannes úr Kötlum as quoted by Kaj Moltke in RTsKhIDNI 18-128-1108 p. 14 of report.

both nationalistic and petit-bourgeois and that attitudes of high ranking members of the party, not to mention rank and file members, toward the Soviet Union were dubious at best.<sup>96</sup>

According to Rybakov the Icelandic Socialists entirely failed to understand the nature and role of the Soviet Union as a protector of small nations. With great indignation he reported that a number of people who considered themselves to be friends of the Soviet Union had met to celebrate the 29th anniversary of the October revolution only to spend a whole evening discussing a treaty which the government had recently concluded with the US against the will of the Socialist party. The writer Halldór Laxness who in the thirties and forties was a prominent member in the Socialist movement had delivered the keynote speech in which he had hardly mentioned the Soviet Union. “There is no doubt,” wrote Rybakov,

“that the question of national independence is an important question and a pressing issue. But to fail to mention even one of the achievements of the Soviet Union in a speech dedicated to its national holiday, and not to talk about its international role as a protector of small nations at all, shows at least that the Socialists don’t understand the importance of propaganda and of explaining to the Icelandic people the significant contribution of the Soviet Union in the struggle for a lasting peace in the whole world.”<sup>97</sup>

A report, also written by a Soviet representative in Iceland three years later, conveys a similar impression. The first part of the report is a short overview of political developments in Iceland since before the war. The author, I. Korchiagin, also describes the events that led to the Socialist party’s withdrawal from the government in 1946, and developments afterwards, the Keflavík treaty with the

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<sup>96</sup>RTsKhIDNI 17-128-1108. p. 107

<sup>97</sup>RTsKhIDNI 17-128-1108. p. 110 The treaty under discussion was the Keflavík treaty which had lead to the

US and how Iceland joined NATO in the spring of 1949. But later on he criticizes the party sharply and in a similar vein as Rybakov had done earlier. Korchiagin charged that the Socialist party was in many ways at fault in its policies and that there were “objective” and “subjective” reasons for this. The objective reasons were the lack of large enterprises in Iceland. The fact that worker collectives were generally very small made them easier targets for social-democratic and bourgeois propaganda than was the case with large enterprises, according to Korchiagin. In general it was therefore to be expected that the Socialist party in Iceland needed to devote more time and energy to socialist upbringing and propaganda than would have been the case if these circumstances were different. The subjective conditions on the other hand had to do with careless policies. The leadership of the party was too liberal about accepting members to the party and therefore admitted people who did not really belong to it Korchiagin maintained. It also neglected educating its members sufficiently. Taken together the subjective and objective conditions led to a gradual corruption of the party. Instead of becoming more and more Marx-Leninist, Korchiagin found the opposite to be true. The party just kept becoming less and less Communist.<sup>98</sup>

A more direct heresy was implied by the party’s support of Tito, when the Communist Party of Yugoslavia lost favor with the Soviet Party. The Socialist daily *Þjóðviljinn* published articles that expressed open support to Tito while at the same time the editors were reluctant to publish materials pertaining to the struggle for peace and communism in the Soviet Union, as well as Soviet priorities in foreign policy. An excuse which the leaders of the party often used when confronted with this issue in

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collapse of the coalition.

<sup>98</sup>RTsKhIDNI 17-137-388. p. 106

talks with Soviet diplomats and party representatives was to say that it was prudent to limit the number of articles praising the Soviet Union because the opponents of the Socialist party might use it against them to support their claims that the party was under Soviet control. Korchiagin found that a rather lame excuse and suspected that it rather reflected ideological deterioration.<sup>99</sup>

A final point of criticism concerned an association of friends of the Soviet Union. Korchiagin considered it to be of vital importance to found an organization which would be concerned with cultural ties with the Soviet Union. Leaders of the party, however, were reluctant for conspiratorial reasons, it seems. They thought that founding a cultural association might play against them. Korchiagin reported that the question of founding this organization was to be discussed secretly in the central committee and politburo for that reason.<sup>100</sup>

Korchiagin finished his report by giving short characteristics of the principal leaders of the party. His admiration was not great, he criticized all of them for various shortcomings. His general criticism was that the Socialist leaders were overly concerned with national interests of Iceland and he thought that issues such as the renewal of trade between Iceland and the Soviet Union were raised too often by them. Korchiagin even thought that the real reason for the reluctance of the Socialists to reestablish an association of friends of the Soviet Union was their desire to make such an association conditional upon the renewal of trade.<sup>101</sup>

Korchiagin, however, praised the Socialist leaders for continuing the struggle under quite difficult circumstances. He pointed out that the Socialist Party and organizations that either belonged to it or

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<sup>99</sup>RTsKhIDNI 17 137 388

<sup>100</sup>A cultural association called "Association of friends of the Soviet Union" existed in the thirties. This association was dissolved however, after the Soviet invasion of Finland.

were closely connected with it remained the only “progressive” force in the country. The problem for Korchiagin seems to have been that he doubted that the Socialist party could remain a sponsor of Communist culture and education. The slow corruption of the party, its nationalistic rhetoric, its petit-bourgeois take on certain things and growing reformistic tendencies caused him some skepticism about the party’s future. But this did not imply that the Communist party of the Soviet Union should deal with anyone else. In spite of all their flaws, the Socialists at that time played the most prominent role in the labour movement and controlled many trade unions.

The unflattering picture of the Socialist party that Soviet party leaders were presented with from 1947 to 1950 had no doubt an effect on their willingness to engage in a constructive dialogue with the Socialist party and to continue to conduct trade with Iceland. It seems that during this period the relations between Icelandic party leaders and the foreign commission of the Central Committee were cool. That changed in the early fifties and the reasons seem to be entirely ideological. After the de facto collapse of the Cominform the Soviet communist party decided to build up relations with sympathetic parties in a different manner than before. In Iceland the effect was drastic. Throughout the fifties Soviet representatives created an atmosphere of confidentiality with many of the Socialist leaders. The Soviet Union again offered Iceland very favorable trade conditions, cultural exchange was sponsored by the Soviet government, and Icelandic companies and organizations which were friendly toward the Soviet Union were offered generous financial support.<sup>102</sup>

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<sup>101</sup>RTsKhIDNI 17-137-388. p. 108

<sup>102</sup>See also RTsKhIDNI 17-137-707 pp. 29-38 on the situation in Iceland; RTsKhIDNI 17-137-936 pp. 7-10 a report on the UPSP congress in 1952.

In 1949 the last meeting of the Cominform was convened. By the end of the next year it had become clear that Cominform was a failed attempt at resurrecting a body which would coordinate policies of Communist parties and maintain Soviet control within the Communist movement. After 1950 the Soviet Communist Party built up relations with loyal parties and movements outside the Soviet sphere of influence on an individual basis. In the case of the Icelandic Socialist party it was clearly considered appropriate not to interfere too much with party politics but rather to support the movement as its leaders requested. Thus, to cultivate “friendship” with Icelandic Socialists was considered worthwhile, even if they could not be controlled fully, and trade relations were essential for that purpose.<sup>103</sup>

### **Friendship’s knowledge: trade and support**

When the Communist Party of the Soviet Union had changed its attitude toward Communist parties in Western Europe and started to cultivate ties with them on basis of mutual interest, rather than in terms of ideological control, much changed for the United People’s Socialist Party of Iceland. First, Soviet leaders were now prepared to listen to requests and proposals that came from the Socialist party. These requests were frequently discussed at the highest level in the party.<sup>104</sup> Second, it now

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<sup>103</sup>After 1948 socialist leaders repeatedly attempted to restore the trade relations. After the Parliamentary elections in 1949 Einar Olgeirsson asked for a Soviet approval of a coalition government of UPSP and the Progressive Party (agrarians) and requested a commitment to restore trade relations. But a conservative government was formed before the Soviet side had given any answer RTsKhIDNI 24-6-3-106 pp.4-5. The Soviets were always aware of the fact that failure in trade negotiations could in some cases be of even better use to Icelandic friends than success. See especially Ambassador A.M. Alexandrov’s letter to assistant minister V.A. Zorin, 23.11.1950. RTsKhIDNI 200-7-10-107.

<sup>104</sup>Earlier, especially in 1948 and 1949 this had not been the case. Soviet representatives often had instructions not to discuss certain matters with the Icelandic Socialists at all. See Russian MFA Archives 024-6-3-106 p. 4-5 and 200-7-10-107.

became possible again to negotiate a trade agreement between the two countries.<sup>105</sup> Third, the Communist Party of the Soviet Union would now support the Socialist party and its organizations financially.<sup>106</sup>

The Socialists, although they were very eager to increase the volume of trade between the two countries significantly, were not only interested in trade. It turned out that just as the diplomat Korchiagin some of the leaders of the party worried about the inevitable corruption of party members and party cadres due to excessive petit bourgeois influence. They feared that the younger generation in the party would not be ideologically prepared to keep the party on a Marxist-Leninist track.

