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AMERICAN REPRESENTATION
IN
OCCUPIED GERMANY

1920 - 1921

VOLUME I

COMPILED BY THE ASSISTANT CHIEF OF STAFF, G-2

United States Army.

AMERICAN FORCES IN GERMANY, 1918-1923.

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AMERICAN REPRESENTATION IN OCCUPIED GERMANY

1920 - 1921.

VOLUME I.

AMERICAN REPRESENTATION

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PREFACE.

When, in December 1918, the Allied and Associated Armies of Occupation marched into Germany and occupied the Rhineland under the terms of the Armistice Agreement, the United States was represented by the Third American Army. On July 3, 1919, that army as a unit having ceased to exist, the American Forces in Germany came into being and took over the duties of occupation.

The Treaty of Versailles had been signed on June 28. Annexed to it was the Rhineland Agreement which provided in part that "a civilian body styled the Interallied Rhineland High Commission, and hereinafter called the High Commission, shall be the supreme representative of the Allied and Associated Powers within the occupied territory. It shall consist of four members representing Belgium, France, Great Britain and the United States." The Treaty came into force on January 10, 1920, and on that day the period of military government in the portions of the Rhineland occupied by the forces of Belgium, France and Great Britain came officially to an end. As the United States had failed to ratify the Treaty, an anomalous situation in the American occupied territory was created. However, in accordance with a modus vivendi proposed by General Allen, the commander of the American forces, and agreed to with appreciation by the High Commission, the ordinances of that body, with certain

exceptions and modifications, were permitted to become effective in the American area as well as in other portions of the Rhineland.

The period from the beginning of occupation to the coming into force of the Rhineland Agreement has been ably and exhaustively described in a work of four volumes entitled "American Military Government of Occupied Germany, 1918-1920", which is on file at the American Headquarters at Coblenz and in the War Department at Washington. This valuable account of the American participation in the occupation of the Rhineland was prepared under the supervision of Colonel Irvin L. Hunt, U.S. Army, who served as Officer in Charge of Civil Affairs from the beginning of the occupation until March 1920.

The period of military government in the Rhineland was officially ended on January 10, 1920, but due to the peculiar conditions of the American participation in the occupation, in some particulars, it continued to exist in the American area. Therefore the American control over the German authorities was a mixture of civilian and military control. With the progress of time, more and more powers were transferred from the American military authorities to the American Department of the High Commission, but it proved impracticable to transfer them in their entirety.

The present work of two volumes covers the period from January 10, 1920, to the end of 1921, and so is a sequel to the "American Military Government of Occupied Germany, 1918-1920." As will be seen, its format and methods of description are different. Each account complements the other, and both should be read by those who would obtain a fair idea of a unique phase of the American

intervention in European affairs.

Chapters 1 and 2 are contained in Volume I. Chapter 1 is devoted to a narrative of the important events, and of political and economic conditions as well, in both occupied and unoccupied Germany, during 1920 and 1921. Chapter 2 deals with the interior organization, activities and salient policies of the Interallied Rhineland High Commission. There are a number of appendices to this chapter, some of which, because of their length, are contained in separate and smaller volumes.

Chapters 3 to 28 will be found in Volume II. Chapters 3 to 15 describe those activities of the Americans that had connection in one way or another with the German authorities or the population of the area.

The previous work contains but little with regard to the American troops, their problems or their activities. It would seem that for a complete account of the American occupation, a description of the American forces and their activities is an important requisite, and in that belief Chapters 16 to 28 were compiled. In general only those activities peculiar to an army of occupation are described, and for obvious reasons it was necessary in many cases to touch upon the period covered in the previous work.

The officers and civilians who were prominently connected with the American participation in the occupation of the Rhineland are shown at the ends of the chapters dealing with the activities that came within their particular purview.

Inasmuch as these two volumes deal with practically every phase of the American participation during the period covered, the

work has been given the title of "American Representation in Occupied Germany, 1920-1921." Chapter 1 was written, and the other chapters compiled, by Major Philip H. Ragby, Infantry, Assistant Chief of Staff, G-2, of the American Forces in Germany.

The following abbreviations are used:

- A. C. of S. - - - - - Assistant Chief of Staff.
- A. E. F. - - - - - American Expeditionary Forces.
- A. F. G. - - - - - American Forces in Germany.
- A. M. G. - - - - - "American Military Government of Occupied Germany, 1918-1920".
- D. C. I. - - - - - Division of Criminal Investigation.
- G-1, G-2, etc. - - - - - Divisions of the General Staff.
 - G-1, Administration and Personnel;
 - G-2, Military Intelligence; G-3, Operations and Training; G-4, Supply.
- O. C. C. A. - - - - - Officer in Charge of Civil Affairs.
- P. M. D. - - - - - Provost Marshal's Department.

COBLENZ

May, 1922.

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NARRATIVE.

Ratification of the Treaty of Versailles.

On January 9, 1920 the conditions of occupation in the Rhineland were technically the same as they had been during the preceding year. With the signing of the Treaty of Peace and its ratification by the German Government, the severity of the measures adopted for the security of the occupying forces had been relaxed in increasing measure and the restrictions upon the daily life and the movements of the Ger-

man inhabitants had been greatly lessened. Nevertheless the technical status was that of an armistice between warring nations, the various occupied zones remaining under military government and the French Commander-in-Chief of the Allied Forces of Occupation continuing to be technically the supreme authority within occupied Germany. Actually the powers of the Inter-Allied Rhineland Commission (not to be confused with the Inter-Allied Rhineland High Commission) and other inter-allied commissions had grown greater as time progressed, while in various respects the powers of the military authorities had correspondingly decreased. The commanders of the four occupying forces, notably the American and British, had displayed an increasing tendency to conduct the military government of their respective zones in accordance either with their own or their national policies, rather than in strict compliance with the policies or desires of the French Commander-in-Chief. Divergent views and policies had already developed, but the only effects perceptible beyond officials circles were an impression that the Allies differed in questions of policy and an increased hope thereby given those Germans who believed that the clash of different policies might result in rifts in the Entente through which Germany might derive ultimate good. In general, however, and largely due to the initiative and efforts of the American Commander, cordial and harmonious relations prevailed among the four armies of occupation.

Such was the situation when on January 10, 1920, the exchange of the ratifications of the Treaty of Versailles brought about

peace between Germany and the Allied powers, particularly Great Britain, France and Belgium. Automatically the Rhineland Agreement came into force and the reins of government of the occupied territories passed from the hands of the military authorities to those of the Inter-Allied Rhineland High Commission. The anomalous situation in the American zone, caused by the failure of the United States Senate to ratify the Treaty of Versailles, was transformed, by the action of the American Commanding General (Major General H.T. Allen) in publishing the ordinances of the High Commission over his own signature, into one wherein for all practical purposes the conditions were the same as those which prevailed in the other occupied areas. In the final analysis, however, the American forces continued to occupy German territory under the Armistice Agreement of November 11, 1918, as amended by subsequent agreements made between the Allied and German Armistice Commissioners. The actual powers of General Allen continued to be those of the commander of a military force in occupation of enemy territory during an armistice, which means that he remained the supreme authority within the American zone. Under a modus vivendi, proposed by him, approved by the United States War Department and accepted by the High Commission and the Supreme Council, conditions in the American area became practically the same as in the other zones, but technically the supreme power remained in his hands and could be exercised whenever his judgment dictated the advisability or necessity of such a course of action. These are facts that should be kept constantly in mind by the reader or student of the history of the American Occupation subsequent to January 10, 1920.

The coming into force of the ordinances of the High Commission immediately removed two important restrictions upon the German population - censorship and regulations relative to civilian circulation. These were abolished without delay and in those respects conditions in the American area became as similar to those which prevail in time of peace as is possible in an occupied territory. During the period between the signing of the Treaty of Versailles and its ratification by the Allies, the restrictions regarding censorship and civilian circulation in the American zone had gradually become less stringent than in the other occupied areas; hence the changes which took place there in January of 1920 were not so great as in the other zones. There was no change, however, in the restrictions upon the entry into the occupied territories of members of the German military and naval forces, who were still required to secure permission therefor from the military authorities. But, very soon thereafter the limit upon the number of such permissions that could be granted within a given period of time was removed by the American military authorities, an action that was gratefully appreciated by many German soldiers and sailors who for several years had been unable to visit their relatives.

During the period of the Armistice, Allied and neutral nationals desiring to enter the occupied territories had been required to secure the permission of the military forces. These restrictions had been gradually relaxed, but not until the coming into power of the High Commission were they entirely abolished, the only remaining requirement being that Allied nationals carry safe conducts or their national passports, while others, whether formerly neutral or hostile, were required to have their national passports. Germans

(except those coming from other countries, in which case they were required to have German passports) could circulate freely if provided with identity cards. No visas of any kind were required. It may be remarked in passing that all control posts (except those for the examination of goods) in the American area were removed, while certain ones in the other zones were continued in operation.

One result of the removal of the restrictions upon circulation was that numbers of American business men passed through the American area en route to unoccupied Germany, while as time went on an increasing number of American tourists came to view the unique spectacle of American troops in occupation of German territory. On the other hand many Germans approached the military authorities with a view to securing permission to go to the United States. They were referred to the American Commission in Berlin with the explanation that the granting of permission to enter the United States was not a function of the War Department.

Summing up, it may be said that while a technical state of war, as affected by an indefinite armistice, between the United States and Germany continued to exist, the conditions in the American zone were practically the same as those which prevailed in the other areas, although these were occupied by the military forces of countries technically at peace with Germany. As a matter of fact, conditions in the American and British areas were less burdensome and restrictive upon the German inhabitants than those in the French and Belgian zones.

The First Quarter of 1920.

The first three months of 1920 constituted a period of

transition in the American area. A wise intention to prevent too abrupt a change in the transfer of governing power from the military authorities to the High Commission, as well as the force of circumstances (such as the lack of sufficient personnel in the American Department of the High Commission), caused a very gradual handing over to that Department of the duties which had theretofore appertained to the Officer in Charge of Civil Affairs. At the end of **March the Functions** of Civil Affairs remained largely the same as before January 10.¹

The American area suffered much damage from inundations during January, when the waters of the Rhine and Mosel rivers reached the highest level in 136 years, the Rhine registering 9.24 meters (approximately 30 feet) above normal. Not yet recovered from the December floods, the farmlands and the cities and towns along the two rivers were damaged even more than during the preceding month. Industries were forced to suspend, while the shortage of food and fuel was rendered more acute by reason of the greatly increased difficulties of transportation. Heavy losses in the potato crop occurred, and in many cases the stocks stored in warehouses and cellars were ruined. By strenuous efforts the problem of the transportation of coal was solved, and the receipt of potatoes from unoccupied Germany and from Holland partly alleviated the acute food shortage. The Central Government as well as the local governments made large appropriations for the relief of suffering

¹ For a more detailed description of the coming into power of the Inter-allied Rhineland High Commission, see Volume I, Chapters I and 2; Volume II, Chapter 3; and Volume VII. and A.M.G., Volumes I (Chapter 18) and IV (Appendix 51).

caused by the inundations, and by the end of the month the American area was rapidly recovering from the effects of the great floods.

