

October 20, 1939.

John D. Cayman

Gentlemen:

It is very difficult to discuss war or the causes of war dispassionately. It is far too easy to feel that ideas at variance with our own are propoganda. Yet unless we study the basic causes of the present struggle, we cannot hope to prevent another war. It is for this reason I have the temerity to talk on

Twenty Years After the Treaty of Versailles.

On June 28, 1939, there occurred the twentieth anniversary of the signing of the Treaty of Versailles. There was no celebration anywhere in the world. This was probably due to two factors, first, because the Treaty is now mainly inoperative, and second, because many people believe that the Treaty is the basic cause of the present war.

The Treaty of Versailles has been described as "a contradictory mess of American idealism and European power politics." Certain it is that the Treaty was crushing and severe in the extreme. This result was partly due to the fact the separate parts were worked out by different committees and its cumulative effect was not recognized when they were assembled. However, the severity was due more particularly to the fact that popular pressure was very great on Wilson, Loyd George and Clemenceau not to make a lenient peace.

The first part of the treaty deals with the Covenant of the League of Nations, guaranteeing to the individual members their territorial independence and integrity. It is probable that the gradual emasculation of the League was to be expected when the United States repudiated the promise of its Chief Executive and failed to join.

For a time, the League functioned very well and the supervision of mandated territories, as well as the control of the plebiscites to determine the future of certain areas, were well handled. The guardianship of minorities, racial and religious, were placed in the hands of the League, but for some years this has been ignored.

The most binding obligation of the League is the agreement not to go to war until arbitration has failed. Yet in 1932 Japan took Manchoukuo from China, a member of the group and three years later Italy destroyed the sovereignty of Abyssinia, another member. The League also was to govern two pieces of Territory, the Saar Basin and the Free City of Danzig. Germany has taken possession of both these areas, the Saar in 1935, after a plebiscite, and Danzig by "absorption" on September 1, 1939.

Only two functions of the League are now operating, i.e., the control of health and disease and the supervision of the International Labor Office for international co-operation on labor questions.

In March, 1933, Japan resigned and Germany followed in October of the same year. Chile and Venezuela gave two years notice of withdrawal in 1938. Under these circumstances it is not surprising that the decision of the League not to meet in September of this year was hardly noticed by the newspapers.

Let us consider some other parts of the Treaty that are no longer in force:

Rhine Valley:

One clause stipulated that the entire left bank of the Rhine and the right bank for a distance of 31 miles from the river were to be demilitarized forever.

However, in March, 1936, German troops re-occupied this territory almost without protest on the part of the Allies. Since that time the fortification of the old frontier has been pushed as rapidly

as possible.

Penalties:

Article 227 required that Kaiser Wilhelm II be tried for "a supreme offense against international morality". As the Netherlands refused to surrender the ex Kaiser, this clause was wholly a "dead letter".

Subsequent articles provided for the trial of over 100 "lesser criminals". Extradition was refused by Germany and the Allies dropped the matter. It is interesting to note that one of these "war criminals", Field Marshall Hindenburg, later became President of the German Republic.

Disarmament:

The military, naval and air clauses were intended to destroy all German fortifications and materials of war and to maintain Germany permanently in a crippled condition as far as armament went. The stipulations were as follows:

The German army was limited to 100,000 men.

Conscription was to be abolished.

The navy was limited to 6 battleships, 6 cruisers, 12 destroyers, 12 torpedo boats and no submarines (Germany today has 84 modern submarines in service).

The air force was to be entirely eliminated.

All fortifications and supplies were to be destroyed and production limited.

The promises of the Allies that they would disarm were not carried out. Germany therefore demanded equality and she has proceeded to re-arm. Today her air force and her army are unsurpassed in the world.

Reparation:

Among the most widely discussed clauses of the Treaty was that on Reparations or the indemnity to be paid by Germany for the damages she had occasioned. In addition to the monetary payments, payments in kind were specified. Under this head Great Britain received most of Germany's vessels, France received heavy deliveries of coal and iron and Belgium received livestock.

In considering the cash to be paid by Germany, there seem to have been only two points of view among the Allies in the early discussions, i. e., to get the actual equivalent of the damages, or to get all that could possibly be squeezed out of Germany. The Reparations Commission set the actual damages at \$64,000,000,000. However, experts agree today that the maximum Germany could pay in the forty-two years then considered was \$16,000,000,000.