The best solution to this problem that Einar Olgeirsson could think of was to send some of the future party officials to study in the Soviet Union and the People's Democracies. He described the situation and his worries to a new 2. secretary of the Soviet mission in Iceland, V.M. Ivanov in a conversation they had in May of 1952. In his report, Ivanov wrote:

Olgeirsson complained about the preparation of young cadres. ... The party has a ... number of young members who participate in youth work but they are not prepared to assume leadership roles within the party because of inferior preparation. ... He said that the leaders of the party's youth organization worked well among the youth in the country but that their effort did not mean much in face of the capitalistic reality in the country. The young people are gradually transforming into an inert mass, according to Olgeirsson, and this situation cannot be changed through a purely ideological work. ... Olgeirsson believes that the best solution would be to send young people to the Soviet

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<sup>105</sup>Einar Olgeirsson was originally approached by a Soviet representative in Geneva in 1952 and asked to tell his government that a renewed effort on its behalf to start trade negotiations could be more successful than earlier attempts. See Einar Olgeirsson. 1980.

<sup>106</sup>The first official request for support of the Socialist newspaper was made in 1951. See 17-3-1091 8.10. No. 8. Later the party leadership often requested various kinds of support through contacts in the Central Committee.

Union or the People's republics on a regular basis.<sup>107</sup>

At this meeting Einar seems to have been thinking of two things in particular. He wanted to send young people to study in Eastern Europe and he also wanted to send delegations of young Socialists to summer camps, meetings and festivals. He had high praises for a recent Communist youth festival which had been held in Berlin the year before. He said that the trip of a group of young Icelandic Socialists to Germany and their participation in the festival had boosted the morale among the representatives and that this spirit had affected the whole youth organization in a very positive manner. It becomes clear from other conversations that Einar was not less interested in Marx-Leninist training. He told the Soviet ambassador, P.K. Ermoshin (with whom Einar had a very relaxed relationship) in 1957 that he would greatly support the idea of establishing an international school for Communists in one of the People's republics. But he also said that some errors of the past would have to be avoided at such a school. Ermoshin wrote:

In the old schools, in Olgeirsson's words, subjects were frequently taught in a dogmatic manner. The listeners did not acquaint themselves with Marx-Leninism creatively, but received it narrowly, in a sectarian manner. Thus, for instance, some of the Icelandic comrades after having finished their studies at the Lenin school upon returning to Iceland posed the question of an armed uprising, without taking into account the particularities of Iceland's historical development.<sup>108</sup>

The Icelandic students who went to the Soviet Union were, as a rule, not admitted to party schools but to universities. A group of Icelanders was admitted to the Superior Komsomol School in

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Some of these requests are discussed below.

<sup>107</sup>Russian MFA Archives 036-9-4-109. p. 125-126

<sup>108</sup>Russian MFA Archives 035-14-3-117. p. 68-69.

1961, but that seems to be the only case.<sup>109</sup> To have young members of the party study at universities in the Socialist countries, however, clearly fitted Einar's goals. He suggested to both Soviet and East German comrades that their parties arranged for young Icelandic Socialists to be accepted at universities and other educational institutions in their countries. These students would not receive formal party training, but rather finish university degrees and remain politically active during their stay. It was Einar's idea that the experience of a Socialist society, would make young Socialists more resistant to the culture around them at home and that it would be possible to preserve a core of well trained firmly Marx-Leninist members to lead the party.<sup>110</sup>

The first two students went to Moscow in the fall of 1954. They were both in their early twenties, had just finished their student-examinations and were to begin university studies, one in philology the other in philosophy, after they had finished a one year course in Russian.<sup>111</sup> At around the same time the first students went to the German Democratic Republic. For the next 15-20 years dozens of Icelandic students would go to study in Socialist countries through an arrangement reached by the Socialist Party. The majority of these students went to the GDR, since the Icelandic Socialists had very good relations to the SED, the ruling party in Eastern-Germany. The Icelandic communists had from the beginning felt particularly close to the German comrades. After the war this fact as well as the cultural proximity of Iceland and Germany was the main reason that the Socialist Party sought

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<sup>109</sup>Committee for Ideology, Culture and Contacts to Communist Parties. 30 September 1961. 59. Meeting.

<sup>110</sup>Ibid. But it was of course important that students who were sent were well chosen by the party. Later when problems arose because of drinking and bad discipline among some Icelandic students in Moscow Einar immediately pointed out that the mistake in this case had been to allow the youth organization to select the students who were to spend the year in Moscow without consulting the party leadership. See Russian MFA 035-19-3-124 1 March 1962. From the writings of some of these students it is also quite clear that they thought of themselves as future party adre. Hjörleifur Guttormsson. 1960. p. 177.

<sup>111</sup> The admittance of these two students was approved of by the secretariat. There were a few cases where

confidential relations with the German party, which at times were even closer than the relations to the Soviet Communist Party.<sup>112</sup>

To begin with it seems that Einar and the other leaders of the party were satisfied with the results of this arrangement. It was useful in many ways. At this time it was extremely difficult for young Icelanders to receive serious university training. The University of Iceland was little more than a professional school for lawyers, doctors and priests. In order to study sciences, humanities, art or engineering it was necessary to go abroad which required means that only few students had. By sending hand picked students to study at universities in Eastern Europe the party was doing two things at the same time: Making it possible for young talented people to get adequate university training for technical work, research or scholarship and providing the socialist experience necessary for the future leadership of the party. Perhaps this would have worked if the party had been more accommodating to these people when they returned home. But that was not the case. It turned out to be impossible to elevate inner party discussion from the level of intrigue and conspiracy to open debate. Einar was painfully aware of this but failed nevertheless in making a real change in the party traditions.<sup>113</sup>

It may seem strange that Einar should show such interest in training party cadres in the Socialist countries. After all he had himself almost been expelled from the party in the thirties due to the influence of young party members who had become permeated with Communist militancy while studying at party schools in Moscow. But Einar seems to have believed that the infighting among communists in the late twenties and early thirties just reflected the state of the movement at that time

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decisions about students were taken at that level, but most of them seem to have been decided at lower levels.

<sup>112</sup>See Valur Ingimundarson. 1992.

<sup>113</sup>About the student group in the party and the discussion within the group see Helgi Hannesson. 1987. Also

and would not repeat itself. Einar was also a typical Communist intellectual. He had since in the twenties edited the theoretical journal *Réttur* dedicated to the Communist movement<sup>114</sup> and he had from the beginning considered it to be one of the party's top priorities to educate, train and motivate youth. Therefore he was quick to seize the opportunity in the early fifties, when the Soviet party leadership decided to give up ideological control of Communist and Socialist parties in capitalist countries. The two students sent to Moscow in the fall of 1954 were thus among the first Western students to study in the Soviet Union after the war.

But Einar's effort ended in failure. Instead of producing leaders for the party many of these students became very critical of communist governments if not overtly, then at least to such an extent that they were useless as confidants in relations with these parties. But that also made it impossible that they could become leaders of the party. Unlike the students who had lived in practical seclusion in Moscow in the thirties, the Icelandic students in Berlin, Leipzig, Dresden Prague and Moscow in the fifties and sixties could mix with other students and with ordinary people. There were no formal restrictions on contact and although general prudence required conversational discretion these students could not but understand the general living conditions around them. What was worse for the party, the students, since they were politically active and politically motivated, engaged in systematic discussions about the People's democracies through correspondence and at meetings where they shared some of their experiences. As a result, by the early sixties, many of the young Icelandic Socialists who had been or still were, students in Eastern Europe and the Soviet Union, and party members associated

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Óskar Guðmundsson. 1987. and *Leyniskýrslur SÍA*. 1963, especially Hjörleifur Guttormsson. 1960. p. 137-138.

<sup>114</sup>Einar published *Réttur* from 1926 and until 1989. When he died in 1993 a final issue dedicated to his life and work

with them, were quietly (and not so quietly) demanding that the party reconsider its attitude to ruling communist parties in these countries.<sup>115</sup>

This was not what Einar Olgeirsson had intended and he understood the relations with the CPSU well enough to know that a critical discussion in the party and an eventual purge in the party leadership, as a result of which many young people with critical attitudes would assume leadership positions, could only destroy the confidential relationship with Moscow. Einar therefore suppressed the demand for a critical discussion of Communist governments and managed to keep the party on its course, with only a minimal change in its leading organs.<sup>116</sup>

An amusing episode destroyed his hope of keeping the evidence of discontent secret within the party. A few members of Heimdallur, an extremely rightist youth organization of the conservative Independence party, found out where letters and reports written by former students in the Socialist countries had been stored. A burglary was organized, the reports and letters stolen and excerpts from them published in the daily newspaper *Morgunblaðið*. Later a selection was published as a book. In this manner the enemies of the Socialists were able to expose the critical attitudes in the party. They tried to present the authors of the letters and reports as hypocrites who acted as if Communism was a fine idea while knowing perfectly well of oppression and hardship in Communist countries.<sup>117</sup>

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was prepared by some of his former comrades.

<sup>115</sup>See *Leyniskýrslur SÍA*, p. 27-45.

