EUROPE:

A HISTORY OF TEN YEARS

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WITH THE AID OF THE STAFF OF THE FOREIGN POLICY ASSOCIATION

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INTRODUCTION

About seventy-five years ago a Frenchman by the name of Louis Blanc wrote a many-volumed book which he called "Histoire des Dix Ans". In the introduction to this book he declared that the task of writing contemporary history was "delicate and perilous," but he added that before taking up a pen he severely asked himself whether or not he could write without self-interest or vigorous prejudice. We have not attempted to produce as thorough a study as did M. Blanc, but we have aimed at attaining the spirit which he held out as a guide.

This book is not designed for the technician. It is intended to help every intelligent American who is seeking a general knowledge of the drift of European affairs during the past ten years. In one sense the book has not been difficult to write. The bi-weekly Information Service and the weekly News Bulletin of the Foreign Policy Association have furnished many of the facts, while monographs and standard year books have provided supplementary material. In another sense, it has been difficult to prepare a survey which at once attempts to knit together the outstanding facts in the domestic and international life of Europe and to interpret these facts in their proper perspective. We have attempted not only to trace the history of the Paris peace treaties but to discuss the internal development of the leading countries of Europe and in-

terpret the two really vital phenomena of Bolshevism and Fascism. Naturally, the interpretation of some of these subjects will meet criticism. Nevertheless we believe that anyone who takes the trouble to compare the general situation in Europe in 1918 with the situation today will agree that, while there are still many problems to be solved, great progress has been made during the past ten years.

This progress has been primarily financial and economic. But it has also been political and spiritual. The Treaty of Versailles has already undergone important, if little noticed, modifications; the reparation settlement has been thoroughly revised; the League of Nations has gradually introduced a new spirit and method into European diplomacy. The moderation of Sir Austen Chamberlain's statement in the House of Commons on July 18, 1928, on immediate evacuation of the Rhineland, a similar statement made earlier by M. Vandervelde of Belgium and the resolution of the French Socialist party in favor of "concerted action by Socialists in all countries for the revision of the treaties" and for "the immediate and unconditional evacuation of the Rhineland," are signs of the times. Frank pleas for Franco-German rapprochement, which would have been impossible even two years ago, have latterly become not uncommon.

It is not improbable that great changes in the European political situation, perhaps along the general lines sketched in the last chapter of this book, will take place during the next few years. It is hoped in Europe that the conclusion of the Kellogg anti-war pact will aid in disarming the feeling of insecurity still held by many European states, despite the League Covenant and the Locarno pacts.

It is the feeling of insecurity which prevents the solution upon their merits of many international problems. For instance the union of Austria and Germany is opposed because it would strengthen German man-power in time of war. Once the fear of war is removed this objection falls to the ground.

This book is a coöperative enterprise of the research staff of the Foreign Policy Association. Herbert W. Briggs, Elizabeth MacCallum, James G. McDonald, George Nebolsine, William T. Stone and Mildred S. Wertheimer have each contributed chapters or aided in editing the manuscript. The expression of opinion, however, is my own.

R. L. B.

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Europe: A History of Ten Years

CHAPTER I

EUROPE AND THE WAR

Before the Great War Europe was the center of the world. It housed the splendor of royalty. It was the mother of parliaments. Through its colonial system it controlled the greater part of the tropics. Through the savings of its thrifty inhabitants it had become the banker of mankind. It was the patron of the arts and sciences, the home of invention and of industry. It was the seat of the Roman Catholic Church; out of its womb had sprung Protestantism. All America, Africa and Asia rendered tribute to this sub-continent, which covers only one-seventeenth of the world's surface but is populated by a quarter of the world's inhabitants.

Between 1914 and 1918 great changes took place in Europe. Its political and social institutions tottered in the tremendous upheaval of the war. While in the case of the older countries, such as France and England, the structure to-day still stands fast in the case of Russia and of Italy it has fallen to the ground, while builders struggle to erect a new structure in its place. A Rip Van Winkle, awakening in 1928, would not recognize the map of Europe to which he had been accustomed in 1914. He would discover 3,000

miles of new boundaries; he would count six new states, some of which bear names that would be strange to him.

There have been great economic changes also. To-day burdensome taxes are borne by the people; the standard of living is low; in many countries people cannot afford to buy fine clothes—they have few bath tubs, few Ford cars. The control of the markets of the world and of international finance seems to be passing out of European hands.

While the United States, on the one hand, has challenged the financial supremacy of Europe, a different kind of challenge has come out of the Orient. The ancient civilizations of China and India, Egypt, Syria, Morocco and parts of Africa have questioned the right of Europe to control their destinies. In the opinion of some Europeans the situation is ominous. They ask: is European civilization on the decline? Is Europe soon to occupy in the family of continents the position which Ancient Greece and Rome occupied in Europe after the 6th century A.D.?

Before indulging in any broad generalizations in answer to such questions it is necessary to examine what has happened to Europe since 1914 and especially during the last ten years.

The dominant states in Europe before the war were Great Britain and France, Imperial Russia and Austria-Hungary, and Germany, all of whom fell to contending with each other for reasons that will be discussed shortly.

