10 Stresemann's 100 days

How did the Weimar Republic survive the crisis of 1923?

In the summer of 1923 the problems facing the Weimar Republic came to a head and it seemed close to collapse:

- The German currency had collapsed and hyperinflation had set in.
- French and Belgian troops were occupying the Ruhr.
- The German government had no clear policy on the occupation, except for passive resistance.
- There were various left-wing political disturbances across the country: in Saxony the creation of an SPD/KPD regional state government resulted in an attempted communist uprising.
- The ultra-conservative state government in Bavaria was defying the national government: this finally resulted in the Munich Beer Hall *putsch* (see pages 36–40).

Timeline 1923: Weimar's year of crisis

- 11 January: Franco-Belgian occupation of the Ruhr (not ended until 1925)
- 13 January: passive resistance proclaimed by the German government
- January to November: period of hyperinflation
- 12 August: Stresemann made chancellor of Germany. State of emergency declared
- August to November: Stresemann's 100 days
- Autumn: 'German October' uprising in Saxony: overthrown by army
- 9 November: Munich Beer Hall *putsch*
- 15 November: introduction of *Rentenmark*
- 30 November: international committee created under chairman Charles S. Dawes to reorganise reparations

Yet, only a few months later, a semblance of calm and normality returned. The Weimar Republic's remarkable survival illustrates the telling comment of the historian D. Peukert that even 1923 shows 'there are no entirely hopeless situations in history'.

Stresemann's achievements

It is important to recognise that, during the summer of 1923, things had just been allowed to slide under the chancellor, Cuno. Nevertheless, the appointment of Gustav Stresemann as chancellor in August 1923 resulted in the emergence of a politician who was actually prepared to take difficult political decisions. Stresemann led a broad coalition of DVP, DDP, ZP and SPD and aimed to resolve Germany's economic plight and also tackle the problem of her weakness internationally.

Within a few weeks Stresemann introduced a series of crucial initiatives:

- First, in September, he called off the 'passive resistance' in the Ruhr and promised to resume the payment of reparations. He needed to conciliate the French in order to evoke some international sympathy for Germany's economic position.
- Under the guidance of finance minister Hans Luther, the government's expenditure was sharply cut in order to reduce the deficit. Over 700,000 public employees were sacked.
- The leading financial expert Hjalmar Schacht was appointed to oversee the introduction of a new German currency. In December 1923 the trillions of old German marks were replaced and a new stable currency, the *Rentenmark*, was established.
- Stresemann evoked some sympathy from the Allies for Germany by the 'miracle of the *Rentenmark*' and his conciliatory policy. He therefore asked the Allies to hold an international conference to consider Germany's economic plight and, as a result, the Dawes Committee was established. Its report, the Dawes Plan, was published in April 1924. It did not reduce the overall reparations bill, but for the first five years it fixed the payments in accordance with Germany's ability to pay (see pages 72–3).
- The extremists of the left and the right were defeated (see pages 32 and 39).

The survival of Weimar

Although Stresemann's resolute action in tackling the problems might help to explain why the years of crisis came to an end, on its own it does not help us to understand why the Weimar Republic was able to come through. The republic's survival in 1923 was in marked contrast to its collapse ten years later when challenged by the Nazis.

Why, then, did the republic not collapse during the crisis-ridden months before Stresemann's emergence on the political scene? The following factors provide clues to an answer:

- Popular anger was directed more towards the French and the Allies than towards the Weimar Republic itself.
- Despite the effects of inflation, workers did not suffer to the same extent as they did during the mass unemployment of the 1930s.
- Some businessmen did very well out of the inflation, which made them tolerant of the republic.

If these suggestions about public attitudes towards the republic are correct, then it seems that, although there was distress and disillusionment in 1923, hostility to the Weimar Republic had not yet reached unbearable levels – as it was to do ten years later.