<sup>116</sup>Party conferences in 1960 and especially in 1962 reflected the divisions within the party although discussion was not allowed about the matters that in fact divided the party. In 1962 the “critical” arm in the party got a majority in the party’s central committee. But Einar Olgeirsson nevertheless managed to prevent any real changes. See *Leyniskýrslur SÍA*, p. 124.

<sup>117</sup>Published as *Leyniskýrslur SÍA* in 1963 (*SÍA’s* secret reports). *SÍA* was an Association of Icelandic Socialists East of the Curtain, as they liked to put it.

In the early fifties the Socialists had all reason to be optimistic. In 1952 the Soviet government made it clear through party channels that it would be willing, finally, to negotiate a trade agreement and to establish large scale Icelandic-Soviet trade for years to come.<sup>118</sup> This was clearly a part of an overall strategy to exploit possibilities of approximation in Western countries. The Soviet Union offered very favorable conditions, even though the Icelandic government at the time had not in any way changed or modified its firmly pro-Western policy. For the next 40 years Iceland-Soviet trade was conducted much in Iceland's favor.<sup>119</sup> But it seems clear that the CPSU was ready for a long-term cultivation of ties. The most important prerequisite was the continued loyalty of the Socialist Party. Thus a liberal attitude was adopted to the party which made it considerably easier for it to remain loyal to the Soviet Union without embarking upon policies which were sure to isolate the party and bring it out of mainstream politics.

Not only did the VKP(b)/CPSU show unprecedented tolerance toward the Socialist party in the fifties. Cultural relations between the countries were also boosted. This was a good move to win confidence in among the general public. Translations of Icelandic literature were sponsored, short stories and essays by Icelandic authors were published in literary journals, a number of articles about various aspects of life in Iceland were commissioned.<sup>120</sup> Soviet artists, even some of the most prominent, traveled to Iceland to perform or meet with this people now suddenly considered

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<sup>118</sup>At this time the Icelandic government was waging a war (in almost the literal sense of the word, since the conflict and other similar have been referred to as "cod wars") for a recognition of an enlarged fishing zone. The Soviet trade was a great help in that struggle. The Socialists often referred to the trade agreement concluded in 1953 as a proof that the Soviet Union found it a worthy cause to help Iceland stay independent of the Western powers even if it did not thereby come under any sort of Soviet control. See Einar Olgeirsson. 1981. and Einar Olgeirsson. 1983.

<sup>119</sup>An economic analysis of this trade has been made by Borislav Petkov. 1980. *Trade Between Iceland and the*

extraordinary. Party officials and party members were invited regularly to stay at the Soviet Union's excellent sanatoriums, the leaders were received by Central Committee members and if needed brought to clinics reserved for the Soviet elite.<sup>121</sup>

While a general change of international policy partly explains the change of attitude toward Iceland and its Socialist party it hardly suffices to explain the intense goodwill that the Communist Party of the Soviet Union bestowed on their Icelandic comrades over the next few years. Unfortunately not all materials necessary to understand the decision-making process have been declassified yet. But it is possible to make a few conjectures. One important consideration was expressed several times in reports sent from the Soviet embassy in Reykjavík to the Central Committee in Moscow. This was the idea of a gradual development away from NATO and toward the Soviet bloc.<sup>122</sup> Extensive trade would clearly help this development economically. But it was just as clear that a backup was needed. This could explain the immense support for cultural activities of all kinds especially publication of books. *Mezhdunarodnaia Kniga*, the company responsible for contacts with foreign publishers paid for the publication of a number of Soviet and Russian works in the 50's. which the Soviet party gave to the Socialist Party and its organizations in the fifties. From the beginning the Socialist leaders had claimed that their party was on its way from being a broad coalition on the left towards becoming a

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*Soviet Union, 1953-1993 - Rise and fall of barter exchange.* Hagfræðistofnun Háskóla Íslands, 2/1995.

<sup>120</sup>Archive for Literature and the Arts 631-26-2012. A list of publications, compiled in 1960.

<sup>121</sup>Decisions about invitations and delegations of that sort were taken at the highest level in these years, either by the Politbüro or by the Central Committee secretariat. Thus every single one is listed in the respective registers. A curious one is a Politbüro decisions from 1951 to send some prominent cultural activists to Iceland, among them A.I. Khachaturian, and to allow the Ministry of Defense to put a representative on the delegation.

<sup>122</sup>See report written by ambassador A. M. Alexandrov in 1960. He then characterized the whole period from 1953 in terms of "gradual weakening" and maintained that this policy was still relevant in spite of a center-right government which had taken power then. The notion of "gradual weaking" (*postepennoe oslablenie*) came up several times during the fifties, but is referred to most explicitly as a policy in Alexandrov's report. Russian MFA

real Marx-Leninist party.<sup>123</sup> In the early fifties, it seems, the Socialists were taken by their word and the idea of a gradual development was taken seriously. Thus the relations between the Icelandic Socialists and the Soviet Communist party became closer than they had ever been and even closer than CPI's relations with the Comintern had been most of the time, during the Comintern years. In 1951 and 1952, for instance, Iceland, all of a sudden was quite frequently on the agenda at Politburo meetings. Decisions were taken about trade negotiations with Iceland, party relations and even about visits by party members.<sup>124</sup>

Now it is not quite possible to corroborate these conclusions, but the Soviet Union had various obvious reasons for working on the Icelanders. Iceland's location was important strategically and in the early fifties at least there seemed to be a general hostility toward the Americans among the local population.<sup>125</sup> All the more reason to think that Iceland's foreign policy might be changed. But ideological considerations should not be ignored. Although the Socialist party was not an ideal party according to Soviet standards the efforts of its leaders seemed genuine. It could well appear that they might succeed if they were given generous support in the way and manner they asked for it. The Socialist leaders consulted with Soviet representatives on an amazingly regular basis from the early

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110-17-6-121. p. 1-9.

<sup>123</sup>This can be seen already in the letter Einar Olgeirsson wrote to the Comintern in 1938 to announce the plans for the new party. It would not be entirely Marx-Leninist to begin with but it would grow into such a party. See Einar's letter RTsKhIDNI 495 74 265. This formula was used until the very end. See for instance conversations with Einar and Lúðvík Jósepsson (a Socialist leader and chairman of the People's Union 1978-1981) where they claim that the People's Union is still on the right way, to the left. TsKhSD 5-69-2686 27 May and 21 September.

<sup>124</sup>See 17-3-1075, 17-3-1088, 17-3-1090, 17-3-1091, 17-3-1092, 17-3-1093, 17-3-1095, 17-3-1096. Some of these files contain information which has not yet been declassified. But the sheer number of meetings where some Icelandic affairs were discussed presents a clear and definite change from what had been earlier.

<sup>125</sup>Iceland's membership in NATO and the presence of the American navy in Keflavík caused much conflict in Iceland in the fifties. It is unlikely that these deals would have survived a referendum in the fifties, since the opposition to them among the public reached far beyond the Socialist movement.

fifties until the early seventies. Some of them visited the embassy every few days. Trips to Moscow were frequent as well and there are few examples of refusals to meet with the Icelandic comrades in Moscow, when they requested such meetings.<sup>126</sup>

The trade agreement reached in 1953 was historic since it determined a large part of Iceland's foreign trade for the next decades. The largest commodities that were exchanged were oil and herring. The Soviet Union bought the bulk of Iceland's herring production and paid with oil. The trade was conducted in Iceland's favor in several respects. The prices paid for Icelandic herring were in general higher than was paid for Danish and British herring although Icelandic herring was of identical quality to the Danish and British. The Soviet oil that Iceland got in exchange was also priced below world market prices.<sup>127</sup> Thus from a purely economic point of view there was a bias in the trade relations which needs explanation. Borislav Petkov's study of these relations rejects the suggestion that this may have resulted from "intuitive" factors, i.e. from the lack of firm economic indicators in accordance with which a correct balance could be found.<sup>128</sup> What is left from this economic point of view is to see what non-economic factors were at work.

Icelandic-Soviet trade after 1953 can be divided into three periods. The first from 1953 to 1976 is the period of pure barter with fixed lists of commodities and no hard currency accounting. After 1976 hard currency is to be paid for difference in volume. This meant in practice that after 1976

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<sup>126</sup>It is a different story that the Icelandic comrades might spend days and weeks in Moscow on a futile chase after the really important people while lower functionaries were assigned to keep them company.

<sup>127</sup>Petkov. 1995. p. 25-26. Petkov points out that the case is, in a nutshell, that Iceland got a bulk of its oil for 40 years paying in fish which was unsellable elsewhere. One should however keep in mind that Icelanders did prepare the herring in accordance with certain instructions. Thus it was not as if the herring that was sold to the Soviet Union could not have been processed differently for a different market.

<sup>128</sup>Petkov. 1995. p. 24.

Iceland had to pay hard currency for a part of the oil the country received from the Soviet Union. This change in the agreement thus presents a correction that benefited the Soviet side rather than the Icelandic. <sup>129</sup> The period from 1991 to 1993 marked the collapse of Icelandic-Soviet trade.

