



French troops in the Ruhr.

By 1921 the German economy was in serious trouble. Burdened by huge amounts of debt from the war, the government was printing money to meet its expenditure and inflation was rising fast. This provided the Germans with a perfect excuse for delaying reparations payments. By the end of 1922, France was running out of patience. If Germany could ignore reparations, what other terms of the treaty might become worthless?

In January 1923 France and Belgium sent troops into the Ruhr, Germany's most important industrial region, to seize its produce as reparations. In response, the German government ordered a campaign of passive non-co-operation in the Ruhr. The workers went on strike and the government paid them not to work. This meant printing even more money, which produced the 'Great Inflation' of 1923 and left the German economy effectively bankrupt. Before long, even the French could see

that there was little chance of receiving reparations, and that the invasion of the Ruhr was pointless. But the German government knew it could not ignore realities for ever. Sooner or later, the issue of reparations would have to be faced.

By the end of 1923 a new German government under Gustav Stresemann had accepted the principle of fulfilment – obeying the terms of the Treaty of Versailles. Promised huge loans from the USA to help rebuild the German economy, it introduced a new, sound currency and brought inflation under control. The Dawes Plan of 1924 determined the amount of reparations the Germans should pay each year, and approved the promised American loans. Over the years, Germany received far more in loans than it paid in reparations. In 1925 the French withdrew their soldiers from the Ruhr. It seemed that Germany was finally reconciled to the Treaty of Versailles, and could look forward to a future of peace and prosperity.

Peace treaties with other defeated nations, 1919–23

This was the treaty signed by the Allies with **Austria**. Austria accepted the break-up of the Austro-Hungarian Empire. Austria and Hungary were left as small independent states.

**The Treaty of St Germain, September 1919.**



- (1) South Tyrol and Trentino to Italy.
- (2) Istria and Trieste to Italy.
- (3) Croatia, Bosnia and Herzegovina to Serbia, creating Yugoslavia.
- (4) Transylvania to Romania.
- (5) Galicia to Poland. The new state of Poland also received territory from Germany and Russia.
- (6) The new state of Czechoslovakia was created.

**Reparations**

Austria agreed to pay reparations, but the collapse of the Bank of Vienna in 1922 meant nothing was paid.

**Military restrictions**

Austria was permitted an army of no more than 30,000 men.

**The impact of defeat**

- It was impossible to give every national group self-determination. Most of the new states contained dissatisfied minorities who continued to create problems.
- Splitting up the empire created economic problems. Roads and railways had not been built to suit the new states, and the new nations had their own taxes on trade, where previously trade had been free.
- Several small, weak states now existed where there had previously been one large state.

**The Treaty of Neuilly, November 1919.**

This was the treaty signed by the Allies with **Bulgaria**.



**Reparations**

Bulgaria had to pay £100 million in reparations.

**Military restrictions**

Bulgaria's army was limited to 20,000 men.

Land lost by Bulgaria  
 Land lost by Turkey to Bulgaria

### The Treaty of Trianon, June 1920.



This was the treaty signed by the Allies with **Hungary**. With the Treaty of St Germain, it marked the break-up of the Austro-Hungarian Empire.

#### Reparations

Hungary agreed to pay reparations, but the collapse of Hungary's economy in the early 1920s meant nothing was ever paid.

#### Military restrictions

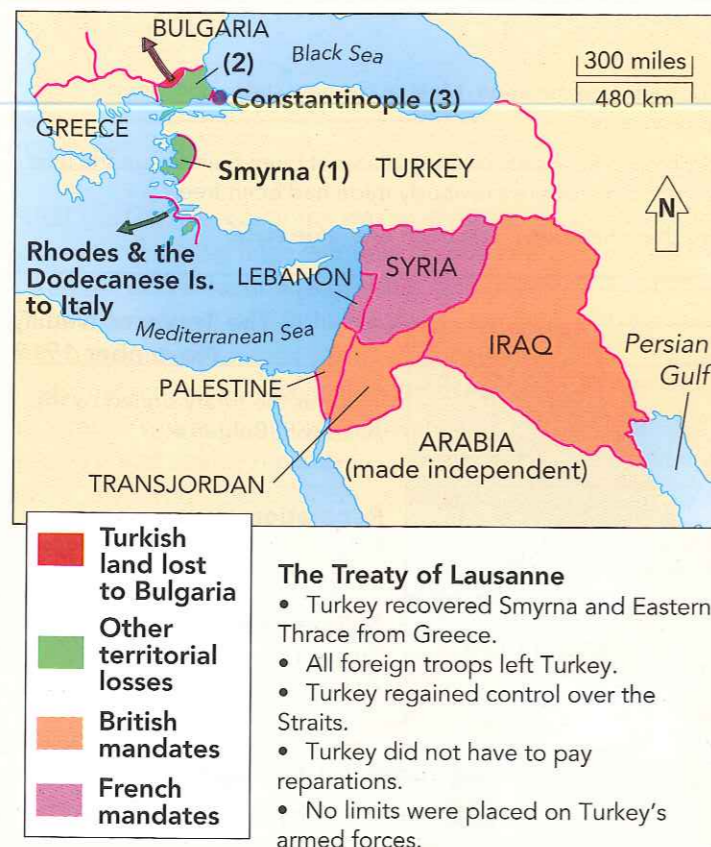
Hungary was permitted an army of no more than 35,000 men.

