Were the peace treaties of 1919-23 fair?

Unit 2
Chapter 1 pages 2-22
Introduction

• What will we learn during this unit:
  • What were the motives and aims of the Big Three at Versailles?
  • Why did all the victors not get everything they wanted?
  • What was the impact of the peace treaty on Germany up to 1923?
  • What were the terms of the other peace treaties?
  • Could the treaties be justified at the time?
Introduction

• As soon as the First World War came to an end in November 1918, plans were immediately made for a peace conference to take place in Paris during 1919.

• This conference produced a number of peace treaties that are referred to collectively as the Versailles Settlement.

• Versailles Settlement – A term used to describe the entire peace settlement of 1919-23. The phrase does not mean the same as Treaty of Versailles which is just one part of the Versailles Settlement.
## The Versailles Settlement

<table>
<thead>
<tr>
<th>Treaty</th>
<th>Date</th>
<th>Country Affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Versailles</td>
<td>June 1919</td>
<td>Germany</td>
</tr>
<tr>
<td>Saint Germain</td>
<td>September 1919</td>
<td>Austria</td>
</tr>
<tr>
<td>Neuilly</td>
<td>November 1919</td>
<td>Bulgaria</td>
</tr>
<tr>
<td>Trianon</td>
<td>June 1920</td>
<td>Hungary</td>
</tr>
<tr>
<td>Sevres</td>
<td>August 1920</td>
<td>Turkey</td>
</tr>
<tr>
<td>Lausanne</td>
<td>June 1923</td>
<td>Turkey</td>
</tr>
</tbody>
</table>
Introduction

• The Versailles Settlement was the result of discussions held between the victorious countries.
• Every country concerned wanted a peace settlement that would last and prevent a repeat of the slaughter of the First World War.
• The problem was that this could be achieved in a variety of ways.
• This led to a strong disagreement among the peacemakers on a number of key issues, such as the extent to which the defeated countries should be punished or the victorious countries rewarded.
• Disagreement led to compromise with the result that the Versailles Settlement, and especially the Treaty of Versailles, soon became the focus of fierce criticism and debate.
What were the motives and aims of the Big Three at Versailles?
What were the motives and aims of the Big Three at Versailles?

- The Paris Peace Conference was attended by 32 states representing more than two-thirds of the world’s population.
- Soviet Russia was not invited following the Bolshevik Revolution of October 1917 and the defeated powers were also excluded from the negotiations.
- The main peacemakers were the countries primarily responsible for the defeat of Germany and its allies: France, Italy, the United States, Britain, and Japan.
- But within this group the major players were France, the United States, and Britain.
- These countries were represented by Prime Minister Clemenceau, President Wilson, and Prime Minister Lloyd George respectively.
- The aims and motives of these three statesman, the “Big Three”, were to determine the nature of the peace settlement.
George Clemenceau (1841-1929)

<table>
<thead>
<tr>
<th>Pre-political career</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical doctor, journalist, schoolteacher, newspaper proprietor</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Political Positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minister of the Interior (1906); Prime Minister of France (1906-9 and 1917-20); President of the Paris Peace Conference (1919-20)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Character and outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>A hard-headed, tough, and uncompromising politician. His unforgiving attitude towards Germany developed following the German invasions of France in 1870 and 1914. Wanted a harsh peace to be imposed on Germany.</td>
</tr>
</tbody>
</table>
France

• French Prime Minister George Clemenceau’s primary concern at Paris was to achieve a peace that would ensure the future security of France.
• He thought that if Germany was sufficiently weakened it would be unable to threaten the peace of Europe again.
• There were a number of reason why Clemenceau thought that his country was open to future attack across its eastern frontier.
  - France shared a common border with Germany
  - This border was not defined by a natural frontier such as a major river.
  - The invasion of France in August 1914 was the second time in 50 years that France had been invaded by Germany. On the first occasion in 1870, during the Franco-Prussian War, France had lost the province of Alsace-Lorraine.
France

• In addition to this France had made a much greater sacrifice during the course of the war than either Britain or the United States and there was a national desire for revenge against Germany.