Examination of the political ties between the CPSU and the UPSP allows a more fine grained analysis of the first period. From 1953 to 1962 the political motivation was untainted, as I will discuss below. One may conclude that the Soviet government expected considerable political success from its dealings with Iceland. In 1959 a center-right coalition of the Independence Party and the Social Democratic party came to power in Iceland. Reports from the Soviet embassy suggest that this coalition was not immediately perceived as a threat to Soviet plans of “approximation.”<sup>130</sup> But as the new government’s policies unfolded it became clear that its intention was to open up the economy and to diminish trade with Eastern European countries. This situation clearly spoiled the relations between the CPSU and the Socialist party. Soviet representatives in Iceland were instructed to avoid discussion of certain things, ideas and requests which came from the Socialist leadership were not well received and in general the impression is that there was less confidentiality in the party relations than had been earlier.<sup>131</sup> Thus from 1962 and to 1968 the relations were cooler although this does not seem to have affected trade relations directly. One may assume, however, that in this period it was harder for the Socialists to influence trade negotiations which were held regularly.

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<sup>129</sup>Petkov. 1995. p. 27.

<sup>130</sup>A. Alexandrov, the Soviet ambassador, remained optimistic. See his report to the Foreign Ministry from 19 January 1960. Russian MFA 110-17-6-121. p. 1-9.

<sup>131</sup>See e.g. decision of CC secretariat, 10 April 1962 (20th meeting) to reject Einar Olgeirsson’s proposals about coordination of strategies among the Nordic Communist and Socialist parties to resist a common European market. Also various conversations from 1962 in Russian MFA 035 -19-3-124.

In 1968 the Socialist party was dissolved, as the Communist Party had been three decades earlier and a leftist election bloc, the People's Union, in which the Socialists had participated, was transformed into a party. I will describe these developments below. During this period the Soviet government revised its terms and from 1976 it demanded hard currency payments for delivery of goods in excess of goods that it received from Iceland. The People's Union never had formal relations with the CPSU although relations continued on an informal basis. After 1976, however, there is no evidence of clandestine deals.

In the end, as I will show below, the Soviet efforts were successful only temporarily. The trade agreement concluded in 1953 was politically motivated. It was a part of a plan to effect a gradual reversal of policies, to make Iceland more dependent on trade with the Socialist bloc, to cultivate a favorable attitude of Icelanders to the Soviet Union, to present the Socialist party as a resourceful organization which could both formulate successful policies and provide practical solutions in times of need. When in 1956 the Socialists entered government once again they intended to strengthen the Soviet ties even more by taking a big loan in the Soviet Union.

### **The coalition of the left and its quest for loans**

Before parliamentary elections in 1956, the two centrist parties, Social Democrats and Progressivists, formed an election block and announced plans that the two parties would work together in a coalition government in case they succeeded in getting a parliamentary majority. It was clear already

in the early spring that year, that the center-right coalition of Conservatives and Progressivists which had been in power from 1953 was doomed since the Progressivists no longer wished to continue.<sup>132</sup>

One of the basic issues that united the Social Democrats and the Progressivists was the view that the defense treaty with the US, made in 1951, should be revised. The plan was that the navy base in Keflavík be abolished and that Icelandic and US civilians would carry out the tasks necessary to maintain military surveillance of the waters around Iceland. The Althing passed a resolution in late March, declaring that the agreement would be revised.<sup>133</sup>

The two parties, however, failed to accomplish their election goals and were forced to invite the newly formed block of Socialists and left Social Democrats to join the government. Thus the Socialist Party entered the government for the second time since the end of the war, this time not in a class-cooperation style, as it had earlier by participating in a coalition headed by the conservative Independence Party but as a key part of a left government with a leftist agenda. This was the first time that an openly pro-Soviet party entered the government of a NATO country.<sup>134</sup>

The Socialists, although their presence in the government gave an extra edge to plans of ridding the country of all US military personnel, were not primarily occupied with Iceland's NATO membership and the revision of the defense agreement. Their top priority was to secure the necessary funds for modernization and renovation in agriculture and the fishing-industry as well as extensive industrial construction. There were plans to build a number of factories and hydro-electric stations which required that the government would borrow large sums of money abroad. Immediately upon entering

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<sup>132</sup>Valur Ingimundarsson. 1996. p. 297.

<sup>133</sup>Valur Ingimundarson. 1996. p. 299.

<sup>134</sup>See Valur Ingimundarson. 1996. p 313-314.

the coalition, the Socialist leaders introduced the Soviet ambassador in Iceland to the government's plans and announced their interest in acquiring a loan from the Soviet Union.<sup>135</sup>

In August of 1956 Einar Olgeirsson told the Soviet ambassador P.K. Ermoshin that the government planned to borrow up to 800 million Icelandic crowns abroad, i.e. around 50 million US dollars. Optimally, a half should come from the US and Western European countries, a half from the Soviet Union. In case, however, members of the Western alliance would refuse to grant a loan to Iceland, the government intended to request that the Soviet Union would grant the whole sum. The loan was to be long-term and low interest, payable in 15 to 20 years. Einar also emphasized that two thirds of the loan could be given in the currencies of the Socialist countries, given that trawlers could be built in Eastern-Germany and equipment for the hydro-electric stations bought in Czechoslovakia.

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In September Einar embarked on a trip to Moscow and some other East European capitals to discuss these things with comrades. The real purpose of his trip was kept secret, officially he was on a mission to discuss the Icelandic export of fish to the Soviet Union. When he came back, however, he was able to inform the coalition partners that the Soviet government was prepared to offer Iceland a loan of the equivalent of 25 millions dollars. That is to say, the Soviet side was willing to provide a half of the loans that the government intended to get from abroad.<sup>137</sup>

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<sup>135</sup>Russian MFA Archive 035 13 3 115 p. 55-60.

<sup>136</sup>Ibid. p.57.

<sup>137</sup>See Valur Ingimundarson p. 323. The Soviet ambassador's conversations with Socialist leaders from this time, recorded in Embassy documents show clearly that the Soviet government was committed to granting the loan. One would expect, however, that if the Soviet side was making preparations to give the loan, trade and construction plans would have been worked out in more detail than they had been in Einar's plan, with which he had presented the ambassador. Perhaps the Soviet side simply accepted this plan as sufficient until the Icelandic government accepted the offer.

The centrist coalition partners, however, dragged their feet. The matter was not formally discussed in the government, and no formal request was made to the Soviet Union. Einar Olgeirsson discussed these problems once again with the Soviet ambassador when they met during a conference of the Nordic Council in Helsinki in February of 1957 and described the situation as complicated. In his report of the meeting Ermoshin wrote:

The Socialists ... believe that the time has not yet come for an official discussion [about a Soviet loan] but it is coming soon. Some members of the government believe that such a loan should not be received directly from the Soviet Union, but rather through some third country, for instance, through Czechoslovakia or the German Democratic Republic. ... The Socialists are not entirely clear about how they should approach such a way of putting the question and they wish to know whether such a variant is possible i.e. receiving a loan from the Soviet Union through some third country<sup>138</sup>

The Socialists were clearly proceeding with exceptional caution. It seems to have been their goal from the beginning to acquire loan commitments from east and west. By this time, however, it had probably become clear that neither the United States nor Germany would accept that Iceland received a loan both from its NATO partners and from the Soviet Union. This later became a condition about which a “gentlemen’s agreement” was made when loan agreements with the US and Germany were signed.<sup>139</sup>

The Socialist daily, *Þjóðviljinn*, reported that the Soviet Union was prepared to grant Iceland a generous loan and pointed out that unlike Iceland’s allies in NATO, the Soviet Union was not

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<sup>138</sup>Russian MFA Archive 035 14 3 117 p.3.

<sup>139</sup>Valur Ingimundarson p 357.

attaching any conditions to such a loan i.e. did not demand that Iceland would reject a US or German loan if it received a Soviet loan.<sup>140</sup>

In November of 1956 plans to revise the defense agreement with the US had practically been put aside. The US had put enormous pressure on the government not to demand any major changes of the agreement. The foreign minister Guðmundur Í Guðmundsson, who belonged to the right wing of the Social Democratic party, had been against the revision all the time even when his party pressed for revision. When the Soviet Union invaded Hungary the fight for revision lost its momentum. But that was not the main reason, as has been shown quite convincingly. Foreign loans had a more prominent role in the minds of the ministers than these events. The US government was both reluctant to grant a special loan to Iceland at all and adamant that Iceland would neither insist on extensive revisions of the defense agreement nor strengthen its already strong ties with the Soviet Union. Thus the Icelandic government faced a clear cut choice: Either it could accept a Soviet loan or it would press for a Western loan.<sup>141</sup>

Thus the speculation, whether the Soviet Union would prepared to lend the required money, yet conceal this by channeling funds through a third country, makes perfect sense. It was already clear that the Icelanders would not be able to get loans from both sides openly and they also knew that the Soviet Union would be reluctant to grant the loan secretly. After all it was important in the propaganda war to be able to publish that the Soviet Union had granted a big loan to a NATO country.

