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# THE UNITED STATES AND GERMANY IN THE AFTERMATH OF WAR

I—1918 to 1929

*Frank Spencer*

*O*N *ne fait la guerre que pour ses résultats*, said Marshal Foch, with unconscious irony, of the armistice terms which he imposed on the defeated Germans in 1918. Foch, however, was thinking not of the future peace, on which his remark was soon to appear a bitter commentary, but of saving further bloodshed among the forces of the victorious coalition. Both his remark and the armistice terms were fully endorsed by the Supreme War Council, the Allied Governments, and by the President of the Associated Power, the United States, to whom the German appeal for an armistice had been addressed. Foch had discharged his task of defeating the enemy forces in the field and saw no military necessity to drive them back into Germany for the purpose of destroying them there.

Among Foch's chief lieutenants only the American commander, General Pershing, thought it necessary to proceed to such extremes, just as the most vociferous advocates of Pershing's views among the victorious politicians were to be found among President Wilson's Republican opponents. They feared that Wilson would follow a mistaken, precipitate armistice with a 'soft peace'—indeed, they shared the views of the Germans, who hitherto had poured contempt on his Fourteen Points, in considering them no basis on which a victor should make peace, though they could well understand the Points' attractions for a defeated Power. In the autumn of 1917 the former Republican President, Theodore Roosevelt, had repudiated Wilson's assertion on declaring war in April that America was fighting to make the world safe for democracy: 'First and foremost we are to make the world safe for ourselves. This is our war, America's war. If we do not win it, we shall some day have to reckon with Germany single-handed.' Now he demanded: 'Let us dictate peace by the hammering guns and not chat about peace to the accompaniment of the clicking of typewriters.' Whatever the case may have been a year earlier when Wilson was still elaborating the idealistic war programme expressed in the Fourteen Points of January 1918, Roosevelt certainly spoke for most Americans in October and November 1918.

Like the Russian Tsar Alexander I, the leading autocrat at the Vienna Peace Congress of 1814–15, to whom he was rightly compared, Wilson wanted freedom for the world on the strict understanding that it must know that it accepted its freedom from his hands. Like Alexander, also, Wilson combined a sincere desire to do his utmost for Europe and ensure for her lasting peace, with a profound conviction of his own and his country's moral superiority over Europe, and an incapacity to understand Europe's problems. But at least he strove to remedy the last failing. 'Tell me what is right and I will fight for it', he told the experts of the 'Inquiry' on the voyage to Europe for the Paris Peace Conference, adding significantly: 'give me a guaranteed position'.

Inevitably he never found it, and when in July 1919 he brought back for the Senate's approval the signed and completed Treaty of Versailles, a storm against its provisions had been raging for some months. He had expected to be assailed by his Republican enemies for leniency to Germany, and for attempting to commit America to the League of Nations which he had obstinately insisted on making an integral, and in his view the major, part of the Versailles Treaty. He had not expected to be denounced by former adherents among the liberal internationalists for what they regarded as the 'great betrayal' of the idealistic war aims which he had put before the American people in 1917 and 1918.

Yet Wilson was entirely right to insist that the Versailles Treaty with Germany was a good and just peace settlement. When he declared, after the Senate's final repudiation of the treaty, that it would require 30 years before his countrymen returned to the real basis of their security and of their international duty, his arguments were less convincing. The bestialities of German submarine warfare did not threaten America's security, though they affronted Americans' sense of humanity as well as their national pride. Wilson had not brought Americans to realise what he regarded as their international duty, and not because he was too doctrinaire to be an effective political teacher, though that was indeed the case. Granted that the Senate's obstinacy, and especially the intransigence of the reservationist Senator Lodge and of the thorough-going isolationist Senator Borah, were more important than his own intolerance and ineptitude in the treaty's repudiation, the fact remains that the reservationists, far more than Wilson, represented the wishes of the nation and respected the provisions of the American Constitution when they raised their famous objection to the automatic commitment of their country to defend all members of the League of Nations.

The story is too well known to bear even the briefest recapitulation, but the details of the Senate's reservation are worth studying in the

light of Wilson's insistence that that reservation 'nullified' American membership of the League, and of the history of the next 20 years. The reservation stated:

The United States assumes no obligation to preserve the territorial integrity or political independence of any other country by the employment of its military or naval forces, its resources, or any form of discrimination, or to interfere in any way in controversies between nations, including all controversies relating to territorial integrity or political independence, whether members of the League or not, under the provisions of Article X, or to employ the military or naval forces of the United States, under any article of the treaty for any purpose, unless in any particular case the Congress, which, under the Constitution, has the sole power to declare war or authorise the employment of the military or naval forces of the United States, shall, in the exercise of full liberty of action, by act or joint resolution so provide.

