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# Spatial Economics and Totalitarian Temptations: The Complex Biography of August Lösch (1906-1945)

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**Abstract.** Among the German spatial economists August Lösch is arguably the one who has had the biggest lasting influence on international academic literature. After his death in May 1945, a legend was created according to which he was a fierce opponent to national socialism. This was part of the attempts of his former colleagues and of the German economics community at large to disguise the extent of their own involvement and their agency in advising economic and social policies of the Nazi regime. The political context of spatial planning during the Second World War was particularly damning as it in many cases presupposed genocides on nations such as Poles and Russians and on religious groups such as Jews. It was precisely with regards to Eastern Europe that Lösch's theoretical contributions were deemed to be particularly valuable. However, the legend of his supposed opposition contained a grain of truth as he was indeed appalled by central aspects of Nazi ideology. Yet, the ability of a totalitarian regime such as the “Third Reich” to integrate the contributions of a brilliant mind and somebody who saw himself as an independent and unpolitical scholar into its decentralized and collaborative spatial research apparatus is what makes Lösch's biography particularly interesting and relevant today.

## 1 Introduction

It has been argued that August Lösch (1906-1945) “is the German spatial economist who has had the biggest lasting influence on international academic literature, far beyond the discipline of economics” (Bröcker 2014, p. 223). His contributions to the emerging field of spatial economics, as well as to demography and monetary economics, were well received not only in the late Weimar Republic and in the “Third Reich”, but also in the USA by prominent scholars such as Joseph Schumpeter who took him under his wing. Since the 1940s, Lösch's own work and the more practically oriented Central Places Theory of his close colleague Walter Christaller were adapted by spatial planners in very different countries such as Sweden, communist Poland, and Israel (Trezib 2014, Venhoff 2000). Christaller's contributions to national socialist spatial planning are well documented, as is his political opportunism with successive memberships in the leftist USPD/SPD, the national socialist NSDAP, the communist KPD and the centre left SPD. Lösch's biography is less well known and his character seems much more complex, ambiguous, and in his constant quest for meaning in life also very relatable. Thus, his life constitutes a suitable historical case study for reflecting on the manifold application possibilities of spatial economics and on the authoritarian or even totalitarian temptations that scientists might face today.

Lösch was an independent-minded intellectual but at the same time he craved for the praise of his fellow academics and “practitioners”. Among his estate is a carefully assembled collection of positive reviews of his magnum opus *The Economics of Location* (1940b, posthumously translated into English in 1954). One of those is an assessment by state secretary Hermann Muhs, head of the Reich’s office for regional planning (RfR). According to Muhs, Lösch’s book “contains an abundance of scientific insights which are of the utmost importance for the tasks of the RfR”<sup>1</sup>. This was no empty rhetoric. After a meeting with Muhs in December 1942, the time when the German armies had just reached their greatest expansion, Lösch agreed to publish a second edition (Lösch 1944). It was supposed to be even more suited to the needs of those who drew up concrete plans for the newly conquered territories in central and eastern Europe. In his diary, Lösch expressed his excitement: “I am not expected to describe what *is* but to map out what *should be*” (Riegger 1971, p. 109). Like other economists such as John Maynard Keynes (Keynes 1936), he understood that big ideas such as his vision for ultra-rational spatial planning could be very powerful even if he remained in his “unpolitical” role as a technocrat.

Despite seeking collaborations with figures such as Muhs and his attempts to optimize the totalitarian German administrations, Lösch was heralded as an opponent to Nazi rule and even depicted as a martyr immediately after his death in late May 1945. An unlikely coalition of his former German colleagues, his widow, and his American friends and acquaintances created a myth around him (Take 2019, p. 387–389). Whereas the latter were merely careless in trusting Lösch’s self-portrayal and ignoring the contexts of his work during the Second World War (Kegler 2015, Barnes 2016), the former had a discernible agenda. In order to be able to continue their research after 1945, they put much effort in turning Lösch into a beacon of integrity which in turn let their own dark activities during the “Third Reich” seem as a publicly acceptable grey area. Thus, they circumvent a reckoning with the fraught history of German spatial research which has only recently begun in earnest (Baumgart 2020, Werner 2022).

Even nowadays, Lösch is often viewed in a positive light: “Lösch in contrast [to Christaller], was not only a great scientist but also a clear sighted, honest, and steadfast man” (Todt 2014, p. 204, Nijkamp 2020). In this article I argue that Lösch was indeed opposed to central aspects of the fascist ideology and that he felt liberated when the Second World War ended. That should not, however, deflect from the historical truth that he worked together with influential and staunch Nazis and that his work was highly valued by them until the very end. In fact, the ability of a totalitarian regime such as the “Third Reich” to integrate the contributions of somebody who regarded himself as an independent and unpolitical scholar, sometimes even as an opponent of the regime, into its decentralized and collaborative spatial research and planning apparatus is what makes Lösch’s biography particularly interesting and relevant today. In the following, I will pay particular attention to his youth during the turbulent Weimar Republic, to the opportunities he enjoyed and the pressures he faced in the course of his adult life, and to the contexts of his research in the 1930s and 1940s.