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<sup>140</sup>*Þjóðviljinn*, 1 July 1956. Valur Ingimundarson p 312.

<sup>141</sup>Valur Ingimundarson p 314-15; 332.

The Soviet government, without, apparently, having received any request from the Socialist party to do so, took the initiative in a highly unusual way. Having understood that the Icelandic government would not request a loan from the Soviet Union, the ambassador contacted Hermann Jónasson, the prime minister, directly to present to him the Soviet offer.<sup>142</sup> This suggests, that the Soviet side did not like the idea of keeping the loan secret as the Socialists would have liked them to. It is highly unlikely that the Soviet Government would have gone that far without being convinced that the offer was too good for the Icelanders to decline and that in the end they would gratefully accept it.

The difference from 1948 is a interesting. At that time the policy was apparently not to make any offers but simply to wait and see, with the result that Icelandic-Soviet trade was discontinued. But in 1957 the Soviet side acted in the exact opposite way. In spite of the fact that the Icelandic government had dropped plans of revising the defense agreement, the Soviet government was still so enthusiastic about generously supporting economic construction in Iceland that it had its ambassador beg the prime minister to accept a loan!

But it did not work. The Icelandic prime minister did not give any clear answer about the attitude of the government, but made the ambassador understand that a US loan was preferred. In other words, the government did not intend to approach the Soviet government unless its Western allies would refuse to grant a loan. The Icelandic government may simply have wanted to keep the possibility of receiving a Soviet loan open, in order to use the Soviet offer to prevent the Americans from backing off of their earlier commitments.

<sup>142</sup>Valur Ingimundarson p 350.

Late in 1957 it was finally agreed upon that Iceland would get a loan from the US and the German Federal Republic in the amount of 9 million US dollars. It was to be paid back in 15 years and carried interest of 4 percents. A “gentlemen’s agreement” was also made, but kept secret, that the Icelandic government would not accept a big loan from the Soviet Union. Iceland got a loan from the Soviet Union to finance the purchase of East-German made trawlers a year later, but that was only a fraction of what was originally intended. Moreover this loan did not strengthen of Iceland’s economic ties to the Soviet Union or other East European countries as the big Soviet loan would have done. It was made by increasing Iceland’s credit in the Icelandic-Soviet trade agreement. It amounted to of 3.2 million USD or an eighth part of what the Soviet Union had offered. The terms were the same. The loan carried 2.5 percent interest and was to be paid in 12 years.<sup>143</sup>

In the end the left coalition managed to get close to 20 million dollars (or its equivalent) in foreign loans during its short reign (1956 to 1958). Almost half of this money was the US/German loan granted in 1957. For Iceland this was substantial although it fell far short of the 50 million US dollars that Einar Olgeirsson had been talking about with the Soviet ambassador to begin with.

Now what were the real options here? It seems clear that in early 1957 Iceland in fact made a choice between which economic system was to be adopted in the country. The Soviet loan may in many ways have been more profitable than the joint US/German loan. It carried lower interest, for instance. But since two thirds of it were in East European currency, Iceland would have become economically dependent on barter trade with Eastern European countries. The loan was in fact a way to increase Icelandic-Soviet trade as it would have been paid back in goods for the most part. This

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<sup>143</sup>Valur Ingimundarsson p 361.

could have demanded more rather than less centralization of the economy and some further assimilation to Eastern European economic management.

Only a third of the loan was to be given in western currency, or about the same amount as Iceland got in loans from the US and Western Germany. The question of which loan to accept, then, was not merely a question of how strong Iceland wanted its ties to be to NATO and its member countries, but also, and not less, how far Icelanders would like to go in the direction of state controlled economy. There was no question, of course, that the Socialists were prepared to go as far as necessary.

### **Socialists out of power. Government turns westwards**

In late 1959 a coalition government of the Conservatives and the increasingly right leaning Social Democratic party was formed in Iceland. This, finally, marked a defeat of Socialist attempts to engage Iceland in more extensive trade and economic cooperation with Eastern European countries, since the new government immediately proceeded to decentralize economic management and loosen the state's control of the economy. These developments facilitated Western oriented trade, but made trade with the Eastern bloc more complicated. It also confirmed that Iceland was not on its way out of the Western alliance. It was clear, of course, that there was no political consensus in Iceland about this. The Socialists continued to advocate strengthened relations with the Soviet Union. But the momentum was gone, and as things turned out, would not return in spite of the Socialists's return to power a decade later.

Soon after the center-right coalition came to power. A.M. Alexandrov, a new Soviet ambassador to Iceland wrote a short report on "conditions and perspectives of Icelandic-Soviet relations"

addressed to G.M. Pushkin, a deputy foreign minister.<sup>144</sup> Alexandrov's purpose was clearly to minimize the negative impact of these latest developments in Iceland. He argued, that in spite of the general orientation of the new government, it made still sense to try to expand economic ties between the two countries. He pointed out that even conservative politicians praised the Icelandic-Soviet trade privately and emphasized that it was of vital importance for Iceland. Economic ties, after all, were the basis on which political ties could be strengthened.<sup>145</sup>

The ambassador feared, nevertheless, that the new government might present a problem. He wrote: "It is the embassy's opinion that the formation in November of 1959 of Ólafur Thors's coalition government, which consists of the most reactionary members of the Conservative and Social Democratic parties can slow down further development of Soviet-Icelandic relations although the government is hardly going to make severe cuts in its trade with the USSR."<sup>146</sup>

Alexandrov suggested that the Soviet Union should continue to support "progressive" forces in Iceland, who were struggling against stronger ties with NATO and for the expulsion of American military forces from Iceland.<sup>147</sup> He also proposed not to reduce but to enlarge the volume of Icelandic-Soviet trade. In his report he mentioned five important steps to be taken:

- (i) By indirect influence on the ongoing trade negotiations between Iceland and the Soviet Union, it should be guaranteed that whatever happened trade would not be reduced.
- (ii) The Cooperative Association [SÍS at that time a huge corporation controlled by the Progressive Party] should be allowed to establish direct ties with the Soviet

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<sup>144</sup>Russian MFA Archive 110 16 8 120

<sup>145</sup>Ibid. p.3

<sup>146</sup>Ibid. p. 6.

Cooperative Union [Tsentrosoiuz]. By making independent agreements with Soviet firms Icelandic companies could conduct business with the Soviet union independently of the trade agreement in force between the two countries.

(iii) Consider seriously whether it would be possible for the Soviet Union to lend Iceland the money needed to build a planned hydro-electric station. Alexandrov points out, that the station would eventually provide a chemical factory with electricity. This factory would produce synthetic materials using Soviet oil as its main raw material.

(iv) The Icelandic government should be offered a special treaty on cultural, scientific and technical cooperation.

(v) Invite the Icelandic minister of Culture, Gylfi Þ Gíslason to the Soviet Union accompanied by his wife. (Gylfi had for some time been considered by the Soviets to have very friendly views about the Soviet Union).

The strategy the ambassador seems to be recommending is to face growing obstacles with increased generosity. He argued that even though right wing rhetoric was not consistent with that view, right wing politicians in Iceland nevertheless realized that Soviet trade was vital for the country. Therefore they were reluctant to make drastic cuts and also quite susceptible to lucrative offers from the Soviet side.

<sup>147</sup>Russian MFA Archive 110 17 6 121 p 1-9.

Alexandrov's proposals clearly met with understanding in the foreign ministry but less so in the Ministry of Foreign Trade (MVT). Two months before Alexandrov sent his report to Pushkin, N. Lunkov, the chief of the Foreign Ministry's Scandinavian department had sent a letter to MVT complaining about the Ministry's plans of reducing Soviet import from Iceland slightly. The trade agreement for 1960 was to represent around 90 million Rubles instead of 96.5 the year before. Lunkov's arguments were basically the same as Alexandrov's. He wrote: "The development of trade relations facilitates positive development in cultural relations with Iceland and may increase the popularity of the USSR among the working class (especially fishermen). This again facilitates the struggle of Iceland's progressive forces who aim at the weakening the ties between Iceland and NATO." Lunkov accused the Ministry of Foreign Trade of having failed to take the wishes of "Icelandic friends" into account in preparing its proposals about trade with Iceland.<sup>148</sup>

Thus it is at least clear that opinions differed in the Foreign Ministry and the Foreign Trade Ministry about the nature of the ties with Iceland. This difference indeed represents a trend. In the fifties Soviet diplomats and Foreign Ministry officials were in favor of strengthening the ties with Iceland and made considerable effort to meet Icelandic requests. Again and again it was recommended that trade with Iceland should not only be regarded in terms of commercial prudence but also and especially in terms of long-term effects of the relationship between the Soviet Union and Iceland. But the Ministry of Foreign Trade always dragged its feet. It tended to decrease trade with Iceland and even sometimes declined proposals from Icelandic friends.

<sup>148</sup>Russian MFA Archive 035 15 2 117. 9 November 1959.