Despite British and French 'unqualified' acceptance of the Covenant, could any British or French government commit its country to military actions under Article X without first securing parliamentary sanction? Would American membership of the League have been any less fruitful because of Lodge's further reservations about the Covenant's compatibility with the Monroe Doctrine, reservations about domestic issues and so forth? Certainly in the last 20 years the encroachments of the executive power in pursuit of policies not sanctioned by the United Nations, but believed by the executive, rightly or wrongly, to be in the national interest, have menaced constitutional balances far more than have America's obligations under the United Nations Charter.

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Perhaps collective security is, and always has been, a myth, and American participation in the League of Nations could not have made of it an effective agency to secure the peace of the world—though that was a less difficult task after 1918 than after 1945. Nevertheless, seriously harmful consequences for America and Europe alike flowed from the Senate's refusal to accept the Treaty of Versailles, and the Franco-American treaty of guarantee against Germany which Wilson negotiated at Paris as Clemenceau's price for giving up the French demand for the left bank of the Rhine. American repudiation of the guarantee led immediately to Britain's refusal to honour her own corresponding bargain with France, which she had entered into conditionally on acceptance by America of her obligations. At the time, however, America's withdrawal was welcomed by both France and Britain—Britain because she thought her guarantee was an unnecessary and unwelcome obligation, and France because she thought she would now be free from American interference with her policy towards Germany, which she expected Britain to support.

In reality, Wilson had frequently acted during the Peace Conference as a mediator between Britain and France, and though Lloyd George continued to assert that he fully sympathised with France's emphasis on her need for security against Germany, French attempts to secure political and military hegemony in Europe conflicted with traditional British political interests, and appeared to threaten British attempts to revive her own economy. As Lloyd George put it to Briand in January 1922: 'In Great Britain there is also grave cause for anxiety and discontent. Britain is a country which lives by exports and its trade has been devastated as terribly as the soil of France.' And this was an argument with which Harding's America had every sympathy, though it was the most notorious and extensive sinner against Wilson's third point which had called for the removal of economic barriers amongst the nations.

Repudiation of the Treaty of Versailles logically meant refusal to assist in its enforcement on an unrepentant and recalcitrant Germany. American troops were left in the American zone of the occupied Rhineland until January 1923, when they were withdrawn in protest against French occupation of the Ruhr. But by the end of 1919, American participation in the deliberations still continuing in Paris was restricted to keeping an observer at the meetings of Ambassadors (to whom the Foreign Ministers, after taking over from the departed heads of state on the winding up of the Versailles Treaty proceedings, had in turn handed over). The same procedure was followed towards the meetings of the Reparations Commission, which principally interested America because of the close connection between reparations from Germany, which America did not claim, and Allied war debts which she wanted to collect. Harding endorsed Wilson's insistence that Germany should pay reparations to the Allies, and favoured British arguments that reparations should be scaled down to the level which Germany could be reasonably expected to pay; but he also endorsed Wilson's refusal to cancel Allied war debts to America.

Officially, the Americans argued that there was no connection between the issues of reparations and war debts, but of course they knew better, and they decided, rightly or wrongly, where their own interests lay. After the famous *contretemps* in London in March 1921 over German defaulting on reparation payments, and the German Foreign Minister Simons' insolently derisory offer of future payments, the German Government tried to repair the damage by inviting Harding to act as mediator. The French, already alarmed in January by America's withdrawal from the Council of Ambassadors and reduction of her forces on the Rhine, were suspicious of Germany's overtures to America, which were indeed blatantly designed as an attempt to range

America on Germany's side. But Harding merely promised to transmit Germany's terms to the Allies. When he received them they were too outrageous for him to do even that—and in any case he had already stated his approval of the Allied views.

Formally, a state of war still existed between America and Germany, though Germany had made overtures to end it. This might have been achieved by declarations of a state of peace, followed by settlement of American-German problems by normal legal and diplomatic methods—the solution which the German Foreign Ministry preferred; by conclusion of a separate treaty, which offered the possibility of finding an entirely new basis outside the Versailles terms; and, finally, by American ratification of a modified Versailles Treaty, without affording Germany any opportunity to negotiate. Hughes, Harding's Secretary of State, was by conviction a 'reservationist', adopting 'independence and co-operation' as his watchwords in foreign policy, but he fully realised that the Senate would not accept Versailles even without Article X. Yet Germany was his major European problem, and he was loath to surrender the economic advantages which she had contracted to give America under Versailles.