• This was bolstered by the behavior of the German army as it retreated across north-eastern France during the final stages of the war, causing deliberate damage by flooding mines and destroying bridges, railways, small towns, and villages.
As a result of his desire to increase the security of his country, Clemenceau went into the conference chamber with a series of demands designed to weaken Germany.

These demands included:

- Permanent disarmament involving disbanding most of Germany’s Army.
- A very high level of reparations with a definite figure to be named in the treaty.
- The return of Alsace-Lorraine to France
- A significant portion of Germany’s colonies to be handed over to France
- The Rhineland area to be formed into an independent state so that France no longer shared a common border with Germany
- The Saar Basin to be transferred to France
France

• In total, these demands represented an extremely stern form of justice, though not as extreme as recommended by the French President Poincare.

• He wanted Germany to be broken up into a collection of smaller states.

• If Germany had been dismembered and crippled absolutely by the peace terms as many of the French insisted, then it would not have been a position to challenge the peace of Europe 20 years later.
Thomas Woodrow Wilson (1856-1924)

### Pre-political career
Lawyer, academic (political science), President of Princeton University.

### Political Positions
Governor of New Jersey (1911-13), President of the USA (1913-1921)

### Character and outlook
Idealist who took America into the First World War to make the world “safe for democracy”. Devised the Fourteen points in early 1918 which he hoped would form the basis for the peace settlement. Was the main inspiration behind the League of Nations.
The United States

• President Woodrow Wilson’s hopes and expectations from the peace settlement were very different from the French. But America’s experience of the war was also very different.
  • America had not declared war on Germany until April 1917 and was not fully involved in the war until more than a year later.
  • At no point was American territory invaded and relatively few American lives were lost with civilian fatalities of less than 800.
  • The war had provided profitable trading and business opportunities for American manufacturers, merchants, and financiers.
The United States

• Lack of a national grievance meant that Wilson could stand back and take a more detached view of the peace proceedings.
• He was determined to earn his place in history as a guiding spirit behind what he hoped would be a “fair and lasting peace”.
• This objective could be achieved, so Wilson believed, by making his Fourteen Points the basis of the peace settlement.
• The Fourteen Points had been drawn up during the later stages of the war.
• They resulted from Wilson trying to identify the general causes of the conflict and then devising remedies for each cause.
The United States

• Here are three examples:
  • Wilson believed that secret treaties had led to misunderstanding and suspicion between the most important countries before the war. He therefore recommended that there should be open diplomacy and no secret treaties.
  • He decided that one of the causes of the war had been the build-up of armaments – naval ships, aircraft and weaponry for the army such as artillery and rifles.
  • Wilson hoped to promote the long-term stability of Europe by recognizing the principle of self-determination. In Practice this meant allowing national groups such as Slavs, Czechs, and Poles to form independent national states.
The United States

• Wilson’s approach to the peace was based on ideals and high principals and he inevitability clashed with the self-interest ambitions of Britain and France, especially with regard to acquiring Germany’s colonies.

• Nevertheless, several aspects of his Fourteen Points were incorporated into the peace settlement.
### David Lloyd George (1863 -1945)

<table>
<thead>
<tr>
<th>Pre-political career</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lawyer</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Political Positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entered national politics as a Liberal in 1890. Held various Cabinet positions (1906-1916) including Chancellor of the Exchequer and Minister for Munitions; Prim Minster (1916-1922).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Character and outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>A dynamic, persuasive, and unconventional politician. Acclaimed as the man who won the war. More realist than idealist. Wanted a peace which would punish Germany but not too harshly.</td>
</tr>
</tbody>
</table>
Britain – Lloyd George’s views in November/December 1918

• Before the Paris Peace Conference began, it looked as if Britain shared the French desire for a harsh peace settlement to be imposed on Germany.