The service of supply of the American forces was greatly hampered by the two floods, warehouses and accumulations of food and other supplies being much damaged. A great many drums of gasoline floated down the Rhine, but a number of these were recovered later.¹

The approach of peace had engendered much discussion among the German inhabitants. At first they thought that the new conditions would be almost like those of peace time, and a bolder attitude towards the American troops soon became apparent. The publication of the proclamation and the first ordinances of the High Commission gave rise to much indignant comment by the Germans, who claimed that they would make the conditions of life in the occupied areas far too severe. However, the abolition of censorship of the mail, the telegraph and the telephone and the lifting of the restrictions upon the movements of individuals served to allay their fears in large measure, even if to the ordinary observer there was no apparent change of conditions in the American zone. Further reflection and study of the ordinances of the High Commission showed the Germans throughout the occupied territory that under the new regime officials and private citizens would be less restricted in their duties and affairs than had been the case under military government. Much of the unfavorable

¹ Volume II, Chapter 14.

comment had been due to propaganda; thereafter, except in a few special cases, unfriendly comment against the ordinances or actions of the High Commission was as much inspired by propaganda as by legitimate cause for complaint.

The failure of the United States Government to ratify the Treaty of Peace which had been signed by its representatives at Versailles, rather mystified the inhabitants of the American area. There soon began to be bruited abroad rumors that the American troops were to be withdrawn and that French troops would replace them. These rumors became periodically recurrent, and each fresh one that arose served to cause uneasiness among the Germans who invariably asserted that they desired American troops to remain in the Coblenz area as long as the troops of any nation remained in occupation of the Rhineland.

While the conditions of life were far more peaceful and the vital problems of employment, food, clothing and shelter were generally less difficult of solution in the occupied territories than in unoccupied Germany, yet existence for the German inhabitants was not easy. Food was costly and not plentiful. There was a constant shortage of fuel, causing the house-holder's allotment to be much below his normal needs, while industries not only had to operate below capacity but also frequently had entirely to suspend operations until their exhausted stocks of coal could be replenished. Prices in general were high and, subject to some fluctuations, grew steadily higher. As has always been the case wherever Americans have predominated in a foreign community, prices in the American

area were higher than in the other zones where, in turn, the cost of living was generally higher than in unoccupied Germany. On the other hand, life in the Rhineland was entirely serene as compared with that in the strife-torn remainder of Germany, and the measures taken by the military authorities and the High Commission caused a practically constant operation of public utilities. Food was brought in by the occupying forces and sold through the German administration; when the American forces, because of the statement by the German officials that their Government could no longer afford the high cost of American food, had ceased this practice, large shipments of food were received from the United States and placed upon the market. These measures, combined with the food received through the efforts of the German Government from unoccupied Germany and from Holland, all served to make the lot of the Rhinelanders considerably easier than that of his brother who was free from the burden of occupation.

Unemployment was never a serious problem in the American area. Despite their many difficulties, particularly the lack of sufficient coal and of raw material, the various industries displayed a remarkable vitality and kept in operation most of the time.

of sufficient coal and of raw material, the various industries displayed a remarkable vitality and kept in operation most of the time.

The ever-increasing cost of living caused an almost continual succession of wage controversies, with the usual threats of strike. At this time there was a strike fever throughout Germany, but in the Rhineland, and more particularly in the American Area, the wage controversies were usually adjusted without resort to the strike. The American authorities were frequently requested to use their good offices in the way of mediation; whenever they did so their efforts almost invariably met with success. There was comparatively little radical agitation in the American zone, and with very few exceptions every strike or threat to strike was caused by a legitimate wage controversy which had no political tinge.

During this period a number of German prisoners of war, who had been released by the French following the ratification of the Treaty of Versailles, returned to their homes in the American area. While it had been feared that their return might cause some little excitement among the inhabitants, particularly as the former prisoners were rumored to have become infected with Bolshevism, no untoward event happened and their return caused hardly a ripple in the prevailing calm.¹

It will be remembered that the prisoners of war held in France by the Americans had been released during the late summer of 1919.

These three months were marked, among other respects, by violent fluctuations in the exchange rate of the German mark, the pre-war value of which was approximately 25 cents or 4 to the dollar. From 50 to the dollar on January 2, the mark had dropped to 109 on February 7. By March 11 it had risen to 68 to the dollar, falling to over 100 during the political disturbances that commenced on March 13, but rising again to 70 by March 31. These great fluctuations detrimentally affected trade and industry, and consequently the cost of living which rose steadily during the quarter.

The separatist agitation ¹ was continued throughout the Rhineland, but it met with little success. Meetings were held and newspapers established, threats of a coup d'etat were again made, and it was said that paper money for the Rhine Republic had even been printed and made ready, but the net result of the agitation and propoganda was nothing more than the gain of a few adherents who were politically of no real prominence. Due to the ill-concealed support of the French and the political blunders of Dorten and his supporters and backers, what may be called the legitimate separatist sentiment had been replaced in the hearts of the great majority of Rhinelanders by a feeling that first of all they were Germans and loyal to the Fatherland. The average Rhinelanders desired to remain within the German Reich, and he felt that separation from Prussia could well await that far day when the foreign forces of occupation had been withdrawn within the confines of their own countries.

¹A.M.G., Volume I, Chapter 15.

Generally speaking, the first quarter of 1920 passed quietly in the American zone. The political disturbances in unoccupied Germany in March caused some excitement in the Coblenz area, but the reaction to the events beyond the Rhine was only slight. The thrifty, industrious and well-disciplined Rhinelander, resting in the security afforded him by the presence of the occupying forces, was well content to observe events from afar and, without taking any active part himself, calmly to await their final outcome.

Official visits were frequently exchanged between the American Commander and the respective Commanders of the other armies of occupation. Thus in January he and his staff visited General Degoutte, commanding the Allied Forces of Occupation as well as the French army. On March 9 Marshal Foch paid an official visit to General Allen, being followed the next day by Field Marshal Sir Henry Wilson, Chief of the Imperial General Staff of Great Britain. Other distinguished visitors during the period were Generals Leorat and Bray of the French Army and Mr. Frederick Palmer, the noted American war correspondent and author. On March 17 General Allen made a hurried trip to Paris, returning to Coblenz on the 19th, having been called by the American Ambassador for a conference relative to the critical political situation in Germany.

The Kapp "Putsch".

For many months there had been recurrent rumors of an impending Putsch or coup d'etat in Berlin. But, ever since the revolution of November 1918 Germany, and more particularly Berlin, had been rife with rumors of imminent riot and revolution, most of which had proven false, and so American and Allied circles

placed little credence in the latest rumor.

In the early days of March the political situation, always complicated in those days, became unusually tense. The underlying causes were the dissatisfaction of the Right with the "important" coalition Government and the consequent agitation for new elections. The demands of the Right were rejected by the Reichstag. The Extreme Left, which was not represented in the Cabinet, also gave voice to its own discontent with political conditions. The press of every political persuasion teemed with inciting articles of one kind or another, and such was the situation throughout the political parties that some observers declared the time to be propitious for a putsch, particularly from the Right.

While the American authorities, through various agencies, were kept in touch with political developments in unoccupied Germany, yet the news that a putsch had really been made in Berlin came as a great surprise, as it did to many people in Berlin. With two Marine brigades, hard-bitten troops who had formerly served in the Baltic Provinces, the Extreme Right had made a desperate attempt to seize the reins of government.

It seems that the National Government had been advised that a radically monarchistic clique in Prussia had been agitating for an overthrow of the Government by unconstitutional methods. Orders for the arrest of several persons implicated in the plot, notably Dr. Kapp, were issued. During the night of March 12, General von Luttwitz, commanding the troops in the Berlin district, gave up his command. Dr. Kapp could not be found. From Doberitz (near Berlin) where the Marine brigades were concentrated, came an ultimatum to the Government, demanding the formation of a new

Cabinet, the replacement of Defense Minister Noske by General von Luttwitz and amnesty for Kapp and others whose arrest had been ordered. If the demands had not been accepted by 7:00 A.M., the Marine brigades were to advance on Berlin.

After having been in session nearly all night, the Cabinet rejected the ultimatum. Before morning, however, it had become apparent that the other troops in an around Berlin and the Security Police, who had been directed to take up defensive positions, could not be depended upon. They were withdrawn and at about 5:30 A.M. the leaders of the Government left Berlin in automobiles. They had not resigned, and their last official act before their departure was the issue to the laboring classes throughout Germany of an appeal for a general strike as a protest against the Putsch.

By seven o'clock on the morning of March 13 the troops of the new government had entered Berlin. The First proclamation announced Dr. Kapp as National Chancellor and Minister-President, appointed General von Luttwitz supreme military commander and Minister of Defense, and declared that "a new government of order, freedom and action" would be elected.

Thereafter events moved rapidly. The old government went first to Dresden and then to Stuttgart. The general strike was called and obeyed, for the greater part, throughout unoccupied Germany. In Berlin, foreign press correspondents declared it "the most complete general strike in history". Gas, electric and

street car services were suspended and even the water was cut off until the "Technical Emergency Aid" came to the rescue, while newspapers could not be printed. Bolshevism reared its head, and rioting and plundering occurred in Berlin and many of the larger cities of Germany. Street fighting occurred in Berlin and other cities, and the radicals of the left attempted to take advantage of such a rare opportunity. The Kapp Government quickly found that it could not ~~maintain~~ its position, as it had been denounced by all parties except those of the Right which gave it but weak support, and particularly because the general strike had "broken its back".

Meanwhile negotiations had been in progress, and the coalition parties had agreed to hold general elections within a short period. On March 17, Kapp issued a statement that as the old government had "fulfilled the most important political demands" of the new, he considered his mission concluded. He resigned forthwith and he and his chief supporters fled the country.

The constitutional government then returned to Berlin and resumed its functions. But the radicals had learned the tremendous power of the general strike, and the Government found itself in danger of being "hoist with its own petard". It was soon realized that it was far easier to bring about a general strike than to end it.

Riots and street fighting continued to occur at various points in Germany. The Marine brigade returned to ~~Boberitz~~ on March 13, engaging while en route in street fighting in the very heart of Berlin. Not until March 23 was the general strike officially at an end in Berlin, while by no means had conditions returned to

normal in all other portions of Germany. Conditions remained serious in Saxony, Thuringia and Mecklenburg, and particularly so in the great industrial section of Westphalia, generally known as the Ruhr District. The Communists secured temporary control in the former districts, while in the Ruhr what was known as the Ruhr Revolt broke out. This was a clearly defined attempt to establish a government of the proletariat in Westphalia, and much hard fighting occurred before the National Government regained control of this important industrial region. (A description of the Ruhr Revolt is reserved for another chapter.)

Repercussions in the Rhineland.

The first news of the Kapp Putsch reached American Headquarters on the morning of March 13, through the medium of the Coblenz newspapers, including the Amaroc News, which carried the information in their regular morning edition. The American Intelligence officers, while taken by surprise were yet convinced that the long expected crisis was at hand. The first information was but meager and to the effect that the "Baltic troops" had entered Berlin and overthrown the Government, which had fled in automobiles.

Before informing Washington, endeavor was made to confirm the press reports. Coblenz was alive with wild rumors, but the population remained calm. Not for several hours could telephone communication with the American Mission in Berlin be established and confirmation of the Putsch secured. This information, together with the names of the two leading spirits and a resumé of the more plausible rumors, was immediately cabled to the War Department. It soon developed

that quick telegraphic communication between Berlin and Washington was impracticable, and thereafter the American Headquarters became the intermediary in forwarding dispatches to and from the American Mission in Berlin and the State and War Departments in Washington. An interesting feature of this critical period was that the American Headquarters in Coblenz was able to keep in constant telephonic communication with the American Mission in Berlin, communication having been established as many as five times in 24 hours.¹ Despatches came through the American Embassy at Paris to the American Headquarters at Coblenz, whence they were telephoned to Berlin, while despatches from the American Mission in Berlin were telephoned to Coblenz, they were enciphered and sent by telegraph through Paris to Washington.