The fixed annuities were set up by the Commission and the first payment, \$400,000,000, due September 1, 1921, was actually made, partly out of foreign balances which had accumulated. However, it became obvious immediately that Germany could not keep up these payments. Several plans were tried, each reducing the amount due in the early years.

But even with greatly reduced annuities Germany was unable to pay and after defaulting in 1931, the still more lenient arrangement known as the Lausanna Agreement was drafted and signed. The allied powers refused to ratify this agreement unless the United States would correspondingly reduce its war claims against them. And in the meantime Germany was permitted to suspend payments under an indefinite moratorium. Payments have never been resumed.

The Treaty of Versailles and associated treaties were still in force up until last year insofar as they defined territorial frontiers. Otherwise the position is that Peace Treaties have ceased to be respected by the great powers.

The territorial loss to Germany after the World War was a terrific blow. In Europe she lost 6,000,000 inhabitants and most of her iron and other minerals. She lost all of her valuable over-seas colonies containing 18,000 Germans and 12,000,000 natives. Then too, she lost exceptionally helpful treaty rights in China, Liberia, Siam, Egypt and Morrocco. These losses have added materially to the economic problems facing Germany in the last two decades.

How highly Germany valued her colonies may be seen in her active agitation for their return. "The New York Times" for October 26, 1938, stated that "Unofficial Reich Demands are said to include return of all pre-war territories." Obviously the present war in Europe was precipitated by the German re-occupation of some of these territories.

The Treaty required a plebiscite in certain areas and the majority of these territories voted to remain German.

The following districts were retained by Germany after a plebiscite:

Allenstein.

Germany

A trading center with some industries, machinery, cement and furniture.

Awarded to Prussia by a plebiscite, voting 98% in favor of Germany.

Marienwerder.

Germany

This territory contains saw-mills, sugar refineries, breweries and printing work.

Awarded to Prussia by a plebiscite. This area voted 92% in favor of Germany.

Schleswig (Southern Section) Holstein

Germany

Shipbuilding at Kiel, manufacturing and commerce.

Awarded to Germany after a plebiscite vote. German 248,148,
Danish 13,029.

Checks with election of 1924, when the Danish representative received 7,500 votes.

Upper Silesia (Northern District)

Germany

Lower Silesia

German after a plebiscite.

717,122 German votes.

483,514 Polish votes.

This total includes the section of Upper Silesia awarded to Poland.

The following district was retained by Germany after a plebiscite in 1935:

Saar

Industrial and mining section, producing 13,361,000 tons of coal, 1,743,000 tons of pig iron and 1,863,000 tons of steel (ave. 1924-27).

Awarded to France for 15 years as compensation for destruction of her northern mines and as part payment of reparation.

A plebiscite held January 13, 1935, voted 90.3% for re-union with Germany, 8.8% for autonomy under the League of Nations, and 0.4% for annexation to France.

Now partially occupied by France.

The following districts were lost to Germany after a plebiscite:

Upper Silesia (Southeastern Districts)

Poland

The section taken over by Poland contains 75% of the material wealth of this area.

The fate of Upper Silesia was to be decided by a plebiscite. However, after a vote of 717,422 for Germany to 483,514 for Poland, the Poles occupied the territory with an armed force. After this action the League of Nations awarded the area to Poland. This was confirmed by a treaty between Germany and Poland dated May 15, 1922.

Lost to Germany without a Vote:

French.

Alsace (Haut-Rhin and Bas-Rhin) France

One of the most fertile areas in Europe. Some valuable wood land. Also produces textiles, potash, chemicals and wine.

Population, 1,204,968, the majority speak German.

See below for history.

France.

Lorraine (Moselle) France

Famous for its vineyards but also contains important coal and iron mines. It is an industrial center, producing metals, salt, cement, glass and porcelain, machinery, chemicals, textiles, etc.

Population 693,408, the majority of them speak French.

Alsace-Lorraine were for centuries semi-independent. From 1871 to 1918 they were under German domination. Since 1918 this area has been a part of France. The people are in transition between German and French culture. The ambition of these people seems to be to act as a connecting link and bring about peace between France and Germany.

Alsace-Lorraine contain three fourths of German produced iron and other minerals.

Eupen and Malmedy Belgium

Contains valuable sections of the German Railroad System.

Population 60,000 - 50,000 German-speaking. All originally French, systematically Prussianized from 1815 to 1919, therefore a plebiscite was not permitted. However, in the Belgian elections

in April of this year these supposedly ardent pro-Nazi districts voted 55% anti-German.