#### The impact of the defeat

- A communist state under Bela Kun was established in 1919. He was overthrown later in the year and a military dictatorship set up under Admiral Horthy.
- The Hungarians continued to resent a settlement that left up to 3 million Magyars (Hungarians) under foreign rule.

### The Treaty of Sèvres, August 1920, amended by the Treaty of Lausanne, July 1923

These treaties were signed by the Allies with Turkey.



#### The Treaty of Sèvres

- (1) Smyrna and (2) Eastern Thrace were lost to Greece. In Europe Turkey was left with only the small area around Constantinople.
- (3) The Straits of the Dardanelles and the Bosphorus were opened to ships of all nations.  
The Ottoman Empire was split up. Arabia was made independent. Turkey's other possessions in the Middle East were made League of Nations mandates and allocated to Britain and France.
- (4) An independent Armenian State was to be created. The Allies could keep troops in Turkey to ensure the treaty was obeyed.

#### Impact of the Treaty of Sèvres

- The Turks were so outraged by the terms of the Treaty of Sèvres that the Sultan's government was overthrown in an uprising led by Mustapha Kemal.
- Rather than fight Kemal, the Allies agreed to amend the Treaty of Sèvres. This led to the signing of the Treaty of Lausanne in July 1923.

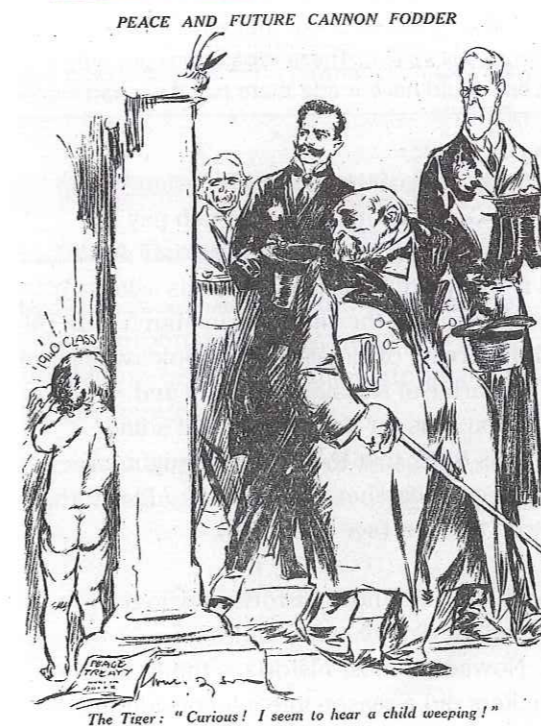
### Could the treaties be justified at the time?

There is no doubt that the treaties which established the peace settlement at the end of the First World War imposed very strict terms upon the defeated countries.

- Germany lost all its colonies and, in total, 13 per cent of its land. Nearly six million German citizens now found themselves living outside Germany's borders. The Germans were also forced to agree to pay huge reparations and carry out massive reductions in their armed forces.
- Austria saw its empire disbanded and was also forced to pay reparations to the Allies. It too had its armed forces reduced. Similar penalties were also imposed on Bulgaria and Hungary.
- The Turks were so angered by their territorial losses that they rose up and overthrew their own government. The Allies then agreed to less severe terms in the Treaty of Lausanne in 1923.

The view held by most historians since 1919 is that the treaties were too harsh and were likely to lead to future war. It would only be a matter of time before the Germans, in particular, set about seeking revenge. On the day that the Treaty of Versailles was signed a leading German newspaper published a criticism of the terms of what it called 'a disgraceful treaty'. It made it clear that 'There will be vengeance for the shame of 1919'.

#### SOURCE J



#### SOURCE I

It was a peace of revenge. It sowed a thousand seeds from which new wars might spring. It was as though the Devil had sat beside Clemenceau and whispered madness into the ear of Wilson and grinned across the table at Lloyd George.

An extract from a book written by a British historian in 1929.

This cartoon by Will Dyson was published in a British newspaper in 1919. The 'Big Four' are seen leaving Versailles. Dyson shows Orlando, the Italian prime minister, as well as Lloyd George (at the back), and Wilson (far right), while Clemenceau, the prime minister of France (in front) stops as he hears a child weeping. The child represents 'the class of 1940'. Dyson thought that the terms of Versailles would lead to further war in 1940. He was wrong by only four months!

#### SOURCE G

Lloyd George told one of his officials that the treaty was '...all a great pity. We shall have to do the same thing all over again in twenty-five years at three times the cost'.

An extract from a book on the Treaty of Versailles, written in 1969.

#### SOURCE H

This is not peace. It is an armistice for fifteen years.

The judgement of Marshall Foch on the Treaty of Versailles. Foch was the French commander-in-chief of the Allied armies in the final year of the war.