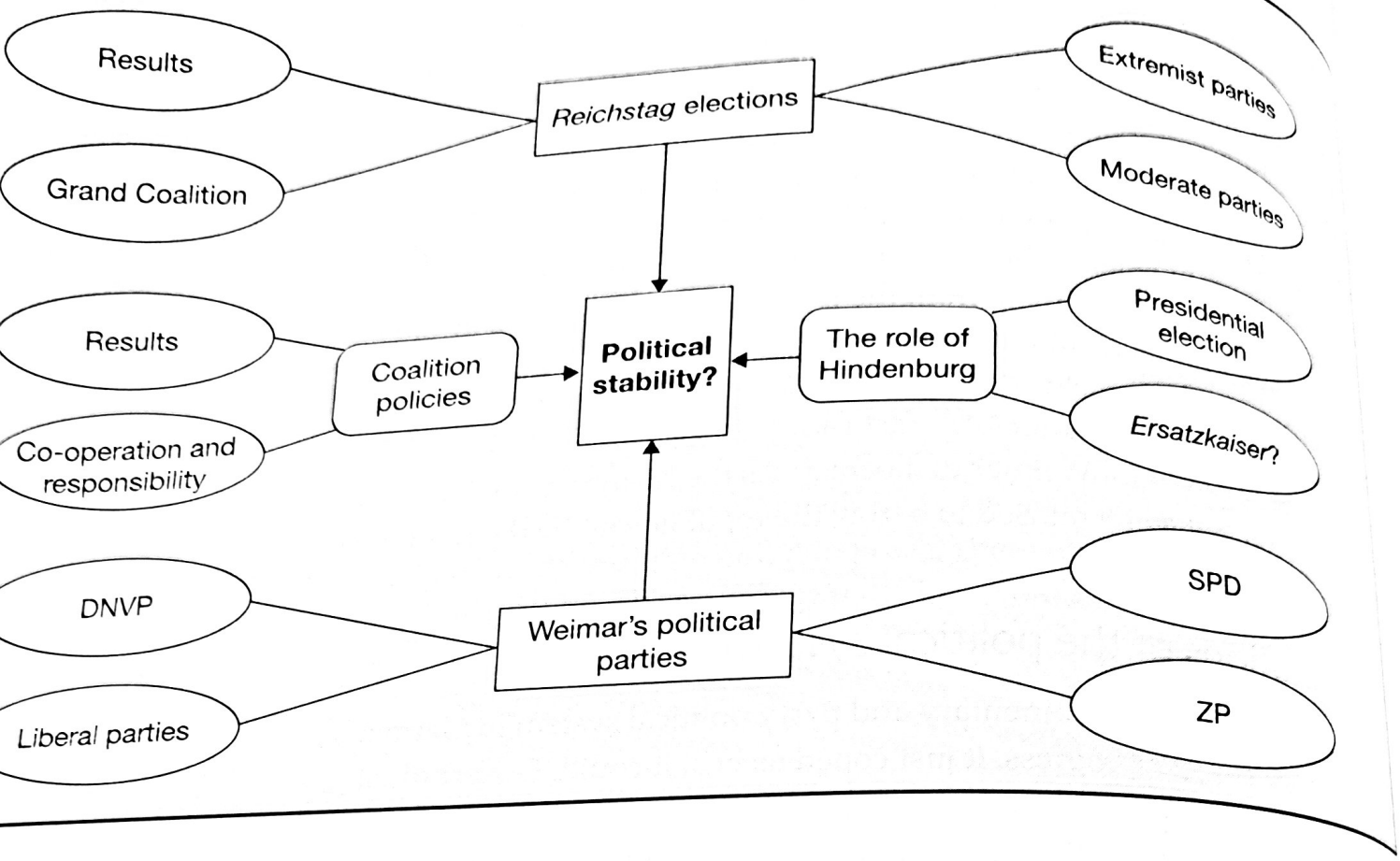
Moreover, in 1923 there was no obvious political alternative to Weimar. The extreme left had not really recovered from its divisions and suppression in the years 1918–21 and in its isolated position it did not enjoy enough support to overthrow Weimar. The extreme right, too, was not yet strong enough. It was similarly divided and had no clear plans. The failure of the Kapp *putsch* served as a clear warning of the dangers of taking hasty action and was possibly the reason why the army made no move in 1923.