## 2 Youth and Education

Lösch was born on 16 October 1906 in Württemberg, a state in the south of the German Reich. After his mother and his father, a merchant, split up two years later, he was raised at his maternal grandparents’ home in the small city of Heidenheim an der Brenz. In sharp contrast to older generations, he experienced significant political and economic turbulences during his childhood, not only during World War I (1914–1918), but also with regard to the hyperinflation (1922–23) and the Allied occupation of the Ruhr (1923–25). However, he grew up in the relative security of the upper middle class and belonged to the privileged few who were given the opportunity to visit a gymnasium. Entries in his diary suggest that he began searching for a purpose in life already in his childhood and that class affiliation influenced his identity: “I do not hate the workers, they are

<sup>1</sup>Muhs to Wirtschaftsstelle des Deutschen Buchhandels, 3 July 1942. Stadtarchiv Heidenheim, estate of August Lösch (henceforth: Lösch estate), box XV

deplorable, misled. [...] The middle classes are best equipped to think objectively”<sup>2</sup>. Those early entries also reveal patriotic feelings and a devout Christianity, both of which influenced his opinions on current political events such as the ongoing disputes about reparations after the Treaty of Versailles<sup>3</sup>.

After his graduation (*Abitur*) in 1925, Lösch completed a commercial apprenticeship at a factory for medical products in Heidenheim. From 1927 to 1932, he studied economics and law – a typical combination at the time – while also taking courses on a wide variety of subjects such as history, philosophy, sociology, French, and English. His enormous studiousness and willingness to broaden his horizons earned him one of the very few scholarships. Switching universities remarkably often (in chronological order: Tübingen, Freiburg, Kiel, Bonn, Freiburg, Bonn), he was able to attend lectures of most of Germany’s leading economists such as Walter Eucken, Gerhard Colm, Adolph Lowe, Joseph Schumpeter and Arthur Spiethoff. Common themes during these lectures were the use of statistics and an involvement in the emerging field of business cycle theory.

Lösch’s academic excellence soon opened up many opportunities for him. He worked at Spiethoff’s social and economic research institute in Bonn, he became part of Schumpeter’s study group, and he participated in the intellectual and leisure activities of the inner circle around the philosopher Martin Heidegger. His first economic paper was published in a leading German journal in 1930 (Lösch 1930), a year before he earned his diploma. Besides these achievements, he was engaged in the self-government of the student service in Tübingen, was chairman of a student body of a faculty in Bonn, and frequently wrote letters, political memoranda, and speeches about matters such as socialism and the state of political education. Many of them were pessimistic in tone, showing great discontent with the state of German academia and revealing a deeply felt struggle to find meaning in life.

Lösch clearly felt proud of being en route to becoming a member of the academic elites. At the same time, he wanted to remain a free-thinking outsider and – rather paradoxically, but not atypically for a German during this period – longed for a feeling of national unity during the turbulent domestic and international political struggles of the late Weimar Republic. Averse to party politics and to the involvement of the less educated classes in the political opinion-forming process, he advocated for a higher sense of responsibility among academics in combination with a more aristocratic form of leadership to solve the manifold political and social divisions<sup>4</sup>. Lösch neither joined the growing far-right student groups nor was he close to center-left student organizations which regarded the political arena as a legitimate forum for class struggles and aimed at preserving democracy. Instead, he belonged to the conservative elites. Their longing for an authoritarian regime unlimited by a separation of powers is seen as a decisive factor in the Fascists rise to power (Herbert 2016, p. 32).

Among other issues, Lösch took a stance on the question of German reparations for the damages caused during the First World War. He demanded not to “silently pay those unprecedented tributes”<sup>5</sup>, but to break international treaties instead by terminating remittances. He expected detrimental effects that would go beyond the economic sphere, but more importantly, he anticipated “the invaluable benefit that Germany regains its pride and a unified will [...] one will!”<sup>6</sup>. This signals a shift to the right and stands in contrast to Lösch’s earlier positions during his youth. Back in 1923, 16-year-old Lösch had accepted “that Germany would not play a role as a superpower for 100-200 years. It will be succeeded by Europe”<sup>7</sup>.

<sup>2</sup>August Lösch, diary entry, 18 March 1923. Lösch estate, box XII

<sup>3</sup>A week after the French occupation of the Ruhr in January 1923, 16-year-old Lösch wrote: “Love should even be felt towards the French”. Lösch, diary entry, 23 January 1923. Ibid.