• This was quite understandable given Britain’s experience of the war.
  • Unlike America, Britain suffered direct attacks on her mainland both in 1914, when German naval ships bombarded a number of Yorkshire coastal towns, and during the Zeppelin raids of 1915-1918 when London, Edinburgh and other towns were attacked.
  • Britain had sustained heavy casualties during the war.
Britain – Lloyd George’s views in November/December 1918

• Britain’s economy had been severely disrupted, especially the export sectors.
• Britain was concerned about the security of France’s eastern frontier because if that were to be crossed by hostile troops it would only be a matter of time before Britain was directly threatened also. France’s eastern frontier was effectively Britain’s outer defense.
• Britain was as concerned as France that Germany’s war-making potential be reduced.
• Furthermore, the British public demanded vengeance against Germany immediately after the war.
• In the general election of November 1918, Prime Minister Lloyd George knew that if he was to be re-elected then he would have to reflect these views.
Accordingly he insisted that Germany should pay for the full cost of the war. Lloyd George also wanted a sizeable share of Germany’s colonies.
Britain – Lloyd George’s views from January 1919

• Yet, despite every indication that Lloyd George would unite with the French against the high principles of President Wilson, he soon changed his outlook.

• By the time that he had arrived in Paris in January 1919, Lloyd George had decided that a more moderate peace settlement was in British interests.

• What had caused Lloyd to change his mind?
Britain – Lloyd George’s views from January 1919

• Lloyd George came to realize that the future economic well-being of Britain depended largely upon the economic revival of Europe. This, in turn, depended upon the revival of the German economy. Germany was Britain’s most important European customer prior to 1914.

• If Germany was deprived of the Rhineland, where much of its industry was located, it would not be wealthy enough to buy British goods on the same scale as before the war.

• A very high reparations figure would also check Germany’s economic recovery since it would take away money that could otherwise be used for investment.
Britain – Lloyd George’s views from January 1919

• A weak Germany would provide an inadequate barrier against the spread of communism from the east. Communism was regarded by many as much greater threat to Europe than the revival of German military power.

• Lloyd George was also anxious that the treat should not be regarded as excessively harsh by the Germans as he was convinced that this would give rise to a sense of intense grievance. That might lead to attempts to overturn the treaty.
Britain – Lloyd George’s impact on Clemenceau

• Because of these factors Lloyd George managed to persuade Clemenceau to make a number of key concessions:
  • To abandon the idea of an independent Rhineland state
  • To abandon the idea of naming a definite and very high figure for reparations in the treaty.
  • To abandon the idea that the Saar Basin on the border shared by Germany and France be transferred to France.
  • To abandon the idea that Danzig be handed over to Poland.
• These concessions by the French had the added advantage for Britain that German domination in Europe would not be replaced by French domination.

• It was in Britain’s interest to maintain a balance of power in Europe for this would help preserve Britain’s position as world power.
What were the main terms of the Treaty of Versailles?
Treaty of Versailles

• There were a number of key points in the treaty.

1. War Guilt Clause (article 231) – Germany and her allies had to accept total responsibility for starting the war.

2. Reparations – Germany had to accept liability for reparations, the amount of which would be decided by a Reparations commission.
Treaty of Versailles

3. Disarmament – this restricted Germany’s ability to wage war in the future.
   • The German army was to be restricted to 100,000 with no conscription.
   • No tanks, armored vehicles or heavy artillery were permitted.
   • The navy was to be restricted to 6 battleships, 12 destroyers, 6 light cruisers, 12 torpedo boats, and no submarines.
   • The Rhineland was to become a demilitarized zone with no German troops or fortifications allowed in the area. In addition there was to be an Allied army of occupation on the west bank of the Rhine for 15 years.
Treaty of Versailles

4. Territory – German territory was taken away.
   - Germany was to lose all her colonies in Africa and the Far East.
   - Alsace-Lorraine was to be returned to France
   - Eupen, Malmedy, and Moresnet were to be transferred to Belgium
   - North Schleswig was to be transferred to Denmark
   - West Prussia, Posen and parts of Upper Silesia were to be transferred to Poland.
   - Hultschin was to be transferred to Czechoslovakia.
Treaty of Versailles

4. Territory – German territory was taken away.
   - The Saar Basin was to be administered by the League of Nations for 15 years when a plebiscite would decide whether it should belong to France, to Germany or remain under the League control. During the period of League administration the profits of the coal mines were to go to France.
   - Memel was to be transferred to Lithuania.
   - Danzig was to become a Free City administered by the League of Nations. Poland could use the port for its external trade.
4. Territory – German territory was taken away.
   • The Treaty of Brest-Litovsk was to be cancelled, with Estonia, Latvia and Lithuania taken away from Germany and set up as independent states.
   • Union between Germany and Austria was forbidden.