While Coblenz remained outwardly calm, the popular mind was, of course, in a state of restrained excitement. As the details of the putsch and of the widespread disorder throughout unoccupied Germany came to be known, the Germans in the peaceful occupied territory realized that after all an enemy occupation had its advantages. Many residents of the American area expressed their thankfulness that the presence of American troops prevented the spread of disorder to that section of the Rhineland.

¹ Once during a conversation, the communication was cut off by some operator located between the two cities, with the statement that telephonic communication with Berlin was prohibited. When told that an American officer in Coblenz was speaking, the operator said, "Ah! that is another matter", and communication was immediately reestablished, continuing uninterruptedly thereafter.

The "general strike", so widespread and so effective in unoccupied Germany, was comparatively abortive in the American zone and but little worse in the other occupied areas. Some Coblenz merchants boarded up their show windows and made other preparations for the disorder which they feared would occur upon the calling of the general strike, but these proved to be unnecessary precautions.

A general "protest" strike in the whole of the occupied territory, to last 24 hours, was called for March 15. At the same time it was stated that all railway trains and public utilities needed by the occupying forces would be continued in operation. The labor leaders instituted negotiations with the American and Allied authorities, relative to the securing of permission to call the strike. They were told that as long as the requirements for the maintenance and safety of the troops of occupation were provided for and no public disorder occurred the occupying authorities would not interfere. A large number of railway employees ceased work, but more than enough remained to insure the operation of important trains. In the American area the workers in a number of industries walked out, while in Coblenz the street car men and the waiters and musicians in most hotels and restaurants took part in the strike. Many of these returned to work before 7:00 P.M., and by the next morning (March 18) the protest strike had come to an end.¹

¹ Much amusement was caused at American Headquarters by the pleas of some street car men that the military authorities order them to resume work; a request which was, of course, refused. Striking waiters stationed themselves at the entrances to their places of work and petitioned passing American Officers for orders to go back to their labors. One young officer, without authority, gave the desired order which the striker and his comrades obeyed with grateful alacrity.

In the other occupied zones the strike was somewhat more general, but nowhere was there any interference with the needs or desires of the forces of occupation.

The "general strike" began and ended without the occurrence of any real disorder in the occupied territory. There were large demonstrations in Cologne, Mainz, Aachen (Aix-la-Chapelle) and other cities and towns in the various zones occupied by the Allied forces, but they passed off without any untoward incident. The American area remained entirely quiet, and there were no demonstrations, probably because of a steady rain during most of the day. As has been pointed out in previous volumes, the inhabitants of the region which was designated as the American zone are by nature an orderly and law abiding people, and their placid minds are much less susceptible to incitement than are those of the population of industrial districts such as were comprised within the sections occupied by the other armies.

Naturally, all parties held frequent meetings to discuss the new developments and to decide upon their attitude toward the Kapp "government". While political discussion was heated and unending, the population declined to become excited and, secure in the presence of the occupying troops, adopted a "wait and see" attitude. At the same time the great majority freely expressed their views. With the exception of those who adhered to belief in a monarchical form of government, denunciation of the Putsch and a corresponding wish for the early return of the constitutional government were general. Some of those affiliated with the Extreme Right (National

People's Party) announced their pleasure in the overthrow of the former government, but in general all those of monarchist persuasion were content to hold their peace and await developments. Very few of any political belief thought that the Putsch would prove successful. Similar conditions prevailed throughout the Rhineland, and so far as public utterance went there was practically no one to mourn when Kapp and his aides departed from Berlin.

The officials of the Government of the Rhine Province, which is located in Coblenz, took no official action in regard to the Putsch. The Oberpraesident and his chief assistant were non-committal. Other officials were willing to express their attitude, but only in private conversation. Only a very few throughout the area expressed themselves as being in favor of the Kapp Cabinet, the great majority taking the stand that the move was extremely ill-advised and would but serve to bring further troubles upon an "almost intolerably harassed country". Fearful that the labor parties would demand a statement as to the position of the Government of the Rhine Province, the higher officials met in executive sessions to discuss the matter. Before a public statement became necessary, however, the collapse of the Putsch relieved them from an embarrassing situation.

"The events in unoccupied Germany had little immediate effect upon the economic situation in the occupied territory, while the "protest" strike in the Rhinelands was not sufficiently widespread or long-continued to cause any marked disturbance of existing conditions. The supply of food and fuel continued to fall short of

normal requirements and these shortages, combined with a lack of raw material, served to keep the industries in the occupied areas far from operating at full capacity. While the mark continued to increase in value, prices in general mounted to greater heights, and altogether the economic situation in the American area remained unsatisfactory.

During and after the brief existence of the Kapp regime, American Headquarters at Coblenz might well have been entitled, in war-time parlance, a "center of information". A constant and voluminous stream of information flowed into the "Regierungsgebaude", the government building which since December 1918 had housed the larger portion of the headquarters of the American Forces on the Rhine. It is of interest to note the various sources which contributed toward keeping the American Commanding General abreast of events. First there was the Intelligence Section of his own General Staff, with its trained operatives and confidential agents, which maintained constant liaison and continually exchanged information with the Intelligence services of the Belgian, British and French forces of occupation, and operated similarly with the American liaison officers at the other three headquarters on the Rhine and with American military attaches at the various embassies and Legations in Europe; in addition that Section maintained constant telephone, telegraph and courier communication with the American Mission in Berlin and the American Embassy in Paris, besides securing confidential information from official German sources. Then there was the Inter-Allied Rhineland High Commission, with its

seat in Coblenz; the various departments of this body had their own Intelligence agencies and furnished American Headquarters with a mass of information -- not always accurate or without a tinge of propaganda, however, as was likewise true of the information received from all sources other than American. With all these and through frequent conferences with other military commanders, and considering the fact that the American representation on the Rhine and the United States Government had no selfish ends to pursue, General Allen was probably as well equipped as any man in Europe to form a correct and impartial opinion as to the events and issues that were potentially capable of bringing about another conflagration on the Continent.

Such, it would seem, became the opinion of our Government. He was called to Paris by the American Ambassador for a conference relative to the situation in Germany and to the attitude of our Government thereto, and afterwards, upon request, frequently submitted his matured views to the Ambassador in order to assist the latter in the performance of his high duties as a member of the Council of Ambassadors. It may well be surmised that General Allen had a part in determining the stand taken by the United States with regard to the Central European situation in the spring of 1920.

It was not easy to form and maintain an impartial opinion. Every country concerned, including Germany, showed its keen desire to have the United States take its particular view of the situation, and to this end furnished the American Headquarters with a vast amount of information which was very often highly colored with propaganda according to the policy of that country. A conflict of

views between the British and French developed almost immediately. The French made quick use of the story that the British had helped to bring about the Kapp Putsch, had promised early recognition of the new government, and had withdrawn their support only when its failure was seen to be inevitable.¹ In private conversation French in high position denounced "perfidious Albion" and declared that Britain's policy was to strengthen Germany at the expense of France. This was but one phase of the ultimate policy of England, which was to wreak harm upon the United States, her chief commercial rival; the farsighted English would pursue the traditional British policy towards their most powerful competitors, and history would again repeat itself. The British in turn claimed that France was so blinded by fear and hatred of Germany that what she saw in the Kapp Putsch was not an impending return of the Hohenzollerns, as she declared, but rather a valuable opportunity for the furtherance of her cherished scheme of the partition of Germany. With disorder in Germany as a pretext, the French would first seize Frankfurt on the Main and occupy the Ruhr District. This would be but a prelude to the division of the German Reich into small and weak German states. The isolation of Prussia could then be accomplished, the final result being great economic and political injury to France's powerful neighbor. According to the British view, this policy was inspired not only by fear and hatred but also by Napoleonic dreams of the hegemony of Europe. It was pursued with regard to the interests

1 This story was reported to the American Headquarters by Americans in official position in Berlin. These stated that certain British officials in Berlin were implicated, but that nothing definite as to the British Government had been ascertained.

of France only, it was reckless, and it would inevitably result in an ultimate condition of chaos in Europe. The Belgians, largely perhaps because of their military pact with France, generally followed behind the French. The Germans, more ardently desirous than ever of securing the good will of the Americans and their Government, declared that they had nothing to conceal and offered to furnish the Americans with all information desired. They were anxious to prove the falsity of French claims that a return of the monarchy, with all which that would involve, was imminent or even planned, and it was clear that they had high hopes that the wished-for slit in the Entente was at hand.

Realizing that Coblenz, as the seat of the American Headquarters, was like an island round about which swirled torrents of propaganda and intrigue, the American commander saw that it was a time for clear thinking, impartial reasoning and avoidance of controversial issues or of any act or speech that might be construed as an alignment with any interested party. These views he impressed upon his officers as a vital part of the general policy of the American Headquarters. The American course of action was to welcome every item of information, from whatever source, to give it most careful consideration to study and to analyze, and finally to form opinions that were based solely upon the information available, regardless of the fact that the side in error might have been a war-time comrade or that the merit of a particular issue might lay with a people with whom America had but recently been at war.

A stream of well digested information was directed upon the War Department and the American Embassy at Paris and frequent "estimates

of the situation" were similarly forwarded. It was stated in Washington that through its representatives in Berlin and Coblenz, the United States Government had probably had as clear and accurate a picture of the situation in Germany in the spring of 1920 as it was possible to secure.

During the particularly critical days following March 13, the American Headquarters received a telegram from an individual (thought to be an American) in Leipzig, claiming that a number of Americans and British were stranded there, that heavy fighting was in progress in the city and their situation was rapidly growing desperate, and asking that a special train be sent to bring them to occupied territory. After consultation with the American Commissioner in Berlin and further communication (by telephone while the fighting was going on) with Leipzig, it was decided to send a train as requested. The German railway authorities complied with the American demands and furnished a special train without undue delay. Rations and medical supplies were put aboard the train, which carried an American officer in charge, a train crew composed of American soldiers available for use in case of emergency, a few American soldiers (unarmed), and a German officer sent along for liaison purposes. The train succeeded, after some delay but without particular incident, in getting to Leipzig, but found that the Americans and British had already left by an ordinary train that had been dispatched to Cologne earlier in the day. The train returned to Coblenz without incident, while some of the Americans for whom it had been sent came on to Coblenz from Cologne

and were taken care of by the military authorities.¹

At one time the American Commissioner in Berlin requested that a special train be made ready to be sent to Berlin to bring Americans to the American zone, but later found it unnecessary. Some Americans, mostly women, finally came by ordinary train to Coblenz where they were billeted and taken care of. There had been no real shortage of food among official Americans in Berlin, as the Coblenz military authorities had succeeded in sending them a carload of rations before their supply had become exhausted.

The Spring of 1920.

The gradual transfer of power from the military to the civil authorities of occupation continued during this period, and by the end of June the American Department of the High Commission had taken over many of the functions of the office of Civil Affairs.