<sup>4</sup>August Lösch: Politische Bildung?, June 1929. Lösch estate, box XIII

<sup>5</sup>Mehr Stolz! Eine Bemerkung zur Reparationspolitik von August Lösch, undated (probably between 1929-1932). Lösch estate

<sup>6</sup>Ibid.

<sup>7</sup>August Lösch, diary entry, 23 January 1923. Lösch estate, box XII

### 3 Early Career in the Weimar Republic, in Nazi Germany and in the USA

For his dissertation and his *Habilitation*, Lösch looked for a hotly contested political topic (Lösch 1932, foreword). He chose demographic change in Germany, analyzing it first from a macroeconomic and political standpoint and then with regards to business cycle theory. Written in 1930 and published in 1932, the leading question of his dissertation was: “How should one view the decreasing birth rates?” According to Lösch’s analysis, the effects were overwhelmingly positive, raising individual wealth, decreasing social tensions, and stabilizing liberal democracies by reducing the unpropertied and supposedly easily radicalized working class (Lösch 1932). Initially, the political right valued his work. In 1930, he won the precious Karl Helfferich Prize, named after a leading right-wing and antisemitic politician. Lösch had been careful to include an assessment of the question most important to nationalists and those wanting to reverse the effects of the lost first World War, namely whether decreasing birth rates would be detrimental to Germany’s future military potential. He concluded that slower growth rates on average lead to more educated, intelligent, and also more determined individuals, as even the poor would have something to fight for (Lösch 1932).

Initially after the Nazis’ seizure of power, Lösch’s positions were deemed to be inside the range of opinions permitted by the regime’s censorship. For example, he was allowed to publish a mixed review of the new and ideologically highly charged journal *Deutscher Lebensraum – Blätter für neue deutsche Raum- und Bevölkerungspolitik*<sup>8</sup>. He doubted the asserted lack of space and pointed out that on the contrary, a lack of people was much more likely in the near future (Lösch 1933). Thus, Lösch rejected the Nazis’ claim of a detrimental German overpopulation and did not supply scientific support for the ideological demands for acquiring new territories. Instead, he saw increased population density as a driving force for technical and economic progress (Lösch 1932). However, he himself published three times in said journal in 1933/34, hence contributing to the “lively engagement with those highly political issues” (Lösch 1933, p. 158) which he regarded as necessary.

In 1936 things changed and Lösch’s dissertation was put on a list of “detrimental and unwanted literature” by the Reich’s ministry for propaganda. This was probably due to a combination of a narrowing range of permitted opinions and a crackdown on self-publishing – a method which Lösch had used to stay independent. Yet, a document probably written in 1937 or 1938 raises the question whether he subsequently changed his mind or whether he developed or at least experimented with political opinions that differed from his scientific views. The document in question is a four-page manuscript which sketches out a historical narrative and is easily compatible with Nazi ideology. In it, Lösch argued that “we [the Germans] have long lived in an unbearable density, the fight for more space is old and the main theme of our history, a tragic story. [...] Due to our political palsy, our brave and growing people was continually thrown back to its old state: being a people without space”<sup>9</sup>. It is unclear in how far this position was in line with Lösch’s stance towards the German annexations and conquests since the late 1930s. It has to be noted that he did not publish this essay, even though doing so would likely have had a beneficial impact on his career.

During the mid-1930s, Lösch mostly conducted research on causal links between changes in population and business cycles. While many other scholars suffered cuts to their funding due to the Great Depression or the manifold political disruptions in the German academic landscape in 1933, Lösch was in the privileged position to be able to fully concentrate on his research and to publish his second book in 1936. He hugely profited from the support of the Rockefeller Foundation, which not only paid his wages at Spiethoff’s institute in Bonn<sup>10</sup>, but also gave Lösch a significant personal grant, allowing

<sup>8</sup>German living space – journal for a new German spatial and demographical politics

<sup>9</sup>Die Erweiterung unseres Lebensraumes im Lauf der Geschichte von August Loesch, undated (probably 1937/38). Lösch estate, box IV

<sup>10</sup>v. Beckerath: Bericht über die Gemeinschaftsarbeiten zur Frage der neuesten Handelspolitik in ihren Beziehungen zum Wirtschaftssystem und in ihrer Bedeutung für die gegenwärtige Weltwirtschaftskrise, 19 December 1932. Rockefeller Archive Center (RAC), RF, RG 1.1, S. 717.S, b. 20, f. 188

him to travel through the USA from late November 1934 to early December 1935<sup>11</sup>. The purpose was to connect with America's leading economists and to study the "[i]nfluence of political frontiers upon the territorial division of labor"<sup>12</sup>, thus initiating his next research project. This would result in his most important work: the economics of location (1940b).