5. The Covenant of League of Nations – Germany had to accept the Covenant or constitutions of the League of Nations even though it was excluded from the original membership.
Treaty of Versailles

• Lets look at a map of Territorial changes.
• Page 9.
Why did all the victors not get everything they wanted?

• Since the Big Three wanted such very different outcomes regarding the treatment of Germany, with Clemenceau wanting a harsh peace, Wilson a lenient peace, and Lloyd George a relatively moderate peace, it was virtually impossible to devise a settlement that would please all parties.

• Nevertheless, each of the main negotiators still received much of what they wanted.
France

• The Versailles Treaty satisfied a number of Clemenceau’s specific demands with regard to Alsace-Lorraine and the transfer of some of Germany’s former colonies.

• France was also likely to become the major recipient of German reparations.

• Of course Clemenceau’s main concern was the defense and security of France and it was clear that the treaty also went some way towards achieving this.
  
  • France would be secure on her eastern frontier providing Germany kept to, or was forced to keep to, the military terms of the treaty. It was also necessary that the Rhineland remained free of German troops and fortifications.
  
  • Versailles deprived Germany of a significant proportion of her land, population and resources which reduced its economic power and military capacity.
The proposed Anglo/American Treaty of Guarantee for France

• Clemenceau was worried, however, that this might not be enough.
• He feared that Germany would recover her strength and seek changes to the treaty.
• To protect against this he wanted a Treaty of Guarantee with his Allied partners.
• This would mean that Britain and the United States would be committed to coming to France’s assistance in the event of future German Aggression.
• Unfortunately for the French such a treaty failed to materialize.
The proposed Anglo/American Treaty of Guarantee for France

- This was because American Congress refused to approve the peace settlement and America withdrew into diplomatic isolation.
- Britain was unwilling to provide any guarantees to France on her own.
- This meant that despite all the positive features of the Versailles Treaty France still felt dangerously exposed on her eastern frontier.
- Clemenceau’s relative failure led to his defeat in the presidential elections of January 1920 and resignation from the office of the Prime Minister shortly afterwards.
### Versailles Settlement: Distribution of major German and Turkish colonies

<table>
<thead>
<tr>
<th>German Colonies</th>
<th>Britain</th>
<th>France</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Togoland</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Cameroons</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>German South West Africa</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>German East Africa</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mariana Islands</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Caroline Islands</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Marshall Islands</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>German New Guinea</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Turkish Colonies</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Iraq</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transjordan</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Palestine</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Syria</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Lebanon</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
The United States

• President Wilson had mixed feelings about the peace settlement.

• The positive features were as follows:
  • He was pleased that he had successfully persuaded his partners to accept that the Covenant or Constitution of the League of Nations should be included in all the peace treaties; this would help to make new peacekeeping organization become a reality.

  • Wilson was also partly satisfied by the requirements in all the peace treaties that the defeated powers should disarm. This represented at least some movement towards his objective of disarmament for all countries.
The United States

• The positive features were as follows:
  • Wilson was relieved that the Rhineland was not going to be made into a separate state and was going to remain part of Germany. Not only did this reduce the potential harshness of the peace, it made it much more likely that Germany would remain a major economic power able to do business with the United States.
  • For very similar reasons he was pleased that Germany was not going to be burdened with a very high reparations figure in the treaty.
  • With regard to Versailles Settlement as a whole, Wilson was delighted by the recreation of an independent Poland together with the two entirely new “successor states”, Czechoslovakia and Yugoslavia.
The United States

• But overall Wilson thought that the Versailles Treaty was too harsh on Germany and there were also particular elements of the Versailles Settlement which Wilson was less than happy.
  • At the insistence of Britain the principle of free navigation of the seas was abandoned.
  • There was little disguising the fact that Britain, France, and Japan had rewarded themselves with Germany’s former colonies even though officially, these colonies were to be governed as mandated territories on behalf of the League of Nations.
The United States