While Hughes was still considering ways of circumventing the Senate, it went ahead on its own account. On July 2, it 'resolved' on a separate peace with Germany which would give America all the benefits without involving any of the commitments of Versailles. Hughes was one of the ablest of a distinguished series of lawyers who have held the Secretaryship and have known how to combine sanctimonious verbiage with a shrewd eye for a bargain and a pragmatic refusal to eschew sharp practice, but he disliked the blatancy of these proceedings. Moreover, a Senate resolution did not bind Germany. He decided to make the best of a disagreeable situation by abstracting from Versailles the clauses favourable to America, rigidly excluding the now notorious 'war guilt' clause. Germany accepted the treaty in August, and in due course Ambassadors were exchanged. In accordance with America's desires to keep her relations with Germany predominantly economic, a prominent Republican businessman and Congressman, A. B. Houghton, went to Berlin, and Otto Wiedfeldt, a Krupps director (of extreme nationalist tendencies) was sent to Washington.

The Senate approved the Berlin Treaty of August, but it insisted on a reservation preventing American participation in the work of the Reparations Commission, a serious handicap for Hughes. But though Hughes was no isolationist, Harding was only too ready to bow to the now overwhelmingly isolationist temper of the American people. To the so-called Third Conference of Paris, held between August 8 and August 13 by the French, British and Italian heads of state and the

Japanese Ambassadors in Paris and London, America sent her London Ambassador, Harvey, as a delegate. But he made virtually no contribution to the proceedings, which chiefly concerned the German-Polish dispute over Upper Silesia. When the Conference reached deadlock over that thorny problem and decided to unload it into the lap of the League, Harvey succinctly explained that Harding 'had felt from the beginning that this matter was one of distinctly European concern', and that Harvey himself was relieved by the Supreme Council's 'confirmation of this view . . . in referring the question to a body with which the United States was not associated'.<sup>1</sup> Harvey remained silent when reparations were discussed, and the Americans disappointed Lloyd George's hope that they would assist in the London talks which he held with Briand in December 1921 to consider German threats to default on reparations.

At Paris Wilson had argued in vain that a total sum of reparations should be fixed, and that it should be based on German capacity to pay, not on Allied computation of claims. Lloyd George's excesses in the electoral campaign of December 1918 had made it impossible for him to support Wilson's proposals at Paris until it was too late, but on April 27, 1921, the Reparations Commission had fixed a total of £6,600 million, while in May the Allies had fixed a schedule of annual payments which effectively wiped out over half that total, and was well inside the figure proposed by the German delegation at Paris as within Germany's capacity to pay. Nevertheless, in May the German Government accepted the schedule only under threat of force, including an occupation of the Ruhr, and then embarked on an economic policy designed to give colour to its assertions that it would not be able to meet the schedule. Lloyd George, however, explained on December 19 to Briand that had America come in 'the problem would have been comparatively easy. . . . If the United States had let us off our debt we could reduce our demands on Europe and even on Germany. That would enable Germany to concentrate on the restoration of France and Belgium'. As Britain, who had assumed responsibility for her Allies' debts to America after American entry into the war, owed her about £1,000 million, as against the £3,000 million owed to Britain by the Allies and by Germany under reparations, this was a considerable sacrifice. He and Briand agreed that America would 'do nothing until she felt the reaction of European conditions on her own prosperity',<sup>2</sup> but this was reckoning without Congress, which in February 1922 set up a World War Foreign Debt Commission to negotiate Allied payments.

<sup>1</sup> *Documents on British Foreign Policy 1919-1939*, first series, Vol. XV, pp. 703-704. (London: H.M.S.O. 1967.)

<sup>2</sup> *Ibid.* pp. 762-763, 768.

The Germans hoped that Britain and America would come to their aid, and Lloyd George was prepared to do his share, but, as he told the Germans in March 1922: 'England cannot help you alone. You must get other people to assist us'—by which of course he meant the Americans. It was, however, the fall in American wheat prices in 1922 and 1923 which made America more sympathetic to the increasingly desperate German pleas for help, though it took over a year after pressing German advances in October 1922 before America threw anything more than the proverbial straw. On October 3, 1922, Wiedfeldt was told to seek American intervention in the Franco-German dispute and an American loan, it being made clear that this would be used to benefit France also by helping to promote the reconstruction of the devastated provinces. Hughes rejected both demands, and renewed his objections when they were repeated in more elaborate form in December, accompanied by the suggestion of a Rhineland pact, which America was to guarantee.