Therefore, it has to be concluded that until early 1936, Lössch's career and his scientific achievements continued to progress without any negative impact from the Nazis' seizure of power. Being financially independent helped, but it was not the sole factor. He also largely kept his head down and did not join those who spoke out against the demolition of democracy and human rights and those who openly opposed the discriminations and killings for political and racial reasons which were initiated in March and April 1933. There seems to have been one exception, though. Lössch himself later recalled in a letter written in May 1945 to the emigrant Hans Singer how he himself had pushed for the conviction of a person guilty of antisemitic smearings twelve years ago, despite the perpetrator having belonged to the SS<sup>13</sup>. Lössch apparently had spoken out on behalf of the Jew Singer in a public meeting of the student body of his faculty, arguing that "their [the Jews'] fathers had fought for Germany [in the First World War] exactly like our fathers did"<sup>14</sup>.

Lössch's attitude towards the events of 1933 was ambivalent. Surviving letters and contemporary entries in his diary bespeak his strong rejection of antisemitism and of restrictions of academic and religious freedoms, personal rights, and the anti-scientific rhetoric of the Nazis (Riegger 1971). However, he clearly wrestled with his various partial identities. On the one hand, he was a devout Christian and a "Southern German"<sup>15</sup>, which meant that he belonged to a liberal tradition opposed to militaristic northern Prussianism. On the other hand, he could not escape the allure of re-emerging German greatness and the propagated feeling of national unity which he had longed for since his childhood. In a letter to Schumpeter (Harvard University) Lössch wrote in June 1933: "Quite a few of my old dreams are now fulfilled"<sup>16</sup>. By this he meant "national community, order, pride!"<sup>17</sup> The term "national community" (*Volksgemeinschaft*) is key, as it contained the notion of racial (Aryan) cohesion, repudiated the innate clash of interests in industrializing modern societies, and functioned as a bulwark against (supposedly Bolshevik) class struggles (Bajohr, Wildt 2009), which Lössch detested.

In another letter to Schumpeter in September 1933, Lössch wrote: "I can feel the deeper meaning in what is now emerging [in Germany]; it is thrilling to see hope returning to the eyes of so many; and there is even a breath of fresh air at the universities. [...] I wrestle with a calm and clear stance, because I do not only see the dark side, but the bright side as well"<sup>18</sup>. Lössch saw a "greater good" in national socialism and hoped that "negative plebeian side effects"<sup>19</sup> such as the dismissals of antifascists and people of "non-Aryan descent" from public service and the burning of books would pass. The surviving diary entries and his letters do not give evidence of him acknowledging the extent of the first wave of killings and the massive street violence all across Germany in Spring 1933.

Simultaneously to his partial appraisal of Nazism, Lössch considered himself to be among its victims. This is certainly true to some degree, since he decided not to join any NS organizations and thus was not able to fully achieve his dreams of becoming a profes-

<sup>11</sup>Lössch "is looked upon by the German Committee as the ablest of this year's appointees." RAC, RF, fellowship recorder cards, RG 10.2, Disciple 5: Humanities Fellows, Germany, August Lössch

<sup>12</sup>Ibid.

<sup>13</sup>Lössch to Hans Singer, 1 May 1945. Stadtarchiv Heidenheim, estate of Lössch, box XIII. Lössch depicted the story slightly differently in a diary entry from July 1933. See the Online Lössch Archive compiled by Dr. David Bieri: 385-386 (<https://www.august-loesch.org>, last accessed 30 September 2022)

<sup>14</sup>Lössch to Hans Singer, 1 May 1945. Lössch estate, box XIII. These claims were later supported by Wolfgang F. Stolper, although details remain contradictory. Stolper: *Begegnung mit August Lössch*. In Riegger (1971), p. 56f)

<sup>15</sup>Lössch to Joseph Schumpeter. Bonn, 28 September 1933. Online Lössch Archive: 55

<sup>16</sup>Lössch to Schumpeter, 8 June 1933. Lössch estate, box XIII

<sup>17</sup>Lössch: diary entry July 1933. Online Lössch Archive: 388

<sup>18</sup>Lössch to Schumpeter. Bonn, 28 September 1933. Online Lössch-Archive: 55

<sup>19</sup>Lössch to Irmgard, 8 June 1933. See the collection "August Lössch: Briefe & andere Korrespondenz" compiled by Dr. David Bieri: 57 (<https://www.august-loesch.org>, last accessed 30 September 2022)

sor. However, his self-perception of suffering a “purgatory”<sup>20</sup> seems exaggerated. This self-victimization served a purpose though. To solitarily endure suffering for a greater good – the greatness of his fatherland, “for that Germany which will come thereafter [after the “Third Reich”], if God wishes”<sup>21</sup> – in a way provided a solution for Lösch’s life long search for a purpose in life. This in turn allowed him to remain impassionate towards the suffering of those who have to be regarded as the real victims of national socialism, those whose livelihoods were destroyed, who were forced into exile, or those hundreds of thousands of Germans and millions of other Europeans who were killed for political and racist reasons.