An episode from 1955 illustrates this point. In the early fifties the Socialists had embarked on an ambitious project: The Socialist publishing house Mál og menning acquired a lot to build a house for its bookstore and offices. in the center of Reykjavík. The construction was costly and demanded considerable sacrifices of rank and file party members. That was not enough however, and in 1955 Mál og menning was facing the ultimate demise, according to Socialist leaders. In order to prevent financial collapse with the inevitable loss of assets, the Socialists requested a loan in the amount of 65.000 USD. (1 million Icelandic crowns).<sup>149</sup>

The request was forwarded to the Central Committee with recommendations from both the ambassador and the Scandinavian department chief in the Foreign Ministry. The Central Committee, however, decided to send the matter to the Ministry for Foreign Trade for assessment. But the MVT did not approve of the idea. A deputy minister, S. Borisov, who seems to have handled the case, pointed out that the loan would go directly to the Publishing House Mál og menning. But this company, he argued, had very limited ties to its corresponding Soviet company, Mezhdunarodnaia Kniga. Thus it would not be appropriate to grant a big loan to Mál og menning and even contrary to law. Earlier Mál og menning had received financial support earmarked to finance the publication of Soviet literature, altogether 13.000 USD (190.000 Icelandic crowns). Borisov argued that this was already a lot for a company of Mál and menning's size so loosely related to Mezhdunarodnaia Kniga. The most the ministry could recommend was that Mál og menning get a special permission to delay payment for goods and books ordered from through Mezhdunarodnaia Kniga for 5 years. According to CC

<sup>149</sup>TsKhSD CC Secretariat meeting of 10 and 15 December 1955.

documents it was decided to follow the Ministry's suggestions and decline the loan request. A corresponding memo was sent to the ambassador in Iceland.<sup>150</sup>

The refusal must have been a shock to the Icelandic comrades who had maintained that a financial catastrophe was imminent. It is unclear how they managed. It must be noted however, that in spite of the memorandum sent to the ambassador, no formal decision about refusing the request seems to have been made. It cannot be excluded, therefore, that the CC did in fact support the Socialists in some way. Given the unfavorable response of the Ministry for Foreign Trade such a decision would surely have been a matter for a so-called "osobaia papka" since official recommendations would have been directly circumvented. It is therefore not possible to exclude financial support for the purpose of alleviating financial burdens connected with the construction project, since the level of secrecy for "osobaia papka" is considered even greater than "sovershenno sekretno" and only a handful of those have so far been declassified.

### **The limits of Soviet patience**

The great friendship cooled rather suddenly in the early sixties. It seems fair to assume that a certain dissatisfaction with the Socialist Party influenced that change of attitude in CPSU's Central Committee, as well as an attitude of suspicion to the new government of Conservatives and Social Democrats which had come to power in 1959. The loyalty of the Socialist Party to Soviet policies was not unconditional and developments in the party seemed not altogether favorable. Three things played a significant role in my view. Firstly, Einar Olgeirsson, who was greatly pained by the increasing

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<sup>150</sup>TsKhSD 9 1437 st96/54 ot 10.12. (15.12) 55g Materials of the CC Secretariat meeting.

difficulties of Communist parties in the Nordic countries (except Iceland) to work with other Socialist organizations, was advocating a coalition of leftist parties in Northern Europe to oppose the growth of the common market in Europe. He envisaged a coalition of leftist forces including some outspoken anti-Soviet and renegade groups, such as for instance Aksel Larsen's party in Denmark. Larsen had split the Danish Communist Party and founded the Socialist People's Party. The CPSU remained deeply hostile to Larsen's new party.<sup>151</sup> Secondly, the International Department of the CPSU was less and less pleased with what the Socialist daily *Þjóðviljinn* published and Soviet representatives in Reykjavík would frequently accuse their friends of ignoring important events and developments in the Soviet Union, such as CPSU party congresses, and even of being susceptible to anti-Soviet propaganda.<sup>152</sup> Thirdly, students sent by the party to study in the Soviet Union had become critics of Communist governments. Those who were studying in other Eastern European countries were in some cases rather critical of the People's Republics and especially of the Soviet Union's role in these countries. As I discussed above Einar Olgeirsson, the Socialist leader, had tried to prevent them from making their critical attitudes a matter of debate within the party, but when the conservative daily *Morgunblaðið* published letters and reports by members of this group, their views, for better or worse, became publicly known.<sup>153</sup>

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<sup>151</sup>Russian MFA Archive 035-19-3-124, especially conversation report 15 June. See also a telegram to the ambassador, sent 10 April from the Central Committee after Einar's suggestions had been discussed. The ambassador was instructed not to endorse or even discuss any of Einar's proposals. CC of the CPSU, Secretariat. Excerpt No. 33 from protocol 20, 10 April 1962, telegram attached.

<sup>152</sup>Russian MFA Archive 035-19-3-124, Ambassador A.M. Alexandrov and Eggert Þorbjarnarson 5 January. Also TsKhSD 5-50-495, various reports.

<sup>153</sup>Einar discussed the letters and their publication with the Soviet ambassador 1 March 1962 and told him that the party had clearly failed in its educational role. Eggert Þorbjarnarson, a former Comintern functionary, also discussed the problems these letters had caused. He considered the students to have made conspiratorial errors, rather than

Soviet representatives in Iceland received instructions on all these problems. Central Committee officials were particularly apprehensive of Einar's ideas of a united leftist force in Northern Europe. The Soviet ambassador got strict orders not to discuss these ideas with Einar, and to warn him especially that his erroneous views might have serious consequences for the ideological unity of the communist movement. "Friends" in the other Scandinavian countries were also advised to keep his errors in mind in all correspondence with him.<sup>154</sup> The categorical rejection of these ideas is in many ways strange. One cannot but wonder how such a movement could have hurt Soviet interests. It is far more likely that it would have been open to Soviet influence and infiltration.<sup>155</sup>

A conflict within the Association for Cultural Relations of Iceland and the Soviet Union reflects the differences. This association, originally established in the early thirties, later dissolved and then resurrected in the fifties, had been led by the party intellectuals, people like Kristinn E Andr sson who was director of the Socialist publishing house, M l og menning. The Nobel prize winner Halld r Laxness had also been active and even headed the association for a while. Many prominent intellectuals, whose attitudes toward the Soviet Union were not entirely uncritical had been involved in the work of the Association.

Around 1960, however, a most curious split occurred in this Association. People who were less prominent culturally, but had stronger and more unified beliefs about the Soviet Union than the others,

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ideological. The interesting thing is that both men reacted to the problem in the Comintern way: The problem was not within the party, but had to do with leakage of information. See Russian MFA Archive 035-19-3-124. Conversation reports 1 March and 18 May.

<sup>154</sup>Russian MFA Archive 035-19-3-124, Conversation report 15 May 1962. CC of the CPSU, Secretariat. Excerpt No. 33 from protocol 20, 10 April 1962, telegram attached.

<sup>155</sup>A possible explanation is protest from the Danish Communist Party, which was ridden with hatred of Aksel Larsen. Vladimir S. Savko, at the time a young referent in the International Department of the Central Committee, recalls that questions of this nature were resolved in close consultation with the Danish Communists.

took over.<sup>156</sup> They seem to have got support from the Soviet embassy, which suggests that Soviet representatives had instructions to give the association a clearer pro-Soviet look. The split in the Association coincided with a conflict within the Socialist party, especially its organization in the capital Reykjavík.

The party intellectuals who thus lost some of their influence and contacts reacted by acquiring a permission to contact the Soviet Writers Union directly.<sup>157</sup> Those contacts were the reason for several unorthodox visits of Soviet intellectuals to Iceland. Thus for instance a delegation from the Soviet Union spent almost a month in Iceland in 1961. When the delegates came back they reported misgivings about both the cultural association and the embassy's role in the split. The Soviet delegates A.T. Ventslova and V.S. Morozova claimed that the embassy deliberately misled Soviet visitors about important people in the Socialist movement. Character descriptions (kharakteristiki) of the most prominent Socialists, which the embassy interpreter Yuri Reshetov had made available to the delegation, described Kristinn E Andrésson as "cunning and hypocritical" and Laxness as a "demoralized alcoholic." Neither of these descriptions the delegates found to be true.<sup>158</sup>

In the early sixties the International Department seems to have wanted clearer Marx-Leninist and pro-Soviet commitments from the Icelandic Socialists than it was getting. At this time the Icelandic economic system was changing dramatically effecting a still closer incorporation of Iceland into the community of western countries. It would only have been natural to deny Soviet support to a party which seemed to be drifting away from Soviet commitments at the same time as its country was

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<sup>156</sup>Archive for Literature and the Arts 631-26-2013. Delegation report.

<sup>157</sup>Archive for Literature and the Arts 631-26-2011.

<sup>158</sup>Ibid. pp 18-19. Reshetov later became the Russian ambassador to Iceland serving from 1992 - 1998.

becoming less and less dependent on large scale trade agreements with the Soviet Unions and other Communist states. But unlike what had happened in 1948 trade was not stopped. It was even somewhat expanded.