- While national self-determination for the peoples of the former Austro-Hungarian Empire was broadly implemented there were some noticeable exceptions.
  - Austria was not allowed to unite with Germany.
  - The Sudeten Germans were not consulted about their future.
- The most upsetting circumstance concerning the peace settlement for Wilson however, came when he failed to persuade the necessary two-thirds of American Congress to approve the treaties together with the league of nations.
The United States

<table>
<thead>
<tr>
<th>Why American Congress rejected the peace settlement?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ø Wilson’s political opponents, the Republicans, had gained a small majority in the Senate in November 1918.</td>
</tr>
<tr>
<td>Ø Wilson’s health and persuasive powers were clearly in decline after his stroke in October 1919.</td>
</tr>
<tr>
<td>Ø Many Americans did not want to be further involved in European affairs. There were fears that if America signed up to the peace settlement and became a leading member of the League of Nations, then it would be in danger of being drawn into another European war.</td>
</tr>
</tbody>
</table>
• Lloyd George was probably the most satisfied of the major peacemakers.
• He had wanted a moderate peace which would allow the European economy to revive, and that is largely what he achieved.
• There were some features of the peace settlement that he did not like, such as the placing of German-speaking peoples under French and Polish rule, but on the whole he got his way.
• Lloyd George’s main achievements at Paris were twofold.
Britain

• He successfully persuaded Clemenceau to adopt a more moderate approach towards Germany by offering him an Anglo/American guarantee against future German aggression.

• He directly promoted British interests by extending her colonies, adding an additional 1.8 million square miles and 13 million new subjects. The British Empire was at its peak in 1919. Fortune also favored Lloyd George when the Germans decided to scuttle their fleet at Scapa Flow. This meant that any German naval threat was removed for the foreseeable future.
What was the impact of the peace treaty on Germany up to 1923?
Germany’s general objection to the treaty was that it was too harsh.

Many Germans felt that their country was being punished twice over.

- They had to pay reparations
- They were deprived of the very resources (coal, iron ore) that were needed to pay these reparations.

Germany had, however, imposed an equally harsh treaty on Soviet Russia at Brest-Litovsk in March 1918.

- The Russians had been expected to pay reparations and suffer drastic losses of territory and resources.
- So it could be argued that Germany was now getting a taste of its own medicine.
Diktat

• Germany objected that the treaty was a “diktat” or a dictated peace.
• German statesman and officials were excluded from the negotiations leading up to the treaty.
• They were simply handed a draft copy and invited to express comments and criticisms in writing.
• This led to some minor changes including the holding of a plebiscite in Upper Silesia.
• The Germans had little choice but to sign the treaty.
• If refused war would have resumed.
• *Diktat – Something that is imposed or dictated without discussion.
War Guilt Clause

• Article 231 or the War Guilt Clause was included in the treaty at the insistence of the Allied lawyers.
• They wanted to establish a legal basis for reparations: if you cause damage, and it is entirely your fault, then you must pay compensation.
• The Germans felt that this clause rubbed salt into their wounds.
• They were also not convinced that they, together with their allies, were totally responsible for starting the war.
• After all, it could be argued that the first military action in the immediate lead-up to the conflict was the Russian mobilization of July 1914.
Important!!
The political and economic impact of the Treaty of Versailles
Political Impact

• When on 28 June 1919 two representatives of the new German Government. The Weimer Government, signed the Treaty of Versailles this was an action made under duress.

• The Allies had made it clear that they would restart the war if Germany refused to sign and, in the opinion of leading German generals, this would have led to a military defeat.

• But though the Weimar Government had little option but to sign the Treaty, it became instantly unpopular for having done so.