In his diary in 1933 and later in retrospect in May 1945, Lösch claimed that he had abruptly and completely abandoned his academic career when the Nazis seized power. Yet, that is not quite the case. In fact, he decided to submit his second book as a *Habilitation* at the University of Bonn, which elevated him to “Dr. habil.” in 1936. Nevertheless, Lösch did not automatically acquire the license to teach (*Venia Legendi*). To become a professor or at least a lecturer, he would have had to visit an ideological academy, join at least one or two lesser national socialist organizations, and put some ideological phrases in his publications. Lösch decided not to follow this easy conformist path<sup>22</sup>. Still, it has to be noted that his *Habilitation* later enabled him to progress from a university assistant to leader of a research group in 1940, thus opening up a career at a research institute albeit not at a university.

After an interim stay in Bonn from December 1935 to November 1936 which the Rockefeller Foundation had mandated, Lösch was given the means for a second voyage through the USA. Again, he collected data for his research on spatial economics and visited scholars in Harvard, Chicago, Washington D.C., and elsewhere. Lösch was particularly interested in studying the American Midwest, as “it is hard to find such a case study in Germany, where regions are smaller, everything is determined by long histories, and economic factors cannot exert their influence as cleanly and simply”<sup>23</sup>. There is no indicator that Lösch reflected on the fact that this supposedly blank slate on which American capitalism was able to operate had been created by genocides of the indigenous peoples. He also does not seem to have recognized the profound racism which the USA was built on. As a well-off white man, he naively celebrated American freedom and enterprise and looked down on “the negroes, sitting on swings in the middle of the day like children”<sup>24</sup>.

Prior to both returns to Germany in December 1935 and in February 1938, Lösch had agreed secret codes with Schumpeter. They were to be used in case his passport was confiscated, he wanted to flee Germany, or he was imprisoned<sup>25</sup>. Feeling unsafe – although it is debatable whether he had reasons to – and not wanting to pursue a career at the nazified universities, the question arises why he returned twice at all. He had very much enjoyed (academic) life in the USA, and he had offers for jobs at renowned universities there and elsewhere<sup>26</sup>. His motives are unclear. Homesickness probably played a part. It could also be argued that he needed to support his family. His grandmother had died in debt in early 1938, his single mother was still alive, and he was engaged with a younger woman (Erika Marga Müller, 1914-2002) since May 1936. However, back in Germany he did not seek a lucrative position in the private sector but prioritized finishing his book on the economics of location, which he accomplished in the autumn of 1939 (Lösch 1940b). Meanwhile, Lösch remained impassive towards political events such as the increasing discriminations against “non-Aryans” and political nonconformists. Although he anticipated the outbreak of a large-scale war, he followed the call for a

<sup>20</sup>Lösch to Schumpeter, October 1933. Riegger 1971: 84

<sup>21</sup>Lösch: diary entry, April 1933. Riegger (1971, p. 78, emphasis by Lösch)

<sup>22</sup>However, Lösch volunteered for becoming a group leader in the paramilitary sports (Wehrsport). Lösch to Schumpeter, 8 June 1933. Lösch estate, box XIII

<sup>23</sup>Lösch to Eucken, 21 June 1935. Online Lösch Archive: 87

<sup>24</sup>Lösch: diary entry, October 1937. Riegger 1971: 97–98

<sup>25</sup>Lösch to Schumpeter, undated [late 1935] and 17 February 1938. Online Lösch Archive: 122, 198–199

<sup>26</sup>Lösch also discussed becoming an adviser to the Venezuelan government. Lösch to Joseph Schumpeter, 30 April 1937, and June 1938. Online Lösch Archive: 167–169, 203

two-month-long military training in the summer of 1938<sup>27</sup>. Thus, as a man in his early 30s, he sleepwalked into a dilemma which then manifested itself in September 1939, when Germany invaded Poland. Apart from emigrating, an option which was still open to him, he could either face the increasingly likely risk of getting called up to military service or find a safe job, one which was deemed relevant for the German war effort. He chose the latter.

#### 4 Leader of a Research Group during World War II

On 15<sup>th</sup> January 1940, Lösch moved to Kiel, a port city in the north of Germany where he had briefly studied in 1929/30. There, he was employed by the Kiel Institute for the World Economy, first as a research assistant and from April 1940 onwards as leader of a research group consisting of five to six scientists and four to five non-academic members<sup>28</sup>. Lösch's work during the second World War can be divided into three parts: research on spatial economics, other independent research, and commissioned work. The latter was by far the most time consuming. Until 1944, the "Lösch Research Group" finished roughly 30 reports of various sizes. More than half were commissioned by the Wehrmacht's Bureau for Economic Warfare, five by the Foreign Office, some by national agencies for spatial economic research, and a few by the Reich's Ministry for Armament. Lösch occupied a leadership position, represented the institute in dealings with its customers and was hard-working, receiving more overtime allowances than any of his roughly 140 colleagues<sup>29</sup>.