The three months passed very quietly in the American zone. At the beginning of April the Ruhr Revolt was in full swing and there were disturbances in many other portions of Germany. Political and economic conditions in Germany were serious, and Frankfurt and Darmstadt were occupied by the French on April 6. But the reaction in the Rhineland was only slight, and particularly so in the American

¹It seems that the person who had telegraphed from Leipzig and requested a special train, was an Englishman. Asked why he had applied to the Americans at Coblenz rather than to the British at Cologne, he replied that at first he had applied to the latter, but had met with the reply that as the British military authorities were powerless in the matter his application had been forwarded to the British Embassy at Berlin. Said he, "I will publish all over England that while the British Army declined to act, the Americans cut red tape and came to our rescue".

area. The events were discussed in political meetings and in the press, but temperately and without inciting oratory, while the people in general pursued the even tenor of their way. The politicians were active in preparations for the general elections, but the population took only a mild interest, and the elections were held without disturbances of any kind. In unoccupied Germany, and to a slight extent in the other occupied zones the strike fever and unrest continued; in the American area the frequent wage controversies resulted in but few strikes, all of a minor character, and the population in general remained entirely calm. May 1, the traditional day in Europe for radical disturbances passed without untoward incident. Parades and meetings were held with the approval of the American authorities - throughout the area they were free from objectionable features. More than ever was it apparent that only in the event of extraordinary circumstances would serious unrest ever occur in the American zone.

There were a few disturbances in the other occupied areas, but none was serious. June was characterized by food riots throughout unoccupied Germany; demonstrations of this kind were made in the Belgian and French zones but they could hardly have been called riots. Because of the arrest of certain agitators by the French, a general strike was called at Ludwigshafen in the French area; nothing serious developed and work was soon resumed. The awarding of the Monschau railroad (between Eupen and Malmedy) to Belgium caused a few strikes in that region, but these too were quickly ended. A sudden strike of waiters and other hotel employees occurred in Wiesbaden on April 3. Beyond the inconvenience caused hotel guests

the strike was of no importance, the strikers resuming work within three days.

By June 30, the food situation in the American area had displayed a substantial improvement. (This was largely true of the other zones, and the people in the Rhineland in general were better off in this respect than those in most portions of unoccupied Germany. The ration regulations continued in force, but the allowance of potatoes and some other components had been increased. The campaign against profiteers and those who attempted to smuggle food out of the area went steadily on, the American authorities cooperating in the actions against food-smugglers. There was still a shortage of sugar and fats, but in general the outlook was better than it had been since the beginning of the occupation. Food was received from other countries, including the United States, and it was not so much a question of the amount of food supplies as of the prices, which continued to be almost prohibitive to the majority of the inhabitants of Coblenz and the larger towns. As compared with the previous year, the food situation was satisfactory, but it continued to be a problem for the larger part of the urban population. Considerable foreign aid was extended to the German people at this time, and in the American area an American Committee kept several kitchens in operation, feeding a large number of children.¹

There was also an improvement in the fuel situation. It could not be called satisfactory, however, except by comparison, as the amount available was never sufficient to permit industries to operate at full capacity, and public utilities could not accumulate reserves in the required amounts. With the arrival of warm weather, the problem of the householder was simplified, and by the end of June the

situation had become better than for months past, although the securing of stocks for the winter was still doubtful.

From 69 to the dollar at the beginning of April the mark advanced to 29 on May 26, declining to 38 by the end of June.

This rise in value resulted in the cancellation of many orders from foreign countries, causing a sharp decline in German export trade. This development, together with the numerous strikes, the higher wages secured by the workmen, and the resulting increase in the cost of living caused a business depression throughout Germany. But in the American zone the depression was comparatively slight. From time to time a few industries suspended operation because of a temporary shortage of coal or raw material. But in almost every case operation was resumed within a short period, and not at any time did the number of unemployed constitute a problem of any consequence.

The Rhineland separatist movement was not active during this period, although some of the newly formed Christian Peoples' Party (an offshoot of the Centrum) announced their adherence to the Dorten program. After the general elections party politics were overshadowed by the economic situation, and the period ended in a condition of political calm.

The rise in prices and in the value of the German mark had its effect upon the members of the occupying forces. At the same time that a "purchasers' strike" was in nation-wide vogue among the Germans, the Americans and other foreigners in the Rhineland were refraining from all but the most necessary purchases. This caused some reductions in the prices charged by a few of the Coblenz merchants,

as it did in other portions of Germany, but the effect was not lasting.

In the endeavor to locate industrial equipment that had been removed to Germany during the War, several Belgian and French sub-committees of the Reparations Commission visited the American zone. With the specific approval of the American authorities and accompanied in every case by an American officer, they inspected various industrial plants, and in a few cases succeeded in their endeavor. The equipment discovered was either sent back to its original owners or they were reimbursed and the German plants permitted to retain it.

On May 30, Memorial Day was celebrated in many places. Detachments were sent to Paris and Romagne-sous-Montfaucon, and General Allen delivered the principal address during the ceremonies at the Romagne cemetery. Exercises were held at the cemeteries in Coblenz and Trier, and every American grave was decorated.

On June 2, his resignation having been accepted, Mr. Pierrepont B. Noves gave up his duties as American Representative with the High Commission, taking with him his Deputy, Mr. Wallace H. Day. By agreement between the State and War Departments, General Allen, in addition to his military duties, took over the office vacated by Mr. Noves. Colonel D. L. Stone, G.S., was selected by General Allen to perform the duties of Deputy American Representative.

Among the prominent visitors during the period were Hon. Ellis Loring Dresel, American Commissioner at Berlin; General Michel, commanding the Belgian Army of Occupation; General Degoutte, commanding the Allied Armies of Occupation; Hon. William Phillips, American Minister to Holland; General Rucquoy, the new commander

of the Belgian Army of Occupation; Major General Peyton C. March, Chief of Staff of the United States Army; Major General John L. Chamberlain, Inspector General, U.S.A.; and Major General John F. O'Ryan of New York.

General March made a very thorough inspection of the A.F.G., covering about ten days. After the completion of his inspection, he expressed his high commendation of the excellent condition of the command.

The visit of General March caused fresh rumors of the withdrawal of the American troops, and again did the Germans voice their hope that the Americans would remain.

The Ruhr Revolt.

After the collapse of the Kapp Putsch the difficulties of the German Government were by no means at an end. The gravest problem, and the one of most interest to the authorities of occupation was the revolt in the Ruhr District, the edge of which was just across the Rhine from the Belgian and British zones. Almost wholly industrial, the Ruhr District had always been a trouble center, and the radicals there were quick to take advantage of the opportunity afforded them by the ill-advised attempt of Kapp and his associates.

In common with other portions of Germany, a general strike was called in the Ruhr District on March 14. Conditions became very disturbed and there were a number of small conflicts between the workmen and the police, as well as attacks by the former upon the Reichswehr troops and the Security Police. When, after the fall of the Kapp regime the general strike came to an end in most

parts of Germany, it was continued in the Ruhr District. Apparently the more radical elements believed that the opportunity was at hand to establish a Soviet government or a dictatorship of the proletariat. The continuance of the strike seemed to be against the wishes of the majority of the workmen, but the others had their way. The withdrawal of the Government troops was demanded; as compliance was not immediately forthcoming, Workmen's Councils were formed, many of the Security Police were disarmed, and in most of the cities and towns the municipal police were suspended from duty, their places being taken by Workmen's Guards which had been formed for the purpose. In some cases the constituted authorities were entirely suspended from office, but in most instances they continued to function under the supervision and control of the Workmen's Councils. A Central Workmen's Council was located in Essen, but it seemed never actually to exercise the power implied by its title; the headquarters of the movement was said to be in Hagen, and the names of the leaders were kept secret. In the meantime order was preserved throughout practically the whole district.

A demand by the commander of the troops stationed in the Ruhr District that the Workmen's Guards be disarmed, was immediately followed by combats between the workmen and the troops. The former proceeded to organize the so-called "Red Army" which was to drive the government troops from the district. This force was distinct from the Workmen's Guards which were to be used solely for keeping order in the towns. The Red Army idea proved very popular, a great many workmen joining it. A recruiting campaign was inaugurated, and many young men, not only from the Ruhr District but even from the occupied territory, were induced to

join. Needless to say, many of the recruits were of a type that had no respect for law and order.

The Red Army then attacked the Reichswehr troops and the Security Police and after savage fighting drove them from the area, some taking refuge in the Belgian and British zones. This gave the workmen absolute control of practically the whole Ruhr District, and the Red troops took up positions from which to repel any attempts of the government forces to advance. It may be said that the Red Army was an army in name only and was loosely organized, in most cases the company being the largest unit. Their arms were secured by capture or from the homes of the workmen, and consisted largely of rifles and machine guns, only a few trench mortars and field guns being in their possession.

While the fighting was going on the Workmen's Councils held the reins of government, and forcibly suppressed any attempts at resistance. Except in the localities where fighting was in progress, order was maintained and conditions were fairly normal.

Negotiations with the Berlin Government resulted in an agreement in which many concessions were made to the workmen. Most of the Workmen's Councils wanted to comply with the terms of the agreement, but the leaders of the Red Army declined to acknowledge any authority higher than their own. The leaders then disagreed among themselves and the "Army" commenced to disintegrate into groups, some of which wanted to fight and others to return home.

A new Cabinet had been formed in Berlin, and on March 29 it sent an ultimatum to the Central Workmen's Council at Essen, requiring that all Red troops be disarmed by noon on March 30 and

promising amnesty to all who complied. The leaders of the Red Army declined to comply, threatening to flood the mines and blow up the industrial plants. Negotiations were resumed and the time-limit was extended. The extreme radicals called another general strike; this was opposed by the great majority of workmen, but with armed force the radicals prevented the better elements from continuing to operate the mines and other industries.

Numbers of the Red troops had already commenced to return to their homes, and now dissatisfaction with the radical leaders became general. Workmen gathered in large crowds, denounced the leaders and demanded their overthrow - "We would rather have the Reichswehr in our towns than to have crooks and criminals who endanger the lives of honest men". The better elements of the Red troops returned to their homes, turned in their arms, and became normal citizens. Then the lawless element, in bands of from ten to several hundred men, drifted away from the "front", and a period of pillaging and looting set in. The new Workmen's Guards, which had been formed under the terms of the agreement with the Berlin Government, were unable to cope with the situation and appeals for help were sent to the Reichswehr, which in the meantime had commenced to advance.

The last phase of the Ruhr Revolt witnessed the advance of the Reichswehr and the restoration of order. Little serious fighting developed, the combats being mainly with small bands, with "mopping-up" operations as the final feature. Essen, the stronghold of the Reds, was occupied on April 6, and large numbers of Reds took refuge in British territory on the same day. By April

15 the Ruhr Revolt had been entirely suppressed, and by the end of the month, the disarmament of the workmen, while not complete, had reached a point that was generally satisfactory to the authorities.

Reaction in the Occupied Territories.

In so far as the German inhabitants of the occupied territories were concerned, the reaction to the Ruhr Revolt was but slight, and again they had reason to be grateful for the security afforded them by the presence of the troops of occupation.

The authorities of occupation took precautions to prevent the spread of disorder within the occupied territories, but it was soon seen that there was little danger of such a development. Some Spartacists, so-called, entered the village of Weisdorf in the British zone, displaced the local authorities and proclaimed a Soviet government. The leaders were promptly arrested by the British and the local authorities resumed their functions. The Reichswehr troops and the Reds, who at different times, came into the occupied territories (Belgian and British zones) were disarmed and interned; after several weeks, in each case, they were permitted to return to unoccupied Germany.¹ While the revolt was at its height an officer of the Security Police who had participated in the fighting came to the American Headquarters for the declared purpose of buying tanks and armored motor cars from the A.F.G.; he was referred to a British syndicate that but recently had bought the large amount of surplus motor transportation left by the third

¹ Volume I, Chapter 2.

