

## Chapter 9: The Ruhr Crisis and the Treaty of Locarno

### 9.1 THE REASONS FOR THE RUHR CRISIS

- 1923 – Germany was reluctant to pay reparations and kept defaulting
- France needed reparations to rebuild its damaged infrastructure and repay war debts
- The United States of America was pressing the United Kingdom and France to repay its debts
- The United Kingdom was more concerned about the recovery of the German economy than the payment of the reparations
- Raymond Poincare, the French Prime Minister was a fervent French nationalist
- France occupied the Ruhr in January 1923

### 9.2 THE PROCESS AND RESOLUTION OF THE CRISIS

#### Passive German resistance and economic decline

- The Ruhr was a major German industrial region
- The German workers and management went on strike
- The German government supported the strike by paying the workers' salaries
- This only served to trigger a hyperinflation

#### Attempt to develop the Rhenish Republic

- The French tried to encourage an independent Rhenish Republic in the Rhineland
- The Rhenish Republic was formed in October 1923
- It collapsed in 1924 as it failed to get mass support

#### **France's** financial weakness and withdrawal

- There was a weakening of the French currency
- France was forced to withdraw in 1925
- This marked the end of French attempts to use force to enforce the Versailles Treaty – the start of the failure of the Versailles Treaty
- In the end, Germany actually benefitted from the Ruhr Crisis
- This destroyed the United Kingdom's trust in France – France was seen as a threat to European stability

### 9.3 THE TREATY OF LOCARNO

#### The rise of Gustav Stresemann

- Gustav Stresemann was the German chancellor in 1923 and 1924, as well as the German foreign minister from 1924 to 1929
- He was a peacemaker in public but privately held strong German nationalist views
- He adopted the policy of fulfilment – slowly using negotiations to undermine the Versailles Treaty
- He adopted a conciliatory approach towards the United Kingdom and France
- However, he actually wanted to get rid of foreign restraints – the Versailles Treaty

#### The Dawes Plan

- Proposed by the American banker C. C. Dawes
- The plan involved Germany receiving substantial loans from the United States of America
- This would allow Germany money to pay the Entente Powers in reparations
- This would then allow the Entente Powers to pay off their war debts to the United States of America
- The French renounced the use of force for enforcing the Versailles Treaty – in return, they received payment
- The Dawes plan did not really solve problems – it merely postponed the problems

- *What if the United States of America had not pressed France for war debts?*
- *The best plan would have been if the United States of America had agreed to protect France militarily*
- In reality, Germany's post-war reconstruction was almost completed by 1925
- Germany was clearly able to repay without American loans
- The French originally opposed the Dawes Plan as there were no checks on a German default – no one to enforce Germany's payment of reparations
- There was no offer of American military protection for France against Germany

#### The treaty of Locarno

- The treaty was negotiated by Stresemann, the French foreign minister Aristide Briand and the British foreign secretary Austen Chamberlain in October 1925
- The treaty upheld the demilitarisation of the Rhineland – in exchange for the Entente Powers' troops vacating the Rhineland
- The treaty confirmed the existing frontiers between Belgium, France and Germany
- However, Germany refused to sign mutual border agreements with Czechoslovakia and Poland
- France offered protection to Czechoslovakia and Poland – in reality it was impossible for France to protect them without invading Germany directly
- All disputes were referred to the League of Nations
- Germany was allowed to enter the League of Nations
- The Treaty of Locarno was greeted with enthusiasm overseas but resented domestically
- The treaty gave the French an illusion of security – it had no enforcement provisions
- It caused a period of fake peace

#### 9.4 THE LOCARNO SPRING

- The Entente Powers' troops were finally withdrawn from the Rhineland in 1930

#### The Kellogg-Briand Pact

- The pact was signed by 15 nations in August 1928 – another 50 nations had signed by 1933
- The pact involved a formal renunciation of war as an instrument of national policy except in self-defence
- However, the pact had no enforcement provisions

#### The Young Plan

- Germany was still unable to meet its reparation payments
- The plan was introduced by Owen Young, an American banker in 1929
- The reparations was reduced from 132 000 000 000 gold marks to 112 000 000 000 gold marks
- The reparations were to be paid over a period of 59 years