Lösch was well aware of the reasons why the different state agencies commissioned these reports. Only some can be highlighted here. The Wehrmacht for example wanted information on how to conduct its wars of aggression and annihilation most efficiently. While other research groups at the Kiel Institute were responsible for supplying data on the economic and social situations of current and future enemies, Lösch's group did the more demanding research. In the beginning, it analyzed international commercial contracts of Great Britain and France, the family support of draftees in both countries, English food supply, and many other topics. In July 1940, Lösch answered the important question "Can England be starved out?" with a resolute no<sup>30</sup>. One could interpret this as an attempt to prevent another period of attritional economic warfare such as both countries had experienced in the First World War. However, given the context of Lösch's and the institute's other work, it is more likely that he felt an obligation to deliver applied science of the highest quality and that he did not want Germany to lose the war. In his first report in March 1940, Lösch had argued that it was impossible for the German navy to disrupt British arms manufacturing by cutting it off from imports. This seems to have been the only report in which the institute's director, Andreas Predöhl, intervened for political reasons. A paragraph was added, claiming a crucial lack of American supplies for Britain. In all later reports, Lösch was allowed to speak truth to power, since the Wehrmacht valued honest assessments and analyses of the highest scientific standards.

In early 1941, Lösch consulted with the Foreign Office (*Auswärtiges Amt*) and negotiated two orders. The first consisted of brief analyses of weaknesses in American shipbuilding, aircraft construction, and machine manufacturing. This information was intended to be used for propaganda purposes<sup>31</sup>. The second assignment had a similar purpose. Lösch's group was to analyze British trade politics and to highlight everything that was deemed "unpleasant" for its trading partners<sup>32</sup>. The resulting report contained a narrative of how Britain had supposedly betrayed its free trade ideals, had already

<sup>27</sup> "1933 I sensed: Hitler means war. 1935 it became clear to me which side the mighty USA would join." Lösch to Fehling, December 1940. Riegger 1971: 103. See also Lösch's diary entry 24 September 1938.

<sup>28</sup>Predöhl: An alle Dienststellen!, 13 January and 24 December 1940. Archive of the Zentralbibliothek für Wirtschaftswissenschaften in Kiel (ZBW), 470: 102, 147

<sup>29</sup>Predöhl to Reichserziehungsministerium, 20 November 1943. Bundesarchiv Berlin, R 4901/14814: 315. Lösch considered himself to have been the most industrious employee at the Kiel Institute. Cf diary entry in January 1945 Riegger (1971, p. 115).

<sup>30</sup>Lösch: Die englische Nahrungsmittelversorgung, July 1940. Archive of the ZBW, E 118: 37–38

<sup>31</sup>Lösch estate, box XIV and folder "Verschiedenes"

<sup>32</sup>Wilmanns (Auswärtiges Amt) to Predöhl, 7 January 1941. Lösch estate, box XIV



lost its status as a world power, and was now fighting for a lost cause (Lösch 1941, p. 338-340). The Foreign Office considered the report to be “excellent”<sup>33</sup>, agreed to its publication in the institute’s journal *Weltwirtschaftliches Archiv* in September 1941, and requested 500 copies which it distributed abroad.

This publication has to be seen in the context of two earlier articles in spring of 1940, in which Lösch had hailed German successes in disrupting British trade and in which he had labelled the combined wars of aggression against Denmark and Norway as “bold German endeavors” (Lösch 1940a,c). Compared to other German propaganda, this seems rather mild. However, that propaganda was a collaborative effort. It was agreed with the Foreign Office that Lösch’s job should not be to ignite hatred against the British, but specifically to help convince conservative Germans and members of the elites of other countries that Germany was definitely going to win the war against Britain and that the latter did not have anything to offer economically to its (potential) allies<sup>34</sup>. Lösch seems to have had no trouble either with the wording of these articles or with their purpose. In 1943 he reassured himself by writing in his diary: “I have never published anything that I did not find to be true after careful analysis”<sup>35</sup>.

Particularly noteworthy among the later research projects is a four-part report on the human resources of the USA. In 1943, the Wehrmacht and a newly established Planning Office within the Ministry for Armament wanted to assess the military potential of Germany’s main enemies in order to evaluate whether the war could still be won (Fremdling 2016, p. 271-283). Lösch’s research group concluded that American industrial productivity alone was more than twice as high as Germany’s. It can be assumed that Lösch hoped that by highlighting the hopelessness of the situation he might help to convince the German leadership to seek peace, a task which the director of said Planning Office also tried to achieve (Müller 1999, p. 124). Yet, this was quite naïve, considering the decision-making processes within the Nazi regime. All Lösch achieved was to give valuable information to the middle management of the German war machine.