Army; there he succeeded in purchasing some motor transportation, but no tanks.

The authorities of occupation kept in close touch with the progress of the revolt, and again a conflict of views developed. The French took the stand that the revolt had been **provoked** by reactionary German elements and that the concentration of troops for its suppression might involve danger to the security of the occupying forces. The advance of the Reichswehr troops, brought them into the neutral zone, and the French claimed that the number authorized by the Treaty of Versailles to be employed in the neutral zone had been exceeded. The German Government did not deny this, but stated that the excess was small in number and that it would be impossible with less troops to suppress the revolt.

Around this point the discussions among the occupying authorities revolved for some weeks. The British and Americans held that the German Government had the right to use such force as was necessary to put down a revolt which imperilled its existence, and further that it was to the interest of all constituted European governments that without delay order be restored throughout Germany; the Ruhr District was the storm center and the German Government should be given as free a hand as possible in its efforts to bring about the return of normal conditions in that region, even if the authorized number of troops in the neutral zone should be exceeded. In this view the Belgian High Commissioner concurred. Each of the occupying forces made its own estimate of the number of troops in the neutral zone, but no two agreed.

The Americans, following their usual custom, sent operatives, including officers, into the Ruhr District to make independent investigations. From their reports and from a study of information from Belgian, British, French and German sources, the conclusion was reached that the German Government was employing no more troops than were necessary and that they exceeded the number authorized for the neutral zone by but a few thousands. The French estimate was far greater, while the Belgian and British estimates came between the French and the American.

As during the Kapp Putsch, the American Headquarters kept the War Department and the American Ambassador at Paris constantly informed of developments. There was frequent communication between the latter and General Allen who was several times called upon for his considered opinions. On April 5 the Chancellor (a position similar to that of Prime Minister) of the German Government forwarded to the American Commander the following declaration, with the request that it be transmitted to Washington:

The German Government obliges itself to withdraw all troops in excess of the authorized strength as soon as operations in the Ruhr basin for the re-establishment of the Constitutional power have been concluded. The German Government has already delivered, on the 4th of this month, in Paris, the declaration that it expects to be able to do so within one week.

Mueller.

This communication was immediately sent by telegraph to the War Department and to the American Ambassador at Paris.

Some time before this the German Government had requested the Allies to grant permission for additional troops to enter the neutral zone in order to put down the revolt in the Ruhr. While

the other Powers were inclined to grant the request. France stated that she could permit such action only if she were allowed to occupy Frankfurt, Darmstadt and nearby towns as a guarantee that the additional troops would evacuate the neutral zone as soon as the emergency had passed. Germany rejected the French proposal, and on April 2 informed France that additional troops had entered the neutral zone without the consent of their Government; it was requested that the French give their consent thereto. The French Government declined this request and asked that the additional troops be withdrawn at once. On April 3, France dispatched a sharp note to the German Government, and at 4.45 A.M. on April 6 French troops occupied Frankfurt and Darmstadt, later taking possession of Homburg and Hanau.

The occupation was affected with opposition. The German troops had withdrawn, but a battalion of Security Police was captured in the Frankfurt barracks. There were two minor encounters between small Cavalry patrols; otherwise the movement proceeded according to schedule. During the afternoon of the next day French Moroccan troops in Frankfurt, becoming nervous in the presence of a large crowd, fired on it, killing 6 and wounding 35 persons. Frankfurt was in a state of excitement for several days, but soon thereafter conditions became tranquil.

Except in the French zone there were no outward manifestations of excitement in the Rhineland. A general strike was called in Wiesbaden, but it failed to materialize. A state of siege in the Mainz bridgehead was proclaimed on April 6 and was lifted on May 2.

The occupation of Frankfurt raised a storm of protest in Germany where it was claimed that the move was preliminary to further advances into Germany. The French announced that they would withdraw as soon as the additional Reichswehr troops had evacuated the neutral zone, but the Germans claimed to believe that the French had no such intention.

On April 8 General Allen, accompanied by his Intelligence Officer, proceeded to Mainz and conferred with General Degoutte and M. Tirard, the French High Commissioner. The situation was thoroughly discussed and the French viewpoint was clearly explained to General Allen, who gave it careful consideration before reaching his conclusions.

Belgium soon showed her support of the French move by sending a battalion to participate in the occupation of Frankfurt. Neither Great Britain nor the United States supported the French and their disapproval, while tacit, was none the less apparent.

It had often been said that for a long time France had visualized the occupation of the Ruhr District. This view was supported by the arrival in the Rhineland of two French divisions, a number of additional infantry regiments, heavy artillery, aviation, etc. The French stated that this large force had come from France as a precaution against a possible hostile reaction on the part of Germany. Others claimed that there was no danger of such a reaction, and pointed out that the location of a large portion of these troops in the region west and northwest of Bonn was convenient for an advance on the Ruhr basin. It was generally believed at the time that if the disapproval of the British and

American Governments had not been apparent, the French would have moved into the Ruhr.

On May 17, investigation having shown that the German troops in the neutral zone had been reduced to within the authorized strength, the French troops evacuated Frankfurt and the other towns and returned within the Mainz bridgehead. The withdrawal was without incident, and shortly afterward the troops which had come up from France were sent back to their permanent stations.

An interesting incident of this eventful period was the defining of the status of the American troops of occupation. Late in March the House of Representatives by resolution requested to be informed, among other things, as to

The extent of the authority exercised over American military forces now stationed in German territory by Field Marshal Ferdinand Foch, Commander-in-Chief of the Allied forces now in the occupied Rhine Provinces, and how far their activity may be directed without express orders from the President of the United States.

The President replied as follows:

Replying specifically to the remaining questions in the resolution of the House of Representatives, I will state that Field Marshal Ferdinand Foch has no authority over the United States troops in German territory, nor can any one direct their activities without express orders from the President of the United States. It should be stated further that under his general police powers, under the terms of the Armistice, General Allen has full authority to utilize his troops for the police of the occupied district, the preservation of order, and to repel any attack which may be made upon him.

The resolution and the reply of the President was sent on April 5 to General Allen, "for his information and guidance". From the beginning he had followed the policy outlined by the President, but his stand thus became one that could not be

questioned and it was clearly shown that he was independent of any authority other than his own Government.

July to September 1920

As compared with the preceding six months, this period was one of comparative calm in Germany. The Spa Conference in July, where Germany, under the threat of an occupation of the Ruhr District, agreed to deliver two billion tons of coal per month to the Allies and was directed to expedite disarmament and the reduction of her military forces, was a bitter disappointment to the Germans. The award to Belgium of the two small plebiscite districts of Eupen and Malmedy, was another disappointment, somewhat softened by the overwhelming German victory in the plebiscite in East Prussia. The fighting in Poland and the seemingly imminent capture of Warsaw by the Bolshevik forces caused considerable tension in central and eastern Germany - which was relaxed after the French-inspired victory of the Poles. Fresh disorders occurred in Upper Silesia where there were frequent clashes between the Polish and German elements and occasional cases of friction between the Germans and the French troops in the plebiscite district. A number of communist demonstrations occurred in unoccupied Germany and rumors of a putsch, as well as of a secret Red Army in process of organization and training, were spread abroad. But, by comparison with the exciting spring months, the summer of 1920 was a period of calm and in the prevailing sense of internal politics was rather dull.

By the end of September all German troops had been withdrawn from the **n**eutral zone, being replaced by the Security Police, and the Army had been reduced to 150,000 men.

The German inhabitants of the occupied territories were patriotically indignant over the outcome of the Spa Conference, they took a mild interest in the events in Poland and they shared the feelings of their compatriots relative to the happenings in the various plebiscite districts. As with their brothers in unoccupied Germany, foreign and domestic politics were pushed into the back ground by the increasingly difficult economic situation. There was a revival of the separatist agitation in the Rhineland, but it failed to make appreciable progress.¹ The arrest of Dr. Dorten in Wiesbaden² created a ripple of interest, but the summer was politically as dull in occupied Germany as it was in the unoccupied portions.

By the end of the summer the food situation throughout Germany had shown a substantial improvement and prices had decreased, although not in proportion to the amount of food in the country. The releasing of most articles of food from Government control had afforded opportunities for profiteering, and although there was plenty of food, except sugar and occasionally fats, the prices remained too high for the average consumer. During July there were more food demonstrations, several occurring

¹The separatist movement had now taken the form of agitation for separation of the Rhineland from Prussia, but not from Germany.

²Volume I, Chapter 2.

in the French zone. Prices in the occupied territories, particularly in the American area, were said to be higher than in unoccupied Germany, and statistics showed that food was cheaper in Berlin than in Coblenz. American foodstuffs were available for purchase, but the prices were prohibitive to Germans. Large harvests of potatoes and grain were largely responsible for the improvement in the food situation, but at the end of September prices were again on the upward trend, and it was found necessary in the American area to include more districts in the distribution of food to German children.

The fuel situation in Germany became serious during the summer and was not less so in the occupied territories. The shortage of coal was due to the coal deliveries made under the Spa agreement, to the usual summer decrease of output, and to the strikes and other troubles in the Ruhr District, the Saar basin and Upper Silesia. In common with other portions of Germany, many industries in the American zone were forced to suspend operation or to discharge portions of their employees. Sufficient fuel for public utilities was secured, but neither industries nor householders could be supplied for their present needs, to say nothing of the coming winter when, it was feared, an acute shortage would develop.

Towards the end of the summer the business depression became somewhat lighter. The mark had fallen from 38 to the dollar on July 1 to 62 on September 30; this resulted in more foreign orders and the ability to secure more raw material, but up to the end of September the beneficial effect had not been great. The

entire closing down of many industries and the part time operation of others resulted in a large increase in the number of unemployed in the American area as well as in other portions of Germany. The number in the American zone was added to by an influx of unemployed from other sections. These came principally to Coblenz, where the police immediately became active and deported most of them. The unemployment situation was never serious, and in general industrial and business conditions in the American area were better than in any other portion of Germany, and, despite high prices, its laboring class remained free from unrest of any consequence.

Labor disputes and strikes continued, but none of a serious nature occurred in the American zone. In July, as a protest against the high food prices, a general strike was called at Kreuznach¹ in the French area. The merchants promptly made a 50% reduction, which later by general consent, was changed to 20%. The most serious strike occurred in the Saar District where a general strike was called on August 7. The strike was political rather than economic in nature, and was called as a protest against the control exercised by the Saar Commission, the body that governed the district under the authority of the League of Nations. The French declared a state of siege, rushed troops to the scene and prevented any but minor disorders; their strong steps resulted in most of the strikers returning to work within two days. By August 14 the strike was entirely over, and the state of siege was lifted on that day. A number of mining officials were dismissed for participating in the strike.

¹For a long period during the War Kreuznach was the seat of the German G.H.Q.

As a result of radical agitation in several localities in the French area, the Kreis representatives of the High Commission were empowered for a period of two months to prohibit meetings, assemblies and night traffic whenever such action seemed advisable. The measure was applied at Ludwigshafen and evoked sharp protest from the German press which claimed it to be unnecessary.

July 4 was celebrated in all garrisons in the American zone. The largest celebration was in Coblenz where the salute to the Union was fired at noon. In the morning there were games and sports of various kinds, followed by baseball games and championship boxing matches in the afternoon. The celebration was ended with a fireworks display from Fort Ehrenbreitstein, which almost equalled that of the previous year when the great stores of German rockets and flares, which had been surrendered as enemy war material, were used. During July both the French and Belgian national holidays were celebrated by the Americans with salutes and fitting exercises.