Summary diagram: Stresemann's 100 days

Germany's problems at the time of Stresemann's appointment in August 1923	Stresemann's achievements
• *Hyperinflation* • *Franco-Belgian occupation of Ruhr* • *'Passive resistance' effects* • *Communist uprising in Saxony* • *Extreme right opposition in Bavaria*	• 'Passive resistance' called off • Government spending reduced • Asked for Schacht to introduce new currency • Conciliatory policy with Allies • Extremists defeated

Weimar's survival in 1923. Can it be explained?

Diagram: Political stability



3 Stresemann's foreign policy achievements

- *What were Stresemann's aims in foreign policy?*
- *To what extent was Stresemann successful?*

Before 1921–2 there was little to suggest that Stresemann was to become the mainstay of Weimar democracy. In the years before 1914 his nationalism found expression in his support of the Kaiser's ***Weltpolitik***, and from the start of the First World War Stresemann was an ardent supporter of the ***Siegfriede***. He campaigned for 'unrestricted submarine warfare' and opposed supporters of peace. By 1918 his support for the military regime and the Treaty of Brest-Litovsk had earned him the title of 'Ludendorff's young man' (see page 3). And when the war came to an end in defeat, Stresemann was deliberately excluded from the newly created DDP and, so, was left no real option but to form his own party, the DVP. At first, his party was hostile to the revolution of 1918 and the republic and campaigned for the restoration of the monarchy.

Gustav Stresemann



1878	Born in Berlin, the son of a publican and brewer
1914–18	Nationalist and supporter of Ludendorff and Hindenburg
1919	Formed the DVP and became its leader, 1919–29
1921	Despite opposing Weimar democracy at first, he and the DVP decided to support it
1923	'Stresemann's 100 days' as chancellor of Germany
1923–9	Foreign minister in all governments
1926	Awarded the Nobel Peace Prize
1929	Died of a stroke at the age of 51

Having graduated with an economics degree from Berlin University and having run a successful business career, Stresemann was elected, at 29, the youngest member of the *Reichstag*. He was a committed monarchist and nationalist who strongly supported the expansionist policies of Imperial Germany.

Stresemann was appalled by Germany's defeat and, in his heart, he remained a monarchist who hoped to create a constitutional monarchy. In 1919 he formed the DVP and opposed the Weimar Republic. However, by 1921 he came to recognise the political reality and finally committed himself and his party to the republic.

In the 1923 crisis Stresemann was made chancellor, and it is generally recognised by historians that it marked the climax of his career. All the problems were confronted: the occupation of the Ruhr, the hyperinflation and the opposition from left- and right-wing extremists. Although his term in office lasted for just three months (which became known as 'Stresemann's 100 days'), it laid the basis for the recovery of 1924–9.

Stresemann was foreign minister in all the Weimar governments 1923–9; in effect he was the architect of Weimar foreign policy. He showed a strength of character and a realism which allowed him to negotiate with the Allies and to improve Germany's international position. Nevertheless, he failed to generate real domestic support for Weimar. Indeed, his long-term reputation remains arguable, as he failed to revise the Versailles Treaty fundamentally. It is also questionable whether he could have saved the Weimar Republic from Nazism.

Indeed, it was only after the failed Kapp *putsch* and the murders of Erzberger and Rathenau (page 35) that Stresemann led his party into adopting a more sympathetic approach towards the Weimar Republic. His sudden change of heart has provided plenty of evidence for those critics who have regarded his support of the Weimar Republic as sham. This charge is not entirely fair. Despite the conservatism of his early years, Stresemann's subsequent career shows that he was a committed supporter of constitutional government.