Moresnet

Belgium

Famous for its forests.

Population 3,000.

Overlooked in the Treaty of Vienna (1815), so this area remained a neutral territory until 1918. Then it was awarded to Belgium to repay destruction of Belgian woodland.

Schleswig (Northern Section)

Denamrk

Exports consist of grain, cattle and fish.

Awarded to Denmark after a plebiscite on January 10, 1920.

Votes for Denmark, 75,431 for Germany 25,329.

In the Danish elections of 1924, only 7,700 German votes were polled.

This was to be expected as Northern Schleswig had been Danish for centuries. It had become a part of Prussia in 1866 when the plebiscite promised in the Treaty of Prague was never held.

Memel

Lithuania

A fine harbor and Lithuania's only possible seaport. This port contains foundries, ship-building yards and other manufacturing plants.

Population 37,523, mainly German in the City and Lithuanian in the rural districts.

There was some delay in disposing of this territory after the Versailles Treaty. Accordingly, the Lithuanians seized Memel on January 15, 1923. Later Memel was constituted a unit within the sovereignty of Lithuania.

Memel was reoccupied by Germany on March 22, 1939.

Upper Silesia (Southern District)

Czechoslovakia

Noted for its mineral wealth.

Population 672,268 39.3% German

13.5% Poles

46.3% Czechoslovaks

Awarded to Czechoslovakia without a plebiscite.

Now reoccupied by Germany.

Teschen

Divided between Poland and
Czechoslovakia

Important industrial district containing valuable coal mines.

After some fighting between the two countries, the Supreme Council, on July 18, 1920, divided the district between Poland and Czechoslovakia. The half awarded to Czechoslovakia was reoccupied by Germany in 1938. Poland's half has more recently been reoccupied.

Danzig

Free City

Seaport, and originally Poland's only outlet to the sea.

Population 385,000 of whom 96% are Germans.

This City was included in the Polish customs frontiers and its foreign relations and the protection of its citizens abroad were entrusted to Poland.

After a varied history as a Free City and under the dominion of Poland, Denmark and other countries, Danzig became a part of Prussia in 1814, at the close of the World War it was the capital of Prussia.

Absorbed by Germany on September 1, 1939.

Posen. (Poznan)

Poland

A very rich agricultural country producing grain and other food products. Locomotives are built in the capital city and other industries are increasing. Lumber and paper are also produced.

Population 2,112,871 of which 83.1% are Poles and 16.5% Germans. This is to be expected as Poznan was Polish for centuries. In 1772 the country was turned over to Prussia. During the 150 years that followed, every effort was made to force the inhabitants to become Germans.

Adherence to Poland persisted, however.

This country has been reoccupied by Germany.

Polish Corridor

Poland

Poland was provided with an outlet to the sea between Bromberg and East Prussia.

Now reoccupied by Germany.

African Colonies

Cameroons

German 1884 - 1915

To

England - Nigeria

France - Cameroun

Population 2, 183 Europeans, 3,387,000 natives.

Although the Cameroons were the most backward of all the German colonies in Africa, exports in 1913 were valued at \$6,000,000.00. They consisted of rubber, palm oil, cocoa and ivory.

German East Africa.

German - 1886 - 1916

To

England - Tanganyika

Belgium - Belgian East Africa

Portugal - Mozambique

Population estimated at 10,000 Europeans 10,000,000 natives.

Exports from this area in 1927 were valued at \$19,000,000.00.

They consisted of raw cotton, coffee, sisal and diamonds.

German West Africa.

German - 1886 - 1915

To

England - South West Africa

Population, estimated at 25,000 Europeans, 200,000 natives.

Exports of minerals alone in 1926 were valued at \$11,700,000. The minerals exported consisted of copper ore, cassiterite (SnO_2) and diamonds. In addition to iron ore and other metals, South West Africa produces large quantities of livestock.

Togo.

German - 1884 - 1914

To England - Gold Coast

France - Togoland.

Population, 555 Europeans, 1,146,971 natives.

Exports in 1926 were valued at \$14,540,000.00, consisting of raw cotton and cocoa.

Island Colonies.

Caroline Islands.

Spanish

To Germany (1899-1914)

To Japan

Population, 86 Europeans, 23,850 Japanese, 62,120 natives.

Copra is the chief export. There is an important cable station in these Islands.

These islands were purchased by Germany from Spain in 1899.

The Marshall Islands and Nauru.

German (1885 - 1914)

To Japan

Population, 129 Europeans, 433 Japanese, 12,068 natives.