For some weeks Hughes had been considering whether to call a conference of strictly impartial financial experts to seek a solution of the reparations question, but, in early November, Briand's intransigent successor, Poincaré, rejected the idea, for he was preparing to carry out the French threat to occupy the Ruhr which had hung over Germany throughout 1922. On December 24, the British Ambassador in Berlin noted that the Germans 'received pretty constant support from American sources here, but they are beginning to think that Washington action lags a long way behind Berlin talk'. At this time, however, there was great activity developing in the State Department as the result of the German financial and treaty proposals, and Poincaré was vigorously rebutting the latter. The Rhineland pact proposal had been made on several occasions and in various forms by the Germans in 1922, and Houghton had also flown this kite on their behalf. To Bonar Law, Lloyd George's successor, the Germans had proposed that Germany, France, Britain, Italy and Belgium should pledge themselves, under American guarantee, not to wage war on each other without having first obtained approval of it through a referendum. They asked Bonar Law to table this proposal at the Allied Conference of December 9-11 in London, called to discuss the German default over reparations in kind (a moratorium had been granted over the really important default, in financial reparations).

In the last week of December, Poincaré vigorously denounced to the Americans the German pact proposals. He pointed out that a pact restricted to the Rhineland was of no interest to France if not backed by defensive alliances with Britain and America, and Hughes had never talked in such terms. (Indeed he had not; Wilson's ghost was to haunt American foreign policy-makers for 20 years.) Moreover, the pact was

superfluous as the Versailles Treaty bound Germany and France to eschew aggressive war. When the Germans sought to refute this impugning of their motives, Poincaré launched a more devastating—and prophetic—counter-attack. He argued that Germany's real aims were to force France out of the Rhineland before German obligations under Versailles had been fulfilled, and to create the possibility, by promising not to attack the Western European states, of falling on France's Polish and Czechoslovak allies, and possibly also on Denmark, to regain territories lost in the peace settlement.

Hughes had already told the French that Coolidge, Harding's successor, and American public opinion were opposed to the occupation of the Ruhr, which might bring unforeseen dangers and would certainly not solve the reparations problem. When asked in turn what would solve it, he replied that America wanted Germany to pay to the limit of her capacity, and independent experts, including Americans, should determine what that was. Hughes refused to commit America to support either side, but he made his conference plan known in a speech of December 29, adding that Americans could not dispose of reparations issues 'by calling them European, for they are world problems, and we cannot escape the injurious consequences of a failure to settle them'. But when he insisted that the recovery of Europe depended on Germany's recovery, he observed only that America did not desire to see a 'prostrate' Germany, not that America would take steps to prevent it. Nevertheless, the German Chancellor, Cuno, seized the opening given by Hughes' speech to proclaim that, before Germany could pay reparations, she required not only foreign loans, but French repudiation of the use of coercion to secure reparations, and he repeated the threadbare offer of a Franco-German security pact under American guarantee.

America could put no pressure on France, but Britain could and did. Before Poincaré embarked on the Ruhr occupation on January 11, 1923, with the approval of both Belgium and Italy, he and Bonar Law had asserted the incompatibility of their respective attitudes. There were good reasons for supposing that in the final analysis the Germans were as intransigent as the French, and the British opposed the occupation not from friendship to Germany but from the belief that it was useless from the standpoint of reparations and could only delay the restoration of European harmony. The Franco-British bitterness was exacerbated, with unfortunate long-term consequences. Germany reacted with a policy of passive resistance and of galloping inflation which alienated the middle classes from the republican form of government, and gave the hitherto virtually unknown Hitler the opportunity to stand out as the noisiest nationalist demagogue in Germany. The French claimed that the occupation had been a success because, though

it did not produce reparations, the Germans had been forced to abandon passive resistance, and for the first time had shown a chastened frame of mind.

These arguments seemed as unreal to the Americans as to the British. In September, when passive resistance had ended, Coolidge made it clear that Hughes' offer still stood, and under steady but not concerted pressure from Britain and America, France retreated. The crucial moves were Hughes' blunt warning in October that refusal of this last chance to drop the coercion policy would lose American sympathy for France, and Britain's official taking up of Hughes' conference idea. These steps led directly to the establishment of the committee under the chairmanship of the American General Dawes, which effectively superseded the Reparations Commission. And as the Dawes Plan for reparations was based on a loan of \$200 million, of which America supplied over half, the Americans could successfully demand what amounted to a right of veto over any future French attempt to declare Germany in default. Moreover, Hughes came over to London privately for the Dawes Committee's proceedings, and visited Paris and Berlin equally unofficially to secure acceptance of the Plan there.