### **Party relations disrupted for tactical reasons**

During the sixties privately conducted import/export business grew as a recognized way of retrieving funds for the UPSP. Socialist and trade union leaders continued to be invited and to accept invitations to the Soviet Union and Icelandic students kept going there. But documents show markedly less enthusiasm on the Soviet side, and official interest in Icelandic literature declined.<sup>159</sup>

The first split in Socialist ranks occurred in 1968. The UPSP was dissolved, paving the way for the so-called People's Union, an electoral bloc that the Socialists had participated in with left wing Social-Democrats since 1956, to become a party. The older generation in the Socialist party was less than happy with this development. A splinter group defied the new party and continued to work as they had done in the Socialist Party Organization in Reykjavík.<sup>160</sup>

The Soviet Union's invasion of Czechoslovakia was strongly condemned by the UPSP leadership, and it was announced that no formal ties could exist any longer between the two parties. This renunciation was the last resolution passed by the Socialist party. It followed the Socialists into the People's Union which thus from the beginning was able to do what the Socialist party would hardly

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<sup>159</sup> One could perhaps say that routine took over from planning. There are no reports to be found from these years that describe plans to increase the relations or tighten economic cooperation.

<sup>160</sup> See Óskar Guðmundsson. 1987. p. 136-138. Discussed in embassy reports. See TsKhSD 5-60-515, various reports.

have agreed upon otherwise: to reject any relations with the governing parties of the Warsaw pact countries that had participated in the invasion.<sup>161</sup>

These developments had a certain effect in Moscow. For some time it was considered to throw Soviet support behind the Reykjavík Organization. This plan was later abandoned when it became clear that it was a negligible political force.<sup>162</sup>

A peculiar dispute resulted, however, over private business connections. The idea behind import/export business, which some private companies had conducted with organizations in the Soviet Union for some time, was that the Icelandic companies could provide some financial support to the party, its newspaper and publishing house.<sup>163</sup> Also, these companies could help sell some Icelandic produce that was not included in the annual trade agreement, thus providing extra markets for small producers, which again would help Socialist leaders present themselves as resourceful managers and helpers of the people.<sup>164</sup> Moreover profitable business operations could be arranged in order to direct funds to the party if needed.<sup>165</sup>

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<sup>161</sup>Óskar Guðmundsson. 1987. p. 139.

<sup>162</sup>See embassy recommendation to transfer relations to the Reykjavík Organization in 5-61-606, 1 April 1969. A decision to receive the leader of the organization Steingrímur Aðalsteinsson, and his assistant Stefán Magnússon in Moscow, CC of the CPSU Secretariat, decision of 21 July 1969. A change of attitude is reported in a special dispatch to Soviet ambassadors in the Nordic countries, attachment to CC of the CPSU Secretariat Protocol 111, meeting 1 October 1970.

<sup>163</sup>Ingi R Helgason interview, 15 August 1995; Vladimir S. Savko, interview, August 1996.

<sup>164</sup>Russian MFA Archive 036-9-4-109, 9 July. I.G. Sysoev, Ársæll Sigurðsson about the possibility of arranging a sale of 10 thousand tons of frozen fish to the Soviet Union. Also 035-19-3-124, 18 January 1962. A.M. Alexandrov, Einar Olgeirsson.

<sup>165</sup>See for instance a Secretariat decision to drop financial charges against the Icelandic firm Mars Trading Company Ltd. which owed considerable amounts to Soviet export firms. CC of the CPDU, Secretariat, protocol 46, meeting 29 February 1968. Also discussions about this decision in TsKhSD 5-60-515.

The leaders of the Reykjavík Socialist Organization argued in late 1968 that all business connections should be transferred to them which, apparently, was promptly done.<sup>166</sup> This was a great shock for those leaders of the People's Union who had been in closest contact with the CPSU. Lúðvík Jósepsson protested the decision in the Soviet Embassy and warned about the effects it might have for the Socialists.<sup>167</sup>

After Central Committee officials had realized that the Reykjavík Organization was not a serious political force, they seem to have been prepared to reverse this decision although they did not do so. In 1971 when the Socialists entered government for the first time in 13 years, a government agency was founded, whose role was to support exporting fish producers in finding markets and marketing their product. This effectively eliminated the possibility of doing business the way firms supported by UPSP and the Reykjavík Socialist Organization had been doing it.

When the People's Union had succeeded the Socialist Party, Soviet relations became a matter of great secretiveness even within the party. But the former leaders of the UPSP did not intend to change these relations. In conversations with Soviet representatives they repeatedly claimed to be in full control of the new party, and that those in the leadership who opposed friendship with the CPSU did not really have the power their titles suggested.<sup>168</sup> Sentiments in the party were strong against ties with the CPSU. But some of the more influential party-members, such as Lúðvík Jósepsson and Ingi R

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<sup>166</sup>TsKhSD 5-62-609, 28 January.

<sup>167</sup>Ibid. 3 March Mars Trading director Ægir Ólafsson complained to the embassy and on 18 March Lúðvík protested and demanded a reversal. It must be noted that at this point the relations to the CPSU had become more secretive than they had ever been. Only a few individuals in the leadership of the party knew the whole truth about these connections.

<sup>168</sup>5-63-641, Political report.

Helgason, considered it of utmost importance to retain the special access to the Soviet comrades that long-term “friendship” had granted.<sup>169</sup>

### **The People’s Union: The Socialist movement in the 70’s**

In 1968 the Central Committee of the Soviet Communist party gave direct financial support to the Socialist publishing house, Mál og Menning. This was repeated in 1970, and in 1971 the Central Committee decided to offer Kristinn E Andrésson, Mál og menning’s director, personal grant as a kind of a pension.<sup>170</sup> Such things were rare. Through the years the CPSU had preferred to support the Icelandic Socialists, their publishing house and newspaper, not directly, but by using business transactions and other indirect methods.

During the seventies some of the leaders of the People’s Union remained frequent visitors in the Soviet Embassy in Reykjavík and indeed at Soviet sanatoriums near the Black Sea.<sup>171</sup> These people were interested in maintaining the good and friendly relationship there had been with certain departments in the Central Committee, in particular the International Department. The Soviet representatives on the other hand wanted to renew formal ties between the Icelandic Socialists and the CPSU. The Icelanders kept saying that this was very likely to happen, and would probably happen

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<sup>169</sup>It is a very common description in embassy conversations throughout the sixties and seventies that people understand or fail to understand “the importance of friendly relations to the CPSU”.

<sup>170</sup>TsKhSD 562-609, Kristinn E Andrésson in conversation with the Soviet ambassador and other Soviet diplomats 27.12. 1969; 26.3., 12.4. and 9.5. 1970. Kristinn’s pension was granted by a Secretariat decision without protocol 25.7.1972. See also Kristinn’s letter to the Central Committee outlining his life’s work and pointing out that he lacks pension rights in Iceland, dated 14.10 1970. TsKhSD 5-62-609.

<sup>171</sup>Such visits usually needed the Secretariat’s approval, but were made without protocol, which meant that a department chief did not need a meeting, but could make the decision on his own. See Secretariat cardfile (lists decisions) for Iceland. Several visits were approved each year, through 1977, at least. Less thereafter.

soon, but for the time being ties should be kept informal and unpublicized.<sup>172</sup> The question of renewing ties was never formally posed on any open forum within the People's Union.<sup>173</sup>

In 1976 the Soviet government demanded hard currency accounting in its trade with Iceland. It can be assumed that this demand is connected to both the deterioration of the Soviet economy itself and attempts to change that.<sup>174</sup> It is surely also connected to the changes within the Icelandic Socialist movement itself.

In 1976 the so-called international committee of the People's Union which had been half-secret since the founding of the party in 1968, was formally abolished. This marked a change for the relationship to the Soviet embassy for the members of this committee had frequently approached Soviet representatives in an official capacity even though strictly speaking the party had no ties to the CPSU. The usual formula was that this was a temporary arrangement, meant to preserve the unity of the party.<sup>175</sup>

### **End of confidential relations**

For long periods the close relations between the Icelandic left and the Soviet Communist Party had a personal rather than ideological character. The leaders of the thirties, in particular Einar Olgeirsson and Brynjólfur Bjarnason, commanded unparalleled respect in Moscow. Younger people

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<sup>172</sup>A point made in almost every conversation between Soviet representatives and a few leading socialists from 1969 and through 1976. TsKhSD 6-66-1199. Also the Soviet Embassy's political report for 1974 TsKhSD 5-67-846 and conversation reports TsKhSD 5-68-2043.

<sup>173</sup>Óskar Guðmundsson. 1987. p.175-76.

<sup>174</sup>Petkov. 1995. p. 5.