Stresemann's ideal was a constitutional monarchy. But that was not to be. By 1921 he had become convinced that the republic and its constitution provided Germany with its only chance of preventing a dictatorship of either left or right. This was a realistic assessment of the situation and the reason why he was referred to as a ***Vernunftrepublikaner***, a rational republican, rather than a committed one.

KEY TERM

Vernunftrepublikaner
'A rational (pragmatic) republican'. Used in the 1920s to define those people who really wanted Germany to have a constitutional monarchy but who, out of necessity, came to support the democratic Weimar Republic.

Stresemann's foreign policy aims

From the time he became responsible for foreign affairs at the height of the 1923 crisis, Stresemann's foreign policy was shaped by a deep understanding of the domestic and international situations. He recognised, unlike many nationalists, that Germany had been militarily defeated and not simply 'stabbed in the back'. He also rejected the solutions of those hardliners who failed to understand the circumstances that had brought Germany to its knees in 1923.

Stresemann's main aims were to free Germany from the limitations of Versailles and to restore his country to the status of a great power, the equal of Britain and France. Offensive action was ruled out by Stresemann and so his only choice was diplomacy. As he once remarked, he was backed up only by the power of German cultural traditions and the German economy. So, at first, he worked towards his main aims in the 1920s by pursuing the following objectives:

- To recognise that France did rightly have security concerns and that France also controlled the balance of power on the continent. He regarded Franco-German friendship as essential to solving outstanding problems.
- To play on Germany's vital importance to world trade in order to earn the goodwill and co-operation of Britain and the USA. The sympathy of the USA was also vital so as to attract American investment into the German economy.
- To maintain the Rapallo-based friendship with the USSR. He rejected out of hand those 'hardliners' who desired an **alliance** with Soviet Russia and described them as the 'maddest of foreign policy makers'. Stresemann's strategy was in the tradition of Wirth's **fulfilment**.
- To encourage co-operation and peace, particularly with the Western powers of Britain and France. This was in the best interests of Germany to make it the leading power in Europe once again.

The Dawes Plan

The starting point of Stresemann's foreign policy was the issue of reparations. As chancellor, he had called off 'passive resistance' and agreed to resume the payment of reparations. The result of this was the US-backed Dawes Plan (see Figure 2.1), which was described as 'a victory for financial realism'. Despite opposition from the right wing it was accepted in April 1924.

Although the Dawes Plan left the actual sum to be paid unchanged, the monthly instalments over the first five years were calculated according to Germany's capacity to pay. Furthermore, it provided for a large loan to Germany to aid economic recovery. For Stresemann, its advantages were many:

- For the first time since the First World War, Germany's economic problems received international recognition.
- Germany gained credit for the cash-starved German economy by means of the loan and subsequent investments.
- It resulted in a French promise to evacuate the Ruhr during 1925.

THE DAWES PLAN 1924

The reorganisation of German currency
- One new *Rentenmark* was to be worth one billion of the old marks.
- The setting up of a German national bank, the *Reichsbank*, under Allied supervision.

An international loan of 800 million gold marks to aid German economic recovery
- The loan was to be financed mainly by the USA.

New arrangements for the payment of reparations
- Payment to be made annually at a fixed scale over a longer period.

Figure 2.1 The Dawes Plan 1924.

In the short term, the Dawes Plan was a success. The German economy was not weakened, since it received twice as much capital from abroad as it paid out in reparations. The mere fact that reparations were being paid regularly contributed to the improved relations between France and Germany during these years. However, the whole system was dangerously dependent on the continuation of American loans, as can be seen in Figure 2.2. In attempting to break out of the crisis of 1923, Stresemann had linked Germany's fortunes to powerful external forces, which had dramatic effects after 1929.