## 5 Spatial Research and Genocides

Highly engaged in consultancy activities for the military and various ministries, Lösch often complained that he did not find enough time to conduct independent research. Among the topics he managed to tackle was a spatial theory of currency which was published posthumously (Lösch 1949, cf. Bieri 2020). He also wanted to build on his opus magnum and was keen to publish a second edition of his economics of location (Lösch 1944). On his own accord, he contacted high ranking officials such as the above mentioned Muhs, head of the RfR. It was agreed that Lösch should revise his book “with a practical orientation” and discuss “applications in regional planning”<sup>36</sup>. The RfR was one of many state agencies within the “organized chaos” of the Nazi regime fighting for influence with regards to the spatial planning of the Reich and especially of the newly conquered territories in eastern Europe (Flachowsky 2010). Lösch’s task was to supply a theoretical framework for ultra-rational approaches. Particularly in 1942 and 1943, he held close contact with Muhs, a number of his division managers within the RfR, and other scholars such as Walter Christaller whom he cited more frequently than anybody else and who impressed him to the upmost degree (Lösch 1944, Todt 2014). They in turn were managing the process of combining such scientific theories with Nazi ideology in order to put both to practical use (Trezib 2014).

Lösch was well informed about the specific plans on what was to be done in the conquered areas. For example, he praised a design for the area around the Polish city of Kutno, which was published by Konrad Meyer’s Planning Office of Heinrich Himmler’s Reich Commissariat for the Consolidation of German Nationhood (Lösch 1944, p. 93). Himmler’s and Meyer’s vision, the “general plan for the east”, presupposed genocides on nations such as Poles and Russians and on religious groups such as Jews (Werner 2022,

<sup>33</sup>Wilmanns (Auswärtiges Amt) to Predöhl, 7 May 1941. Lösch estate, folder “Verschiedenes“

<sup>34</sup>Wilmanns (Auswärtiges Amt) to Predöhl, 7 January 1941. Lösch estate, box XIV

<sup>35</sup>Lösch: diary entry in 1943. Riegger (1971, p. 110)

<sup>36</sup>Köster to Lösch, 3 July 1942. Online Lösch Archive: 256

p. 147-149). This genocidal vision is clearly visible in the detailed projects. Lösch knew that the Nazi regime had almost no interest in his ultra-rational concepts with regards to Germany or Northern and Western Europe with their “Aryan” populations, but only in its dealings with the supposedly racially inferior people in the east who were to be mass murdered. Tellingly, the head of an economics research department in Cracow wrote in a review of Lösch’s book that it was of high value, because the conquered areas in the east should be considered “almost a tabula rasa”, a blank slate (Meinhold 1942).

Additionally, one has to consider those who organized and executed the evictions, enslavements, and killings. Their motivations varied, but it is without a doubt that a significant number of those perpetrators were not only driven by hatred or a destructive rage, but also wanted to make a constructive and positive contribution to what Konrad Meyer called “the Germanization of new territories, to organize, shape, and develop new spaces and landscapes as a future homeland of Germans” (Meyer 1941). The Nazi regime lacked resources and the time to implement most of their plans which would have involved the killing of even more tens of millions of people. However, the mere existence of concepts of such an ultra-rational economic prosperity and of a “positive” and scientifically substantiated vision of a post-genocidal future contributed to the high level of self-motivation on which the complex and collaborative governmental killing apparatus depended.

In assessing Lösch’s behavior, one question is key: How much did he know about the atrocities committed in connection with spatial planning? It has to be assumed that he knew a lot, since the Kiel Institute functioned as an information hub, even being supplied with newspapers from neutral and hostile countries by the Gestapo as well as receiving secret studies such as the one mentioned above by Meyer (Take 2019, p. 365–370). Lösch must have grasped that the political, social, religious, cultural, and economic institutions of tens of millions of people were to be destroyed in order to replace them with new Germanic institutions. He might even have learned the neologism “genocide” which Raphaël Lemkin had coined in the USA (Lemkin 1944), as Lösch’s latest task as head of a newly formed America-department at the Kiel Institute in 1944/45 involved reading US newspapers. Those newspapers had also reported on the existence of gas chambers and of the killings of millions of Jews and other “non-Aryan” people<sup>37</sup>.