<sup>175</sup>TsKhSD 5-69-2686. Conversations with Lúðvík Jósepsson, 27 May and Einar Olgeirsson 21 September show this very well. Lúðvík usually mentioned "reestablishment of formal party relations" when he needed some favor

were treated with growing suspicion, especially those who were suspected of rightist tendencies like Lúðvík Jósepson. There were also certain misgivings about some of the more managerial figures, like Ingi R Helgason, who was often suspected of a hypocritical attitude and of thinking about nothing but the finances of the party.<sup>176</sup>

After the Afghanistan invasion, however, one can see certain unexpected developments. The Central Committee had drawn up plans in the early seventies in order to improve ties to the Nordic countries and if possible increase Soviet influence. In accordance with this plan official invitations were greatly increased and efforts were made to create friendly relations with officials, functionaries and activists outside Socialist ranks, as well as with ordinary members of the party and members of “progressive” organizations and associations.<sup>177</sup> The increased connections that the embassy had with people of various attitudes and importance prompted Soviet diplomats to spend considerable effort on discussing the invasion of Afghanistan with Icelandic citizens. Surprisingly, however, conversation reports show that the older generation of Socialists had the least tolerance in such situations. Both Lúðvík Jósepson and Einar Olgeirsson are reported to have offered harsh condemnations of the invasion in meetings with embassy officials.<sup>178</sup>

In the eighties the relations finally cooled down. Embassy officials even recommended that the People’s Union get no special treatment.<sup>179</sup> There is no evidence of financial support to the party, the

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for the party. The international committee had also arranged holiday trips for party members. This was a source of some orruption within the party. See various invitations passed by the Secretariat 1968-1970.

<sup>176</sup>Vladimir S Savko interview, August 1996. Savko noted however, that Ingi also won considerable respect for his efficiency and businesslike manner.

<sup>177</sup>CC of the CPSU, Secretariat protocol 36, meeting 4 April 1972.

<sup>178</sup>TsKhSD 5-77-860

<sup>179</sup>TsKhSD 5-76-1122

newspaper or the publishing house after 1981.<sup>180</sup> The personal nature of the party relations, especially in the later years, has to be emphasized. In the seventies only three to five members of the party leadership had confidential ties to International Department officials. The CPSU gave up hope that the party might change its attitude only belatedly. During the last years those who sought contact with the Central Committee can be split into three groups. First comes the oldest generation in the party, those who had led the movement from the start. Second comes the group that realized that certain financial arrangements with the Central Committee could at times prove crucial for the party which again demanded that certain relations be maintained. Thirdly there are the corrupt elements in the party, those who simply wanted to be in a position to allocate free holiday packets to Black Sea sanatoriums.

### **General conclusions: From Petrograd to Afghanistan**

The relations between Icelandic Socialists and Comintern on the one hand, the CPSU on the other, are remarkable indeed. Unlike other North-European Communists, Icelandic Communists were never marginalized in politics but remained a main-stream political force, most of the time commanding a party which was stronger than the Social-Democrats. Some leaders of the Socialists, especially Einar Olgeirsson, were skillful politicians who were ready to make considerable compromise in order for the Communists to remain a serious political force. But compromise was not the only solution, although allowed after Comintern's VII congress in 1935. Camouflage was also a respected

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<sup>180</sup>Alexander Evlakhov, a Moscow historian and journalist, was in 1991 a member of an RF Supreme Soviet commission which investigated all CPSU support of foreign parties. He told me in an interview in 1992, that no funds had been transferred to Iceland in the eighties, but that he was aware that earlier, in the sixties and seventies, a

conspiratorial method, as were many other tactical moves.<sup>181</sup> There is no question, that until the very end, the Soviet Communist party regarded the UPSP to be a popular front party led by a Communist fraction.<sup>182</sup>

It is not fair to claim that the Icelandic Socialists were obedient to any Moscow caprice. But they consistently avoided confrontation. The determined effort to suppress critical discussion of the Soviet Union in the party in the early sixties bears clear witness to this attitude. It is noteworthy that apart from the split in 1968 which, as things turned out, was insignificant, the Socialists never appealed to Moscow in order to sort out differences within the UPSP. It shows well how cautious the Icelandic Socialists were about their Soviet ties. Any Soviet involvement in disagreements within the party would have invited a danger of a spillover quite useful to the opponents.

It was also the understanding in the International Department that the Icelandic comrades needed considerable flexibility. The Icelandic party was to be supported and given advice on a regular basis, but not submitted to pressure. As was in general the rule with European Socialist parties that had ties to the CPSU, the intelligence services were strictly forbidden to recruit members of the Socialist Party as agents. The reasons for this are quite obvious. It would greatly compromise the party to have a member revealed as a spy and, as things were, party members would also be more liable to suspicion than agents who had no ties to a Socialist party.<sup>183</sup>

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Socialist party in Iceland and its organizations had received financial support.

<sup>181</sup>Soviet support of Mars Trading Company in 1968 required “conspiratorial methods” according to Einar Olgeirsson. TsKhSD 5-60-515.

<sup>182</sup>Politbüro decisions concerning Iceland until the late fifties always referred to the UPSP as the Communist Party of Iceland. There is also a passim reference to “the communists in the UPSP” and from time to time assurances from the Icelandic friends that the party is Marx-Leninist in nature.

<sup>183</sup>Vladimir S Savko, interview August 1996. In spite of this a member of the Socialist party claimed that Soviet agents had tried to recruit him for intelligence work in the early sixties. Savko maintained that such recruitments

Although the nature of the “friendship” between the leading group of the Icelandic Socialist movement and those in charge of world communism in Moscow changed over the years, the ties were never entirely broken. They faded away, as the last members of the Comintern generation disappeared from public life. During the cold war years, the Soviet ties were an important factor in Icelandic politics. Moscow was a trump card skillfully used by the Socialists. But this useful card seriously inhibited political judgment and discussion within a party that kept congratulating itself with having the sympathies of most of the Icelandic intelligentsia. When the Socialist Party was dissolved and the People’s Union became a political party, the relation to the Soviet Communist Party changed. But the change was not as radical as some members claimed. It went underground, but was kept alive by those few people who knew that in hard times it might prove quite necessary to have access to a strong and generous friend.

### **Archival collections**

**RTsKhIDNI** refers to the former Central Party Archives, now **Russian Center for the Preservation and Study of Documents of Recent History**. Comintern documents and CPSU documents until the 19th party congress are preserved in this archive I refer to these documents by numbers that denote Collection No. (fond) Inventory No. (Opis) and File No. Decisions taken in some committee belonging to the ECCI are also preserved in a catalogue entitled “Auszüge.” I refer to these by date. 495 is the number of the collection of documents pertaining to Communist parties and to ECCI and its leaders. Correspondence to and from the CPI is in 495-177; Directives and other things sent from the Scandinavian Department to the CPI are in 495-31. Wilhelm Florin’s secretariat is 495-15. 533 is the number of the collection of documents belonging to the Communist Youth International, KIM or KJI. 531 is the number of Leninschool documents, 529 has documents from the Western University. Politburo resolutions are in No. 17. When reference is to other collections or inventories in the footnotes I explain from where.

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were strictly forbidden and when they did occur the consequences were in accordance with that. He did not admit to remembering this particular incident.

**TsKhSD** is the former Central Committee archive, now **Center for the Preservation of Contemporary Documents**, which preserves all Central Committee documents after 1953, except those that may still be in the Presidential Archive which is still closed for the most part. The documents from this archive used here are principally of two kinds: (i) Conversation reports, political reports and special reports made by Soviet diplomats in Iceland. These are preserved in folders which have specific numbers that I give in the footnotes along with either page number or date. (ii) Decisions made by the Central Committee's secretariat. These are all preserved in small collection entitled Iceland. I refer to these by date mainly.

**Russian MFA Archive** refers to the archive that belongs to the **Russian Ministry of Foreign Affairs** which is run by a special ministerial organization called Association for Diplomatic Archives. I have chosen to refer to these documents simply as foreign ministry documents, since some of them may not be under the jurisdiction of the Association although they are accessible in the foreign ministry archive. The files are of two sorts. One contains internal correspondence, either within the ministry or between the ministry and the Central committee. The other one has documents from the embassy in Reykjavík. It should always be clear from the context what kind of document it is that I am referring to.

**Russian State Archive for Literature and the Arts** preserves documents from the international department of the **Soviet Writers Union**. There are several reports here that have been written by people who either traveled to Iceland or were in contact with Icelanders who stayed in Moscow for longer or shorter periods.

## Interviews

**Benjamín Eiríksson**. Former member of the Socialist party. Studied in Moscow in the thirties. Later split with Socialists. Finished a PhD degree in Economics in the US and became a top official in Iceland during the fifties. Interviewed in 1992 and 1995.

**Vladimir Evlakhov**. Historian and journalist. Worked for the Russian Supreme Soviet in 1991 and 1992. After the August coup he headed a team which researched financial records of the CPSU having to do with the financing of foreign Communist parties. Interviewed in 1992.

**Ingi R. Helgason**. Member of the UPSP and the People's Union. Managing director of the Socialist party in the fifties. Had close contacts with officials in CPSU's Central Committee. Interviewed in 1995.

**Vladimir Savko**. Referent for Iceland and Denmark in the International Department of the CPSU's Central Committee from 1961 to 1986. Interviewed in 1995 and 1996.

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