But during the Ruhr crisis itself it was not Anglo-American but unavowed and unavowable Anglo-Soviet co-operation on Germany's behalf which prevented the success of Poincaré's policy. The Soviet aim was not to relax the tension—on the contrary the Russians still hoped that 'capitalist contradictions' in Germany might provide the opportunity for the counterpart of their own revolution for which they had been hoping since 1917. From their seizure of power, the Soviet leaders had thought it essential to control the future of Germany. At first they had considered a proletarian revolution there essential for their own success in establishing socialism in Russia. Next they became concerned with the strategic dangers to the Soviet Union from a hostile Germany; Allied and American intervention in Russia was a ludicrous fiasco, but the German High Command could have wiped out Bolshevism with ease. In the post-Versailles years, Germany remained of crucial importance to Russia as the greatest Power in Central Europe, the enemy of Poland (whom she warned, quite unnecessarily, not to attack Germany during the Ruhr crisis) and of France. And France, Poland's ally, constructor of the *cordon sanitaire* against Bolshevik Russia, and the leading capitalist and military Power in Europe, was inevitably the major target of Soviet hostility.

The Dawes Plan's success in depoliticising the reparations question by reducing the Franco-German tension, and in underpinning the German economy with massive American loans, was not to Soviet liking. Britain had opposed Poincaré chiefly because of her concern to maintain the balance of power, but to a lesser degree also from ideological

motives which reinforced her economic interests. She believed that 'Bolshevism' might become a real danger in Germany if existing disturbed conditions continued. Hence Britain welcomed the firmness of Stresemann, in his 'hundred days' as Chancellor after mid-August 1923, in restoring order and ending the policy of passive resistance to make possible an end of the crisis, and his subsequent policy as Foreign Minister of turning his back on the Rapallo policy of *rapprochement* with Soviet Russia. For Stresemann was the ablest advocate of the policy of crushing 'Bolshevism' in Germany by aligning her politically and economically with the capitalist West, and above all with America if she would accept the embrace. Hughes was in fact, in 1923, as he had been in 1921, engaged in philippics against Soviet repudiation of Tsarist debts and propagation of subversive activities in friendly states, and on March 23, he announced that the Administration would approve only short-term credits, not loans, to Soviet Russia. Nevertheless, American attitudes to Germany were not determined by anti-Soviet considerations, though the policy which led to the Dawes Plan was naturally predicated on the understanding that Germany did not 'go Bolshevik'.

The Americans, like the British, approved Stresemann's renewal of Cuno's offer of a Rhineland pact. When Poincaré's failure in the Ruhr led to his downfall, the way was open to taking up the offer, especially as Stresemann removed the blatantly objectionable features of Cuno's proposals. Yet Stresemann's primary purposes were essentially the same as Cuno's: to use America to drive a wedge between Britain and France, and to acquire a free hand for Germany in Central and Eastern Europe. There is, however, no doubt that the Dawes Plan presupposed some kind of Western European security pact—on this point everybody agreed—and political appeasement logically followed the economic concessions to Germany. But whereas Britain could not avoid undertaking some commitments to make possible the Locarno agreements, America could. Coolidge's message to Congress in December 1925 rejoiced that America's policy of 'having European countries settle their own political problems without involving this country' had succeeded.

How much the Americans understood of Stresemann's purposes is uncertain (though it could hardly have been much less than the British comprehended), but if they had understood Stresemann it would not have greatly worried them. During and after the Second World War, liberal internationalist Americans criticised their country's failure to bring home to the Germans, after 1918, the error of their ways, and to put them on the paths of true democracy and European co-operation—which they were alleged to have departed from after Stresemann's death. But embarkation on a policy of transforming the outlook of a whole people was not a concept to be found among the political ideas

of the victors of 1918, though it was among those of the Bolsheviks. Even if such a venture had occurred to them, Americans, British and French at that time could not have combined in it, and hence it made no difference that narrow-minded nationalists then ruled America. Also, it was not the case after 1918, as it was after 1945, that Europe could not settle her problems without American assistance. America bears a heavy burden of responsibility for the outbreak of the Second World War in that her loans between 1924 and 1929 made possible the reorganisation of German heavy industry on which rearmament was based under Stresemann, Brüning, and, finally, under Hitler. Nevertheless, the primary responsibility for the collapse of Versailles Europe lies with the European statesmen who refused to defend it while there was still time.

A second article, by Mr. Spencer, dealing with United States policies towards Germany after 1945, will be published in the January 1968 issue of *International Affairs*.

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