• The Treaty was the symbol of Germany’s dishonor and humiliation and the Weimar Government had agreed to it.
Political Impact

• The authority of the new republic was seriously undermined:
  • Right-wing politicians and activists expressed their disapproval by supporting attempts to overthrow the government, such as the Munich Putsch of November 1923.
  • Right-wing extremists carried out a number of assassinations of high-ranking government ministers, such as Walter Rathenau (foreign minister) and Matthias Erzberger (finance minister).
  • Left-wing extremist groups exploited the unpopularity of the Weimer government by promoting rebellions, such as that in the Ruhr of March 1920.
Political Impact

• The authority of the new republic was seriously undermined:

  • Many members of the Army, furious with the government for agreeing to the disarmament clauses of the Treaty, joined the Freikorps, an unofficial, anti-communist vigilante group. When the government tried to disband this group in March 1923 following the pressure from the Allies, Freikorps units under the command of Wolfgang Kapp staged a coup in Berlin and declared a new national government. The army refused to intervene and the Weimer Government was on the point of collapse. It survived thanks to a general workers’ strike which brought public services to a standstill.
Political Impact

• The signing of the Treaty of Versailles, therefore, meant that the new democratic Weimer Republic was operating under a major disadvantage from the very beginning of its existence and was deprived of much needed support during its early years.
Economic Impact

• The Germans claimed that in signing the treaty there were also signing a blank cheque since although they had to agree to the principle of paying reparations, no figure was actually stated in the treaty.

• When the figure of £6.6 billion was announced by the Reparations Commission in 1921, Germany claimed that this amount was more than it could afford to pay.

• Whether this was true or not is difficult to assess, but there is no doubt that Germany did not want to pay such an amount.
Economic Impact

• The Versailles Treaty undoubtedly caused major economic problems for Germany and the Weimar Republic.

• Germany lost valuable economic resources, yet had to repay war debts together with reparations.

• The immediate post-war period was characterized by inflation, rising unemployment and the attendant problems of poverty and homelessness.
Economic Impact

• Crisis came in 1923 and was triggered by reparations issue:
  • Germany had paid its first installment of reparations in 1921 but then claimed that it was unable to make the 1922 payment.
  • The French felt that Germany was simply trying to escape from its Treaty obligations and together with Belgium decided to take direct action. In January 1923 French and Belgian troops occupied the Ruhr, Germany’s most valuable industrial area. The intention was to seize coal and other resources to the value of the missed payments.
Economic Impact

• Crisis came in 1923 and was triggered by reparations issue:
  • The German Government was not in a position to order armed resistance and so instead ordered the German population of the Ruhr to offer passive resistance or peaceful strike action.
  • The French responded to this by expelling more than 100,000 Germans from the region and killing over 130.
  • The German Government now faced a situation in which the expenditure had increased, due to the need to re-house and feed the displaced Ruhr population, yet its income had declined due to the ending of Ruhr taxation receipts.
Economic Impact

• Crisis came in 1923 and was triggered by reparations issue:
  • To make up for the lost revenue the German Government began to print money. This stoked up the existing high inflation into hyperinflation. The German mark became worthless and middle class savings lost their value. Bartering became increasingly popular as the best means to protect the value of a payment. Hence eggs, cigarettes or bags of sugar were used as a form of currency.
Economic Impact

• Clearly such as state of affairs had to be resolved quickly.
• In August 1923 Gustav Stresemann became Chancellor and the following month took the unpopular decision of ending the passive resistance in the Ruhr.
• In October he introduced a temporary new currency, the Rentenmark, with a strictly controlled circulation and soon after this he agree to resume reparation payments.
• Germany’s finances had been stabilized. The reparations problem was partly solved by the Dawes Plan of April 1924 which introduced a more flexible repayments schedule.
Economic Impact

• Fiver years later the Young Plan reduced the outstanding amount to £2 billion.

• The whole issue of reparations caused enormous bitterness and achieved very little since Germany received more in American loans during the 1920s that it ever paid back to the Allies.
Homework

• On page 22 answer questions 5-7
• Due Date: Jan 18\textsuperscript{th}, 2017
Disarmament

• Germany’s dislike of the disarmament clauses was partly to do with status and prestige but there were also practical objections:
  • Germany claimed that 100,000 men was insufficient for border defense.
  • It would also be difficult to deal with revolts and uprising.
Wilson’s Fourteen Points

• Germany always maintained that the armistice was signed on the understanding that the peace settlement would be based upon Wilson’s Fourteen Points.