Exports are copra, tortoise shell, mother of pearl, sharks fins and trepang. Nauru has an important wireless station and has extensive phosphate deposits.

German New Guinea and the Bismarck Archipelago.

German (1884 - 1914)

To Australia.

Population, 3,430 Europeans, 450,000 natives.

When taken over by Germany there were no white inhabitants/

Exports in 1925 were valued at \$4,000,000.00. They consisted of copra, rubber, cotton and cocoa.

Western Samoa.

German (1899 - 1914)

To New Zealand

Population, 3,017 Europeans, 49,048 natives.

Copra is the chief export.

All of Germany's ex-island colonies are strategically important as Naval and Air Bases.

Kiauchow

German (1897 - 1914)

To Japan (1914 - 1922)

China

The area around Tsingtao Bay was siezed by Germany in 1897 after the murder of two missionaries. After negotiation, the area was leased to Germany for 99 years. A free port was established by the Germans in 1899. The German Government created educational and agricultural institutions in the leased territory.

During the World War it was of great importance as a base for German raiders. Japanese forces took the place in 1914 and held it until 1922, when it was returned to China under the Washington agreement.

In each of the cases where Germany lost territory in Europe, I have tried to point out, by giving the percentage of German population or the general background, whether or not separation from Germany was justified. In the case of the overseas Colonies, all the areas were rightfully German. Her claims were

based on exploration, colonization and development. The only exceptions were Samoa and the Mariannas, obtained by purchase from Spain. Obviously mandating these overseas Colonies was punitive, and not based on just claims. Few deny that Germany's colonial policy and her relations with the natives were better than found in the colonies of other great powers.

So we find Germany at the end of the World War and after the Treaty of Versailles, very much weakened. She had lost:

1,700,000 killed in battle, 4,200,000 wounded, 1, 150,000 missing.

Alsace-Lorraine, most of Posen and West Prussia, all her colonies, other territorial concessions.

18,000,000 of her population, over 1,000,000 square miles of her territory, 45% of her coal, 65% of her iron ore, 15% of her arable lands, 10% of her factories, 5,100,000 tons of her merchant fleet.

To France she agreed to deliver 105,000 tons of benzol, 150,000 tons of coal tar, 90,000 tons of sulfate of ammonia, 500 stallions, 30,000 mares, 2,000 bulls, 90,000 cows, 1,000 rams, 100,000 sheep, 10,000 goats, and she agreed to pay (but only paid in part) \$5,000,000,000 reparations before May, 1921.

Still Germany might have survived as a democracy but for the mistakes of the politicians of the decade following the war. These mistakes slowly reduced Germans to the final step of taking Adolf Hitler as a leader.

Defeat had ruined the German economic structure. She had lost colonies, working capital, merchant marine, chattels and domestic animals.

And in the year after the War when Germany could get no credit, her gold reserve was used up. The shock of the French

occupation of the Ruhr logically threw Germany into inflation. When this was finally brought under control in November, 1923, it had completely ruined Germany's middle classes, the backbone of the country. A dictatorship might have followed immediately, but for the Dawes Plan, temporarily reducing Reparations and offering loans to Germany. These loans, totaling \$3,750,000.00 bought 5 years of prosperity for the weakened country.

The depression called a halt to all that. And with other nations holding up their internal price levels by prohibitive tariffs, import quotas and preference systems, the German exporter began to lose hope that he would ever recover. Currency devaluation in England, Japan and the U. S. compounded the difficulties, for changed relations in the value of money left the German price level too high to appeal to the foreign buyer. And the Germans themselves did not dare tinker with the mark to meet the competition in depreciation. Memories of the 1923 inflation were too strong.

Unable to compete abroad, even German businessmen were ready to accept a dictator. The World was unfortunate that Hitler was the man to take the job. However a Dictatorship was inevitable.

David Lawrence has expressed very clearly what errors could have been avoided in the past:

I quote from one of his recent editorials:

"What could the British and French have done? They could have publicly acknowledged the errors of the Versailles Treaty and, sometime between 1919 and 1933, they could have set about to alter the territorial boundaries of various European Countries by peaceful means. They could have arranged for the re-examination of the problem of the German colonies. They could

have planned an economic program for Europe in which trade friction would have been reduced to the minimum and in which capital would have been forthcoming for the German people even as they agreed to reduce armament and rebuild democracy. America could have contributed helpful economic elements to such a program had we, too, not been self-centered."

Now its too late.