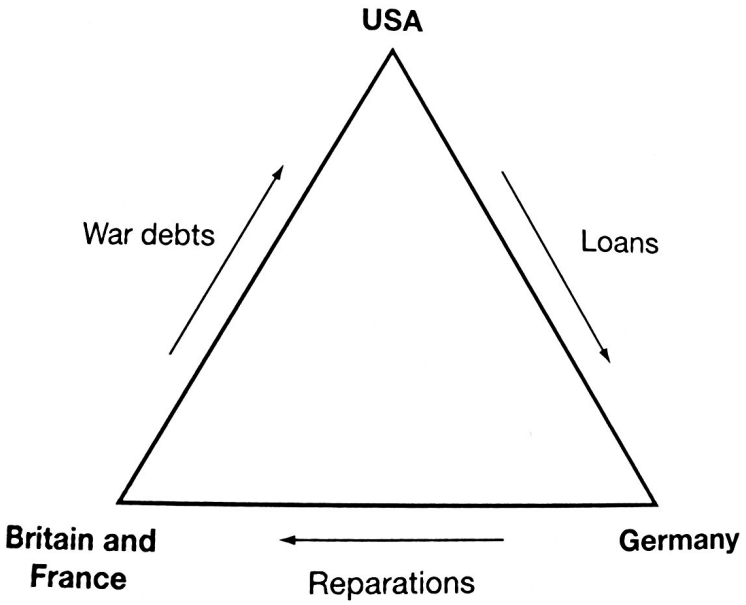


Figure 2.2 The reparations triangle in the 1920s.

The Locarno Pact

The ending of the occupation of the Ruhr and the introduction of the Dawes Plan showed that the Great Powers were prepared to take Germany's interests seriously. However, Stresemann continued to fear that Anglo-French friendship could lead to a military alliance. In order to ease this concern, Stresemann proposed an international security pact for Germany's western frontiers. Although France was at first hesitant, Britain and the USA both backed the idea.

Y TERMS

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An agreement
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In October 1925 a series of treaties was signed which became known as the Locarno Pact. The main points were:

- A **mutual guarantee agreement** accepted the Franco-German and Belgian German borders. These terms were guaranteed by Britain and Italy. All five countries renounced the use of force, except in self-defence.
- The demilitarisation of the Rhineland was recognised as permanent.
- **Arbitration treaties** between Germany, Poland and Czechoslovakia agreed to settle future disputes peacefully – but the existing frontiers were not accepted as final.

To see the territories affected by the Treaty of Locarno, refer to the map on page 23.

The Locarno treaties represented an important diplomatic development. Germany was freed from its isolation by the Allies and was again treated as an equal partner. Stresemann had achieved a great deal at Locarno at very little cost. He had confirmed the existing frontiers in the west, since Germany was in no position to change the situation. In so doing he had also limited France's freedom of action since the occupation of the Ruhr or the annexation of the Rhineland was no longer possible. Moreover, by establishing the beginnings of a solid basis for Franco-German understanding, Stresemann had lessened France's need to find allies in eastern Europe. The Poles viewed the treaties as a major setback, since Stresemann had deliberately refused to confirm the frontiers in the east.

Further diplomatic progress

Stresemann hoped that further advances would follow Locarno, such as the restoration of full German rule over the Saar and the Rhineland, a reduction in reparations and a revision of the eastern frontier. However, although there was further diplomatic progress in the years 1926–30 it remained limited:

- Germany had originally been excluded from the League of Nations (see page 24) but, in 1926, it was invited to join the League and was immediately recognised as a permanent member of the Council of the League.
- Two years later, in 1928, Germany signed the Kellogg–Briand Pact, a declaration that outlawed 'war as an instrument of national policy'. Although of no real practical effect, it showed that Germany was co-operating with 68 nations.
- In 1929 the Allies agreed to evacuate the Rhineland earlier than intended, in return for a final settlement of the reparations issue. The result was the Young Plan, which further revised the scheme of payments. Germany now agreed to continue to pay reparations until 1988, although the total sum was reduced to £1850 million, only one-quarter of the figure demanded in 1921 (see page 24).