Two events of interest during the summer were the conference of American military attaches, held at Coblenz in July, and the September maneuvers in which all combat troops of the A.F.G. participated.

The most distinguished visitors during the period were President Millerand of France and Marshal Foch who arrived in September. The Commanders of the Belgian, British and French forces were guests of General Allen on the same day.

Among other visitors during the summer were Colonel M. Thompson, Senator Walter E. Edge of New Jersey, Senor Delgado,

(Spanish Minister at Berlin), Senator Henry L. Myers of Montana, Representative Harold Knutsen of Minnesota, and Bishop Brent (formerly Chaplain-General of the A. E. F., and well known to all Army officers who had served in the Philippines).

During this period General Allen exchanged visits with the Commanders of other forces on the Rhine and made two official journeys to Paris.

By the end of September the American Department of the Rhineland Commission had taken over all the duties contemplated under the ordinances. With this the period of military supervision and control of the German civil government in the American area came practically but not entirely to an end. The American military authorities continued to exercise a certain control over the German authorities having to do with billeting, requisitions, coal, public health, etc.¹

The Last Quarter of 1920

These three months constituted what might have been called a period of party conventions, but domestic politics were overshadowed by economic conditions and gloomy forebodings of Germany's future. The new Prussian constitution allowing more power to provincial governments was adopted in October, giving an impetus to the various separatist movements in that state. The "away from Berlin" movement for the complete autonomy of Bavaria was again to the fore; it subsided when in December the tension between Germany and the Allies, relative to disarmament and the disbandment of self-defense organizations, caused

¹See Volume II, Chapters, 3,5,6,9,10,13,14,21,22,24 and 25.

Bavaria to come to terms with Berlin, and the Bavarian Government affirmed its loyalty to the German Reich. There was comparatively little disorder in Upper Silesia, but the situation there was always delicate and the interest of the German people in the plebiscite (the date for which had not yet been set) and its outcome grew keener as time went on; autonomy was promised that province of Prussia, should it be allotted to Germany of which grave doubt was felt. There was much radical agitation and a recurrence of the rumors of impending attempts by Communists and monarchists to overthrow the government. The disarmament campaign was in full swing and great numbers of weapons of all kinds were turned in by "self-defense" organizations and individuals. Except in the matter of prices, which continued to rise, the food situation remained practically unchanged, but strikes were frequent, while the coal shortage and slump in the export trade caused hundreds of industries to suspend operation, resulting in a large increase in unemployment. The year closed with the German people in a thoroughly pessimistic mood, while the press teemed with assertions that France was bent upon the destruction of Germany. Only a few expressions of hope were heard, and those who made them said that Germany's only chance to emerge from the "fearful slough of despond" lay in the extending of a helping hand by the United States. The period was unquestionably a difficult one for Germany and the near future bade fair to be a time of trial, but it was none the less a fact that at the end of 1920, Germany was in better shape than she had been since November 1918. Then too, peace had come and Germany was in diplomatic relation with practically every country except

the United States. By December 31, the German Army had been reduced to 100,000 men, which was the strength authorized for the permanent force.

The conditions of life were difficult for the people of the American zone also. The acute coal shortage not only caused many industries to close but involved much discomfort to householders and even suffering to the poorer classes. There had been a substantial decrease in unemployment in October but at the end of December it had increased by about 100%. Prices of food had undergone a further increase, and the problem was a serious one for the average German; meat was a luxury and the supply far exceeded the demand, - so much so in fact that while the cost of living was higher in Coblenz than elsewhere in Germany, meat became cheaper because so many abstained from its use except on rare occasions.

As elsewhere in Germany, the vicious circle of increasing cost of living and demands for higher wages continued in the American area. Hoarding by the farmers and profiteering by the "Schiebers" had much to do with the high food prices, and occasionally the townspeople took matters in their own hands. Sometimes they raided farms and forcibly caused the owners to dispose of their hoards of potatoes and grain, and sometimes crowds made peaceful demonstrations in the country districts and by direct negotiations induced the farmers to release their stocks at an agreed price. At Andernach the American authorities seized nine carloads of potatoes at the request of labor unions and caused them to be sold at a fair price. The German Government continued its campaign against food profiteers and hoarders, but by the end

of the year the campaign had not succeeded in lowering food prices in general.

The very low water in the Rhine during most of this period had a share in the causing of the coal shortage. The shortage became so acute that at one time a number of blacksmiths in the American area had to close their shops. Restrictions as to the use of light and power were again imposed, but public utilities were never without reserves.

From 61 to the dollar on October 1 the mark had fallen to 89 on November 9. Then there occurred a sharp rise and on November 18 the dollar was worth only 60 marks. This violent fluctuation caused the cancellation of a great many foreign orders and so had a harmful reaction upon trade and industry in general. The sudden rise in value was entirely unexpected and was never satisfactorily explained, although it was generally believed that speculation was largely responsible. A week later the mark had fallen to 70 and it remained between 70 and 75 until the end of the year.

As in other portions of Germany, November 9, the second anniversary of the revolution of 1918, passed quietly in the American area. There were no demonstrations and the few meetings held were entirely orderly.

Except the politicians and the official class, the people in the Rhineland seemed to take but a mild interest in the many problems with which Germany was beset. The politicians grew busier with preparations for the Prussian elections, but the population remained almost apathetic in that regard. The press voiced much interest in the election of President Harding and in

his pre-election assurance that he would withdraw the A F.G. soon after his inauguration, and expressed pleasure over the choice of the American people, together with hopes that the new Administration would give aid to Germany. The visit of Senator Medill McCormick in late December excited much interested comment; he was looked upon as the personal representative of the American President, and it was hoped that the former would take back to his chief "the true picture" of Germany.

After having been more or less dormant for some time, the Rhenish separatist movement came actively to the fore and there was a lively renewal of the agitation. By this time the separatists had formed themselves into three distinct groups. One planned to constitute the Rhineland and the Palatinate into a Rhenish federal state, autonomous and free from Prussia, but an integral part of the German Reich. Some of the Rhenish section of the Catholic or Centrum Party supported this idea. The Dorten movement was originally started with a view to the construction of the Rhineland, Palatinate, and portions of adjoining provinces into an independent republic which was to be a buffer state between France and Germany; the Dorten group now claimed to have discarded that idea and to be working for an autonomous state within the Reich. They were supported by the Christian People's Party. A third group, composed of the Rhenish People's Party, and the Republican People's Party, of the Palatinate, advocated an independent republic, entirely separated from the Reich and comprising the Rhine Province, Rhenish Hesse, Birkenfeld, and the Palatinate. The difficult economic situation and the amount of reparations, not fixed as yet but certain to be a heavy burden, were having their effects on the minds of the Rhinelanders -- separation from Germany, or even from Prussia only, might mean relief

The new Prussian constitution and the promise of autonomy to Upper Silesia inspired the separatists to fresh endeavor. There was no question but that the great majority of the German inhabitants of the occupied territories wished to remain within the German Reich; it was a fact, however, that a great many desired the Rhineland to become an autonomous federal state. In other words, separation from Prussia but not from Germany. At the same time the greater part of the population were not actively interested, but politicians and various newspapers, some established for the purpose, began a lively agitation of the subject. All parties took up the matter and there was a vast amount of heated discussion pro and con. The local factions of the important political parties were against complete separation, but there was so much agitation that for some time most of them evaded the real issue and failed to take a definite stand upon the autonomous state question. While the population declined to become excited, the Central Government became exercised over the matter and in November Chancellor Fehrenbach and Foreign Minister Stevens visited the occupied areas and made several speeches, assuring the Rhenish population of the Government's interest in their welfare and commiserating with them upon the burdens caused by the occupation. Nothing definite was promised, but hints that their wishes would eventually be granted were made. Other Government officials visited the Rhineland and it was clear that the lively discussions in party meetings and in the press had caused Berlin to become worried.

The Rhenish Centrists were not a unit in their views relative to Separatism: some wanted a federal state while others would be satisfied with provincial autonomy as a part of Prussia. The Rhenish Provincial Diet met at Duesseldorf in December, but it

failed to take a definite stand. The net results of the revival of separatism were the bringing of Rhineland matters forcibly to the attention of the Central Government and the partial clarification of the general subject. It was clearly shown that the movement for separation from Germany was supported by only a comparatively few people of little or no political prominence and, as well, that the movement for a federal state, separate from Prussia, was steadily growing stronger, despite considerable opposition.

The speeches made by the German Chancellor and Foreign Minister at Cologne and Aix-la-Chapelle had contained statements with regard to certain actions of the Allies and to conditions in the Rhineland that met with the disapproval of the Allied Governments. In early December the French and British Ambassadors and the Belgian Minister at Berlin delivered a joint note to the German Foreign Minister in which the three governments protested strongly against the speeches and pointed out that similar statements must not be made again.

During this period there developed among the German officials in the Rhineland an apparent policy of obstruction and opposition to the authorities of occupation, and it was found necessary by the High Commission to dismiss several of them from office.¹

The labor unions in the American area engaged in frequent wage disputes with their employers and some strikes were called; none was of a serious nature and but two or three continued for any length of time. A number of strikes were averted through the mediation of the occupying authorities. The railroad and postal employees throughout Germany demanded increases in wages and threatened to strike if their demands were not complied with. At first policy

of "passive resistance" was adopted by the employees, but later the threats of a strike. Towards the last of December a strike ballot was taken - the railroad employees requested and received the permission of the occupying authorities to conduct the referendum in the Rhinelands. An overwhelming majority voted in favor of a strike and at the end of the year a general railroad strike seemed imminent.

With the approach of Christmas, the *Amaroc News*, the daily newspaper conducted by personnel of the A.F.G., instituted a campaign for contributions towards giving presents to the poor children of the area. Over 360,000 marks were contributed by the Americans, and in all garrisoned towns Christmas tree celebrations were held and presents were distributed to all children who attended. This action of the American soldiers evoked many expressions of appreciation from the German press and people.

Among the visitors at different times during the period were several officers of the Dutch General Staff, two officers of the Spanish General Staff, and the Chief of Staff and several other officers of the Swiss Army. They were made acquainted with the various activities of the A.F.G. and were afforded opportunity to inspect the troops and witness their methods of training.

Other visitors included Senator Medill McCormick of Illinois and Representatives E.S. Chandler of Mississippi, A.T. Fuller of Massachusetts and A.P. Patten of the same state. In December General Degoutte came and conferred upon General Allen the decoration and title of Grand Officer of the Legion of Honour.

Later in December General Allen made an official visit to Brussels where he conferred with the American Ambassador, the King

of Belgium and high officers of the Belgian Government and Army. Shortly afterwards he went to Paris for conferences with President Millerand and the American Ambassador to France.