• However, the Treaty of Versailles was seen by the German people as a betrayal of this promise in a number of ways.
  • There is no mention in the Fourteen Points of War guilt or reparations.
  • The Fourteen Points proposed disarmament for all and a general assembly of nations. In the Treaty, Germany was required to disarm but there was no equivalent requirement for the victorious countries. Similarly, Germany was not allowed to join the League of Nations, at least not for the time being.
Wilson’s Fourteen Points

• However, the Treaty of Versailles was seen by the German people as a betrayal of this promise in a number of ways.
  • The Fourteen Points stressed the idea of self-determination yet in the treaty it was clear that this was not to apply to Austria, Alsace-Lorraine or, until 15 years had passed, the Saar Basin.

• In fact, the Allies never made a promise to follow Wilson’s principles to the letter though they did indicate that they would use them as guiding principals for the peace settlement. The principle of self-determination was used in many areas including parts of East Prussia, Upper Silesia and Schleswig.
What were the terms of the other peace treaties?
What were the terms of the other peace treaties?

• The treaties affecting Germany’s allies had a number of features in common with the Treaty of Versailles.
  • A war guilt clause
  • An obligation to pay reparations
  • Reduction in Armaments
  • Acceptance of the covenant of the League of Nations.

• It was principally in the territorial provisions that the various treaties differed from one and another.
The Treaty of Saint Germain with Austria, 10 September 1919

• The main points of the treaty were the following:
  • The new Republic of Austria had to accept the break-up of the Austro-Hungarian Empire.
  • Austria had to recognize the independence of Hungary, Czechoslovakia, Yugoslavia and Poland.
  • Territory from the former empire was transferred to Czechoslovakia, Poland, Yugoslavia, Italy and Romania.
  • Union between Austria and Germany was forbidden.
The Treaty of Saint Germain with Austria, 10 September 1919

• Instead of being at the heart of a grand empire, one of the great powers of Europe, Austria was now a small landlocked nation surrounded by hostile states.

• Austria particularly resented the fact that union with Germany was forbidden and that three million Sudeten Germans were placed under Czech rule.

• This was seen as a violation of the principle of self-determination.
The Treaty of Trianon with Hungary, 4 June 1920

• The main points of this treaty were the following:
  • Hungary had to accept the break-up of the Austro-Hungarian Empire.
  • Hungary had to recognize the independence of Yugoslavia and Czechoslovakia.
  • Territory from the former Empire was transferred to Czechoslovakia, Yugoslavia and Romania.
  • Hungary was dismayed by these terms as more than 70% of its territory and one third of its population had been lost.
  • Since the treaty also deprived Hungary of its seaports it was now, like Austria, a landlocked Nation.
The Treaty of Neuilly with Bulgaria, 27 November 1919

- The main points of this treaty were the following:
  - Bulgaria had to recognize the independence of Yugoslavia.
  - Bulgaria lost territory to Greece, Yugoslavia and Romania.
  - Bulgarians regarded the treaty as a national catastrophe. It brought to an end the 40-year struggle for the unification of the Bulgarian-populated territories.
  - With the loss of land and the blow to its national pride Bulgaria faced an uncertain future.
The Treaty of Sevres with Turkey, 10 August 1920

• The main points of this treaty were the following:
  • Turkey had to recognize the independence of the Kingdom of Hejaz (later to form part of Saudi Arabia) and Armenia.
  • Turkey lost its provinces in the Middle East to Britain and France.
  • Turkey lost territory to Greece and Italy.
  • The Dardanelles Strait was to become an international waterway.

• The plight of Turkey after the First World War sparked off a nationalist movement led by Mustapha Kermal. He strongly objected to the terms of Sevres and challenged the peace treaty by force, driving the Greeks out of Smyrna. This led to a renegotiated treaty.
The Treaty of Lausanne with Turkey, 24 July 1923

- The main points of this treaty were the following:
  - Turkey confirmed the loss of its provinces in the Middle East.
  - Turkey received back most of its European territory.
  - The Dardanelles Strait was to return to Turkish Sovereignty.
  - Restrictions on armed forces were removed.
  - Turkey was no longer to pay reparations.
Could the treaties be justified at the time?  
Class discussion