## 6 Death and Afterlife

Lösch enjoyed the respect he received in Nazi Germany for his scientific achievements, not only from the scientific community, but also from government officials in the field of spatial planning<sup>38</sup>. However, he never attained his life’s ambition of becoming a full university professor since he refused to give the necessary open endorsements of the totalitarian regime. From his point of view, this step – and not the supposedly a-political research – would have meant leaving the realm of scientific objectivity and betraying his political beliefs. Over the years, he grew enormously discontent with his situation at Kiel, feeling unfree and not allowed to pursue the research projects he would have liked to. Still, he stayed put and carried out all research projects the government demanded of him, probably in large part because he was relatively secure at Kiel, whereas most other men his age had to serve in the army. Regarding his academic aspirations, he waited for things to change. Accordingly, when Germany finally lost the war, Lösch felt truly liberated. He celebrated the end of the Nazi era and immediately started to search for funding and academic partners in order to initiate the many projects he had mapped out in the years prior. Hence, his contemporaries considered it particularly tragic when he suddenly died of scarlet fever on 30 May 1945, aged 38. He left behind his wife Marga, whom he had married after a four-year-long engagement in March 1940, immediately after securing the position at Kiel, and a daughter born in June 1944.

Immediately after his death, a legend was created which continues to have an effect

<sup>37</sup>Poles Ask U.S. to Seize Nazis. In: New York Times, 10 July 1942. Allies Describe Outrages on Jews. In: New York Times, 20 December 1942

<sup>38</sup>See his diary, letters and also his collection of 50 pages worth of positive reviews on the first edition of his first volume of *The Economics of Location*. Lösch estate, box XV

until today<sup>39</sup>. Lösch was considered to have been a “steadfast opponent of every tyranny and oppression” (Zottmann 1971, p. 32), an “incautiously outspoken anti-Nazi” (Funck 2007, p. 408) “who was unwilling to agree to only the slightest compromise with the regime” (Todt 2014, p. 204). This legend had three roots: First, there were Lösch’s diary entries and the letters he sent to his German and American friends in May 1945, in which he described himself as an uncompromising opponent and a martyr. Second were the American economists, many of them German emigrants, who believed the stories that Lösch himself and later his widow had told them about his conduct during World War II. They considered this supposed behavior to correspond to the character they had got to know in the 1930s. Third were Lösch’s colleagues at Kiel and in the German economics community at large who were very keen for a resistance fighter to have been amongst them. Telling the story of how one of their leading figures stood in fierce opposition to the regime allowed them to frame their own cooperation with civilian and governmental organizations and their participation in questionable research programs in a much brighter light. With regards to spatial economics, this applied particularly to those who belonged to Lösch’s and Christaller’s geographic and technocratic school of thought and not to the organic and *völkisch* (ethnic) school (Gutberger 1996) which had utilized a much higher degree of pseudo-scientific rhetoric and had more political activists among their ranks.

Today’s perspective on Lösch’s biography depends to a large degree on what time period one focuses on and how much attention one pays to the contexts of his research. On the one hand, he experienced enormous political, social, and economic turbulences during the formative years of his life. The son of a single mother simultaneously developed a desire for independence but also for belonging. His religiousness seems to have morphed into an entrenched technocratic *Weltanschauung* (worldview) which functioned as a secular religion. In the 1930s, Lösch rejected vital aspects of national socialism, e.g. the abolition of democratic institutions, of the rule of law, of free speech, and its antisemitism, and expansionism. However, the “Third Reich” also provided ample support for spatial research and enabled it to grow and become a scientific discipline (Münk 1993). Until 1939, the conditions were such that Lösch was largely able to avoid compromising himself. His scientific excellence secured him American funds, he was willing to accept a rather precarious financial position for a significant period of time, and he did not continue to pursue his dream of becoming a university professor. On the other hand, Lösch’s decision to return and stay in Germany and to seek a job at the Kiel Institute for the World Economy meant that he had to contribute to the German war effort with his scientific expertise. He told his friends and wrote in his diary that he did so reluctantly. But if one looks at his output, he has to be regarded as the most eager and able economist of the institute. Moreover, Lösch decided of his own accord to spread his economic theories and to work together with Nazi spatial planners. He was attracted to the ample opportunities that the genocides in Central and Eastern Europe opened up and made significant steps to engage in the ultra-rational economic rebuilding which was to follow in accordance with brutal Germanization.

Lösch surely knew less about the crimes committed by Nazi Germany than we now do. But given his frequent interactions with many civilian and military government officials in Berlin and elsewhere and as he was himself working at an information hub, Lösch certainly knew more about current events in Germany and in the occupied territories than most Germans at the time. Crucially, alternative ways of behavior were open to him. At the very least, he could have contributed less to the German war machine and to the inhuman spatial planning – without running any risk of suffering negative consequences. By reflecting on Lösch’s complex character and biography, we can learn much about what makes dictatorships or authoritarian and even totalitarian regimes attractive for scientists and about how easy it is to deceive oneself on matters of moral integrity.

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<sup>39</sup>Wilhelm Gülich: Grabansprache (funeral speech), 2 June 1945. Lösch estate, box XIII. Lösch was supposedly “opposed till the end to the Nazi party.” Message from Marga Lösch to the Rockefeller Foundation, undated (probably 1945 or soon after). RAC RF, fellowship recorder cards, RG 10.2, Disciple 5: Humanities Fellows, Germany, August Lösch

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