January to March 1921

The beginning of the year was marked by the acute political situation that developed in Germany in consequence of the impending reparations demands, the pressure of the Allies with regard to disarmament and the troublesome question of Upper Silesia, together with the Prussian elections Communist activity, the usual rumors of radical and reactionary coups, and the difficult economic conditions. The action of the Paris Conference in fixing the reparations caused a wave of indignation throughout the country and a united front against accepting the Paris decisions. Popular feeling ran high and one result was the suspension of almost all internal political dissensions pending the outcome. The Allies' rejection of the German counter-proposals and the London ultimatum, followed by the occupation of the important Rhine ports of the Ruhr District and the Allied preparations for the application of the economic sanctions, all caused further indignation and an increased spirit of national unity. It was an eventful period, and while reparations matters were the overshadowing feature, the others served to keep public feeling in a state of tension. There was a lively exchange of notes on disarmament, and compliance with the Allied ultimatum caused some excitement in Bavaria, although that state took occasion to repeat her assurance of "no break with Berlin". Fresh disorders occurred in Upper Silesia, however, March 20, the date of the plebiscite passed quietly. The rejoicing over the German Victory (61% of the vote

was coupled with grave fears that the Supreme Council would award a portion of the region to Poland. The Prussian elections proved a heavy blow to separatist movements and resulted in gains by both the radical and the reactionary parties at the expense of those of the middle. There was a marked increase in Communist activities and demonstrations were made throughout the country. Such disorders as occurred were of a minor character, except in Saxony; the Government used strong measures, and by the end of March it was clear that the extreme radicals had lost ground through their ill-timed and ill-advised actions. For a time the air was full of rumors of imminent revolution - the "Reds" were going to proclaim a Soviet republic the monarchists were about to seize the reins of Government and establish a constitutional monarchy, and both Right and Left had combined to throw the country into "National Bolshevism" - but nothing happened, and the end of the period found the people as a whole rather callous to rumors of revolution and more than usually determined that there should be no change in their form of government, in the near future at least. The national feeling was stronger than at any time since the revolution of 1918, as shown by widespread celebrations of the 50th anniversary of the founding of the German Federation.

The country passed through serious economic difficulties at this time. During the earlier part of the period the food situation had grown worse, largely because of the steady increase in prices, and industrial and trade conditions also had become more unfavorable. Financiers took a gloomy view of the situation, while the continuing coal shortage and the innumerable strikes had served further to complicate the already difficult economic problem. But in February conditions began to improve, and by the end of March the economic

situation in general had displayed an appreciable improvement. In the beginning of January the German mark was quoted at 62 to the dollar. Its greatest value was reached on January 27, when the Dollar bought only 55 marks. The fluctuations during the three months were not great, and at the end of March the mark stood at 63 to the Dollar.

The Rhenish separatist movement received a decided setback during this period. The Rhinelanders in general had displayed indifference during the Prussian elections campaign, although the leaders of the various parties were very active. Aside from their ever-present economic difficulties, their interest was centered in the reparations and disarmament demands and the resulting developments. The people as well as the political parties were united in opposing an acceptance of the Allied demands, and it was said on all sides that domestic dissension must cease in order that the Allies be faced with the opposition of a united Germany. Even the separatist parties, with the exception of the Dorten group which split over the issue, announced that on account of the Paris demands they would cease their agitation and that "now all differences must disappear". Closely following this came the Prussian elections in which all separatist groups, including the Christian People's Party were decisively defeated. Not long afterwards the elections for the Rhenish Provincial Diet were held, and again the separatist parties suffered overwhelming defeat. In March the Diet met and by resolution showed itself to be almost solidly against separatism in any form. Under these heavy blows the separatist movement was forced into the background, and at the end of March was practically dormant, although the leaders hopes that the sanctions would cause interest in it to be revived.

While the inhabitants of the American area were deeply interested

in the reparations and disarmament matters and in the Upper Silesian question, they preserved their habitual calm and the period passed without any manifestations of excitement. They too were disappointed in the inaugural speech of President Harding - they had hoped for "help" from the United States and his failure to mention Germany in his speech was a distinct shock to their expectations.

The most interesting German visitor of the period was Noske, the Oberpraesident of Hanover. Until the spring of 1920 he had been Minister of National Defense and as such had put down lawlessness with an exceedingly strong hand, gaining for himself a wide fame and earning the hatred of the radicals. He made several speeches during his stay of several days and was remarkable for being one of the very few prominent Germans who at the time (January) voiced any optimism as to the future of Germany.

There was a noticeable increase of activity among the Communist elements in the Rhineland, more particularly in the Belgian zone where repressive measures by the occupying authorities became necessary. The French experienced some trouble and sentenced several agitators to heavy fines and long terms of imprisonment. There was less activity in the British and American areas but it was sufficiently noticeable to draw the close attention of the authorities of occupation. Five agitators were arrested in the American zone for having held a meeting without having given the required notice. They were sentenced to imprisonment, a step that evoked approving comment from the German press, but were released within a short time afterward. The movement was never serious in the American area and by the end of March had almost completely collapsed. That the movement failed so quickly in the occupied territories was affirmed by

the Rhinelanders to have been almost wholly due to the presence of the troops of occupation. But an important contributing factor was the strong opposition of the great majority of the workmen who would have nothing to do with the extreme radicals.

During January there developed a press propaganda against the American troops because of their "luxurious" ways and their "responsibility" for the high cost of living in the American area. This occurred mainly in newspapers in unoccupied Germany, but in a few instances the local papers contained veiled attacks upon the American authorities. No attention was paid to the propaganda and it soon ceased.

Labor disputes continued and there were a number of strikes during the period. There was no disorder in the American area and, except for minor Communist demonstrations, none in the other zones. As in other portions of Germany, the Rhineland passed through a period of difficult economic conditions. The coal shortage was the most serious feature. At one time in the American area farmers offered to exchange their surplus potatoes for coal, but they could find no one able and willing to make such a trade. By the end of the period the fuel situation had improved to such an extent that most industries in the American zone were operating at greater capacity than for months past, although fears of the effect of the economic sanctions had caused the cancellation of many orders from unoccupied Germany.

In February, after reaching very high figures, food prices began to decline. The decline continued as more supplies became available, and by the end of March the food situation in the American area was by comparison nothing short of satisfactory. There was still a shortage of fresh milk, however.

A considerable decrease in unemployment occurred in the American zone during the three months. The German authorities were active in providing emergency work and the number of unemployed never grew to an important figure. Much construction work was in progress, mainly on residences and apartment houses to be used by those belonging to the A.F.G. or the High Commission, and there was little real difficulty in finding work: it was probable that a number of those registered as being without work were in reality of the professional unemployed type.

The general strike of railroad and postal employees which had seemed imminent at the end of the year, was averted in January by the act of the Government in granting an increase of wages and making other concessions.

The low water in the Rhine interfered seriously with navigation and was at least partially responsible for the decrease in coal deliveries to the Allies. At the end of March the Rhine was lower than it had been since the first of the year.

The 50th anniversary of the founding of the German Federation was not celebrated in the Rhineland as the High Commission had prohibited all meetings and demonstrations in that connection. Otherwise it would have been widely celebrated, for after all the majority of the Rhinelanders seemed to remain monarchists at heart and so to be lovers of the old order of things.

In January Field Marshal Sir Henry Wilson, Chief of the British Imperial General Staff, visited Coblenz for three days during which a review was held in his honor. A week later M. Albert Deveze, the Belgian Minister of National Defense arrived. He too was given a review during which he decorated General Allen and several of the

latter's staff.

A delegation of the Franco-American society visited Coblenz in February. In March Generals Degoutte and Weygand¹ of the French Army came to Coblenz and conferred with the American Commanding General, and in the latter part of the month Colonel R. R. McCormick of Chicago, one of the owners of the Chicago "Tribune", was a visitor. During March a review of the combat troops of the A.F.G. was held in honor of the British High Commissioner, Mr. Malcolm Arnold Robertson.

The Sanctions.²

From the ratification of the Treaty of Versailles to the early part of 1921 the Allies had been pressing the German Government to comply with the terms of the Treaty, particularly with reference to disarmament. The Boulogne Conference in June 1920 had resulted in specific directions to Germany relative to the reduction of her military forces and the destruction of war material. The Spa Conference in July of the same year had forced Germany, over her protest, to agree to the demands of the Allies regarding disarmament and the delivery of coal, while Germany had been permitted to try German war criminals before her own courts and the reparations question had been postponed until a further conference to be held at Geneva in Switzerland.³ While realizing that there were many difficulties in the way of Germany's compliance

¹Chief of Staff to Marshal Foch. The dramatic defeat of the Bolshevist army by Polish troops in the summer of 1920 was generally attributed to his intervention.

² Volume I, Chapter 2.

³ This conference failed to materialize.

with their demands, the Allies took the stand that she had been unduly dilatory and that further measures of coercion were necessary. France had dispatched several strong notes to Germany, calling her to account for noncompliance with the disarmament demands, including the disbandment of the so-called self-defense organizations, but the results achieved were far from satisfactory. Germany claimed to be doing all that was possible to fulfill the terms of the Treaty and of the agreements made since its ratification, and in the meantime pressed for a fixing of the amount she would have to pay as reparations.

As a result of the Paris Conference, held in January 1921, the Allies issued further directions to Germany relative to disarmament and informed her of the decision regarding the amount of reparations. Germany was to pay 226 billions of gold marks in 42 years and was to turn over to the Reparations Commission 12% of the value of her exports. The German Government was inclined to accept the disarmament terms, but at once announced that the reparations demands were not acceptable. An invitation to attend a conference at London was accepted with the proviso that Germany be allowed to submit counter-proposals relative to the Paris terms, which had included certain military and economic sanctions to be applied in case they were not accepted.

The London Conference met on March 1, 1921. The Germans submitted their counter-proposals which were rejected without discussion. The Germans were given four days within which to accept the Paris decisions or to submit acceptable counter-proposals; if neither course was adopted the Allies would proceed to apply the sanctions. Backed by all political parties of

importance, the German Government stood firm in its resolve to reject the Paris terms. It submitted new proposals which were promptly rejected by the Allies, and on March 7 the Conference was abruptly terminated. In the meantime the Allied forces had been moving into position, and on March 8 French, British and Belgian troops advanced into the neutral zone and occupied the cities of Duesseldorf, Duisburg and Ruhrort, the Rhine ports of the great Ruhr--Westphalia coal and industrial district.

The French had made a partial mobilization in preparation for this movement and a large number of troops came from France for the occupation of the three cities. The Belgian contingent was much smaller than the French, while the British force was composed of a detachment of cavalry, a small amount of aviation and several tanks.¹ The advancing troops met with no opposition and the population preserved a correct and peaceful attitude. A State of seige was immediately proclaimed, but only minor restrictions were imposed.

A French general had been placed in command of all troops in the newly occupied territory, this caused the Belgian Government "keen emotion" as it was, the Belgians said, in violation of the agreement made at London. The matter was soon settled by allotting Duisburg and Ruhrort to the Belgians, leaving Duesseldorf to the French, and constituting the new territory a Belgian bridgehead under command of General Rucquoy, the Commanding

¹ The British contingent was withdrawn shortly afterwards.

General of the Belgian Army of Occupation.²

The German press and people failed to manifest much excitement over the application of the military sanctions, while the German Government withdrew its second proposals made at London, sent a note of protest to the League of Nations, and adopted a policy of "passive resistance", refusing to make the reparations payments that came due in March. The stand taken by the German delegation at London was enthusiastically approved in Germany, and interest turned to the forthcoming application of the economic sanctions.