The Treaty of Berlin

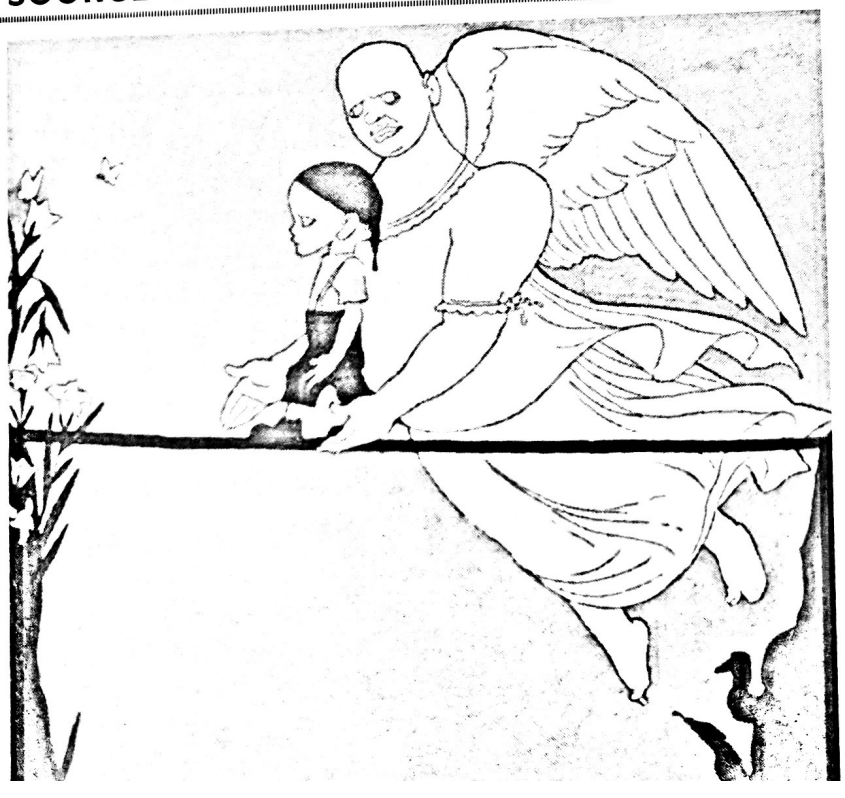
Although Stresemann viewed friendship with the West as his priority, he was not prepared to drop the Rapallo Treaty. He was still determined to stay on good terms with the USSR. As a result, the two countries signed the Treaty of Berlin in April 1926 in order to continue the basis of a good Russo-German relationship. This was not double-dealing by Stresemann, but was simply a recognition that Germany's defence needs in the heart of Europe meant that it had to have understanding with both the East and the West. The treaty with the Soviet Union therefore reduced strategic fears on Germany's Eastern Front and placed even more pressure on Poland to give way to German demands for frontier changes. It also opened up the possibility of a large commercial market and increased military co-operation.

Assessment of Stresemann: success or failure?

In 1926 Stresemann was awarded the Nobel Peace Prize (along with his British and French counterparts, Aristide Briand and Austen Chamberlain). Only three years later, at the early age of 51, he died suddenly of a stroke.

Stresemann has always been the focus of debate. He has been regarded by some as a fanatical nationalist and by others as a 'great European' working for international reconciliation. He has been praised for his staunch support of parliamentary government, but condemned for pretending to be a democrat. He has also been portrayed as an idealist on the one hand and an opportunist on the other.

SOURCE C



'He looks to the right, he looks to the left – he will save me.' (The little boy is the 'German Michael' ... prototype for the

How does ... portray Str... Source C?