An interesting sidelight on the London Conference was afforded by the reported statements, in private conversation, of Foreign Minister Simons who had been the leading German representative there. He said that the German delegation were optimistic and felt that the Allies had made a blunder. Germany had offered to pay for five years practically what the Paris Conference demanded; after that time further payments could be discussed and settled. He believed that had he, Briand and Lloyd George been able to decide the matter between themselves an agreement would have been reached. "But with Foch there, in that atmosphere and in the present state of French public opinion, a reasonable understanding was impossible. Lloyd George tried his best to compromise, but Briand was too strong, and the former was

²No bridgehead had been allotted to Belgium in the original distribution of the occupied territories, a "discrimination" that was felt keenly by the Belgians. In March 1921 a Belgian said: "Failure to give Belgium a Rhine bridgehead was an oversight at Paris in 1919. The new bridgehead will be held as long as that of Cologne". The latter statement was interesting in view of the supposed temporary character of the sanctions.

much disappointed over the rupture of negotiations".

The German Ambassadors at London, Paris and Brussels were ordered to Berlin, and it was rumored that they had been recalled. It was said that they had been called there simply for a conference with the Government, although the time of return to their posts had not been definitely fixed. Some time later they returned to their Embassies and the incident was closed.

In the American Area.

As in the other occupied territories the population of the American area remained entirely calm. For several days French troops of all arms passed through the area, some marching through Coblenz, but the Germans preserved an attitude of practical indifference. Their main interest was directed towards the form the economic sanctions would take and their effect upon industry and trade. The fact that the United States had not participated in the military operations evoked expressions of mild appreciation. The Germans had learned, however, that while the Americans might not participate in measures against Germany they would not become involved in a disagreement through which Germany could evade her obligations.

In his capacity as American Representative with the High Commission, General Allen was in frequent communication with the State Department and the American Ambassador to France, mainly with references to the form of the economic sanctions and the attitude of the American Department towards them. The interest of the Washington authorities was shown by the following dispatch sent on March 8 by the Secretary of State:

Keep Department closely informed in connection with Allied advance in the German territory, of any military or civilian action or any ruling of Rhineland High Commission which might affect the United States and of any other matters of interest in your district.

Information of the military movement and of the economic sanctions decided upon by the Allies had already been cabled to Washington, and thereafter the State Department was kept constantly informed of developments in the organization of the customs system. In like manner the War Department was advised of all matters that should properly be made known to it, particularly those relating to the military situation and those affecting the American troops in any way.

As one feature of the economic sanctions was the establishment of a line of customs posts between the occupied and unoccupied portions of Germany, the question of the American area became of vital importance. Neither the Allies nor the High Commission could exert any authority in the American occupied territory without the permission of General Allen. It was foreseen that the United States would not participate in the economic sanctions. Unless there was made some arrangement whereby the customs barrier could be placed on the eastern border of the American zone, the economic sanctions could not be made effective. Were the American bridgehead to constitute a gap in the proposed customs line, not only would it render abortive the Allied plans but also it would present to the world an apparent evidence of disagreement that might well have far-reaching consequences. Acting upon the principles that in January of the previous year had caused him to make the ordinances of the High Commission effective

in the American zone, General Allen on March 9 sent the following cablegram to the Secretary of State:

If sanctions of London Conference be considered solely as penalties and temporary it would not be wholly inconsistent for me as commander of force of occupation under Armistice conditions to permit their execution in American Zone by High Commission. This refers only to Rhine bridgehead customs, as none of the customs posts of Rhine Province contiguous to Holland, Belgium and France are in American Zone. As delicate as our position is, it would be unfortunate for general welfare to make changes in our status now. The Commission fully appreciates our difficulties and is most considerate of my views. As in past I will make Commission's ordinances my orders as far as they are compatible with Armistice conditions.

The High Commission, which had been charged with the organization and conduct of the customs system in the Rhineland, forwarded its proposed scheme to the Allied Conference for approval. The delay in receiving this approval resulted in failure to commence the operation of the customs system until early in April, although before the end of March a preliminary organization was in operation in the Mainz bridgehead. In the meantime General Allen had informed the High Commission that customs posts could be placed along the perimeter of the Coblenz bridgehead; while the Americans would not participate in the conduct of the customs system, as Commanding General of the A.F.G. he would furnish guards at the customs posts, but solely for the purpose of preserving order.

On March 23 the Secretary of State indicated his approval of General Allen's policy in the following cablegram:

In response to your various telegrams on the subject of Allied custom control in the American area, you are informed that although this government will take no part in the enforcement of penalties decided on by the Allies it does not

wish to put unnecessary obstacles in the way of such enforcement. This government therefore perceives no objection to the placing of Allied custom collectors at the request of the Rhineland High Commission in the bridgehead in the American Area, if you consider that this will in no way endanger the safety of the American forces of occupation nor interfere with the authority vested in you under Armistice conditions.

Secretary of War has been informed of this telegram.

As soon as he received information of the form of the economic sanctions, General Allen took steps to ascertain their probable effect upon industry and trade, including trade with the United States.

It was concluded that the erection of a customs barrier would probably have a harmful effect upon the industry and trade of the Rhineland and of unoccupied Germany as well, but not to the extent claimed by the Germans unless it should be long continued. The delay in setting up the customs system was injurious as business was "suspended in the air, waiting to learn the conditions under which it must work". As far as could be foreseen the proposed customs regime would not injure American trade with the Rhineland, aside from probable delays in deliveries and the possible effect upon prices of Rhenish manufactured articles and upon the general business and industrial situation in the occupied territories. The detailed report was forwarded to the State Department on March 24.

A description of the customs regime will be found in the chapter (No. 2) on the Interallied Rhineland High Commission and its appendices.

While it was generally understood that the sanctions were to be temporary measures, differences of opinion in this regard

were apparent in the High Commission. Their efficiency was doubted by both the High Commission and the military commanders, and further differences developed with regard to the organization of the customs regime. It remained to be seen whether the sanctions would have the effect upon Germany that the Allies claimed to expect and for what length of time they would continue in force.

The Spring of 1921.

This proved another troublous period for Germany. There was a practical collapse of the Communist Party in Central Germany during April, and while the agitation in Germany by no means came to an end it was clear that the radical movement in general was steadily waning. Much difficulty over disarmament was experienced with Bavaria, but by the end of May that state had announced its complete agreement with Berlin and its promise to comply fully with the demands of the Allies. Orders for the disbandment of the "Home Guards" were issued, and shortly afterwards Bavaria claimed that it had disarmed below the point of safety. Much apprehension relative to the effects of the customs barrier was expressed and very soon after the system began operation there were loud complaints over its alleged ill effects upon German industry and trade. In May reports that most of Upper Silesia would be awarded to Germany resulted in a serious Polish revolt in that district. The Polish insurgents captured nearly the whole of the industrial area, while the Polish Government disclaimed all responsibility. German "self-defense" organizations, reinforced by contingents from other portions of

Germany, then assumed the offensive. Sharp fighting developed, with the result that the Polish insurgents were defeated and driven back. Negotiations ensued and in June it was agreed that the belligerents should evacuate the plebiscite zone while the Allied troops, which had remained officially neutral, should be placed between the hostile forces. The fighting then ceased.

On April 24 Germany submitted new reparations proposals to the Allies. A total indemnity of 50 billion gold marks was offered and Germany announced her readiness to take an active part in the reconstruction of the devastated regions in France - provided the sanctions were removed. These proposals were rejected by the Allies. Germany then requested the mediation of the United States, pledging herself to pay such amount of reparations "as the President of the United States, after a thorough investigation and examination, may declare to be just and right". President Harding immediately declined to mediate, at the same time expressing the hope that Germany would "quickly submit proposals offering a suitable basis for discussions" and adding that if Germany adopted that course, the American Government would consider calling the attention of the Allied Governments to the matter. Without delay the German Government submitted new proposals to the United States. The German Government was strongly attacked in the Reichstag for these "humiliating" steps, and a Cabinet crisis developed. The Allies announced that the new German proposals were entirely unacceptable. On May 3 the reply of the United States was received at Berlin- the American Government was "unable to consider these proposals as forming a basis for negotiations, acceptable to the Allies". and

it urgently advised the German Government to submit direct to the Allies proposals "which in every respect will do justice to its reasonable obligations". Upon the receipt of the American reply the Cabinet resigned, agreeing to remain in office until a new government could be formed. A week later Dr. Wirth of the Centrum Party accepted the post of Chancellor and formed a coalition Cabinet in which five of the outgoing Government were retained.

On May 5 the Allies presented an ultimatum to Germany, calling upon that country to declare its intention of fulfilling without reserve its obligations as defined by the Reparations Commission, to accept unconditionally the guarantees and terms prescribed by that body, to comply without delay with the disarmament demands, and to proceed at once with the trial of war criminals and other unfulfilled portions of the Treaty of Versailles. The penalty for non-fulfillment by May 12 was the occupation of the valley of the Ruhr and "all other military and naval measures that might be required". The next day Germany was informed that the total indemnity had been fixed by the Reparations Commission at 132 billion gold marks, the note containing a detailed schedule of payments. In the meantime the Allies had taken preliminary measures for the occupation of the Ruhr District.

There was considerable difference of opinion in Germany relative to the acceptance or rejection of the ultimatum. The press in general refrained from taking a decided stand in the matter. The Socialists declared their readiness to consider acceptance while the parties of the Right favored rejection.

Those desiring rejection held the opinion that whether or not Germany yielded, the occupation of the Ruhr was but a matter of time. On May 10, by a vote of 220 to 172, the Reichstag approved the recommendation of the new Cabinet to accept the Allied ultimatum without reservations or conditions.

The German Cabinet was not completely formed until sometime later when Dr. Rosen was appointed Foreign Minister and Dr. Rathenau became Minister of Reconstruction. Chancellor Wirth announced his policy as being one of "conciliation and fulfillment", and the German Government proceeded energetically to plan for compliance with the demands of the Allies. The new Cabinet was considered weak and many claimed that Germany could not fulfill the financial terms of the ultimatum, but none except the radicals of the Right and Left displayed any opposition to the policy of the Government. Arrangements were made for making the first payment of a billion gold marks, the trial of war criminals was begun at an early date, and effective disarmament measures were adopted. Public interest now became centered in the Upper Silesian situation, and the month of June ended in a condition of comparative calm. Under all the circumstances the fluctuations of the German mark during the Spring of 1921 were surprisingly slight. Quoted at 62 to the Dollar on April 1, it had declined to 67 by April 22. It then appreciated in value and on May 17 stood at 57. Thence it again declined, reaching 74 on June 31.

The industrial situation had become worse by the end of the period. This was largely because of the coal shortage caused by the troubles in Upper Silesia upon which unoccupied

Germany was mainly dependent for coal. The financial situation remained unfavorable, while trade conditions improved in some respects and grew worse in others. The customs barrier in the Rhineland had a harmful effect, particularly because of the delays in the functioning of the system. Later when the control was somewhat relaxed, trade, except as regards the metal and chemical industries, immediately improved.

The food situation was no longer a serious problem. Prices were still high, but there was sufficient food available and the Government announced the early dissolution of the various control agencies.

Labor disputes were frequent and there were a number of strikes. None was of a serious nature except in Munich where a general strike was proclaimed because of the murder of a leader of the Independent Socialists. The effective measures of the authorities soon brought the Munich strike to an end. There were a few demonstrations of unemployed, but, with the exception of Upper Silesia, the country was more free from disorder than it had been for a long period of time. Unemployment continued to be a problem in Germany but it was not so serious as in some other countries of Europe.

There was much disappointment in Germany over the refusal of the United States Government to intervene in the reparations matter, but industrial circles viewed the apparent approach of peace between the two countries with considerable satisfaction. It was felt that peace with the United States would have a beneficial effect upon German trade and, as well, would be to the political benefit of the Reich.