In comparison with the states of Eastern Europe, the problem of political existence for France and England was simple. France possessed a homogeneous population which increased slowly, if at all. The country was relatively self-sufficient; it did not depend for its existence upon foreign

trade. Perhaps its chief material interest abroad, outside of its colonial empire, lay in investments in Russia. While the governments of France were unstable, the heart of the nation—its independent, self-reliant agricultural class was sound. The international difficulties of France arose largely out of questions of prestige.) In 1870 Napoleon III had been inveigled by Bismarck into declaring war against Germany. Germany accepted the challenge with alacrity, crossed the Rhine, and imposed a humiliating peace upon France, depriving her of the provinces of Alsace and Lorraine, and demanding 5 billion francs indemnity. From 1871 to 1914 bitter hearts in France and Germany nurtured the Alsace-Lorraine question and the whole Rhineland problem. Bismarck believed that because of the loss of Alsace-Lorraine, France was planning for revenge, Acting upon this belief, Germany built up an army, sought alliances with Austria-Hungary and Italy, and pursued a foreign policy, especially in Morocco, which eventually led to war. In return, democratic France made an alliance with autocratic Russia and later entered into an "understanding" with England.

In certain respects the problem of Britain was more difficult than that of France. The small island kingdom supported a population of 41,600,000, to acquire food for which it exported vast quantities of goods, made investments of capital in undeveloped countries, and carried on shipping enterprises throughout the world. England's existence depended upon foreign trade. As a matter of fundamental self-interest, it was England's policy before the war—and still is—to support the economic open door and freedom of trade at home and abroad. To prevent con-

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tinental powers from gaining a predominance which would threaten the political or the economic security of the British Empire, England followed the policy of maintaining a Balance of Power. She aimed to prevent one state or group of states from dominating or threatening to dominate another. Thus she favored Russia and France as against the Central Powers before the World War, and she entered into an alliance with Japan in 1902. In order to keep the seas free for British trade, so essential to England's existence, the British Government for a time attempted to maintain a Two-Power standard navy—a navy stronger than the combined strength of her two closest rivals.

PRE-WAR RUSSIA

The situation of the two Eastern Empires-Russia and Austria-Hungary—was more complicated. Russia had the largest population of any state in Europe-178,000,000 in 1914—and it was increasing rapidly. There was, however, little over-population because of the vast expanse of the Russian Empire—an Empire which fringed the Arctic and the Baltic Seas, which stretched a far arm out to the Pacific. It covered a seventh of the land surface of the globe. Although there was little industrial activity in the country, Russia was important and remains important in the trade of the world. She led in the production of flax and in the timber trade; she was second in wheat. In fact Russia was the granary of Europe. The country was also rich in oil and other mineral wealth. Unexploited wealth and unlimited human resources give to Russia the economic possibilities of the United States. A potential

storehouse of energy, Russia made the rest of Europe afraid.

Ninety per cent of the people of Russia were peasants living on the land. Despite the attempted reforms of Stolypin, the peasants eked out a miserable existence. They were victims of poverty, of famine, of ignorance, of superstition and of vodka. Many historians point out that the peoples inhabiting Russia resemble Orientals more than they resemble Westerners. While Peter the Great at the end of the seventeenth century succeded in westernizing the cities of Saint Petersburg and Moscow, the empire as a whole kept to its traditional ways, little touched by western influence. At the same time, a highly intellectual élite arose in the great centers—an élite which has given to the world some of the greatest literature and music.

Russia housed one of the most high-handed and incompetent autocracies in Europe. It was headed by a Tsar, who was also high priest of the Orthodox Church. He was surrounded by a wealthy nobility, which preyed on the peasant population, and by a military clique which gloried in war. Oppression and extortion were the real mottoes of the Tsarist Government. In 1897 there were 300,000 prisoners living on the frozen steppes of Siberia. The tyranny of the Tsars helps to explain the tyranny of the Bolsheviks to-day. Rulers change, but the methods remain.

This policy of the Tsar had its inevitable reward. The first protests came from a group of young intellectuals who were so few in number and who faced such desperate odds that they resorted to extreme methods. Nihilists, anarchists, terrorists, all sooner or later came to rely upon assassination and secrecy as the only effective weapons.

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Alexander II met his death at the hand of an assassin in 1881. Socialism seized upon the people.

When the weakness of the Tsarist administration was so cruelly demonstrated by the Russo-Japanese War in 1904-1905, the people rose in 1906 and forced the terrified Tsar to grant them a Duma—a parliament. But its original powers were soon restricted, and it became of little value. Of much more influence than the Duma at the outbreak of the war was a sensuous priest by the name of Rasputin who had come to maintain an uncanny influence over the Tsarist court.

The situation was made worse by conflicting nationalities. Of the 178,000,000 people within the empire, two-thirds were Slavs and these spoke three distinct dialects. Great Russian was the language of the vast majority. The White Russians were a comparatively small number of people in the western part of the Empire; about 26,000,000 Little Russians, the so-called Ruthene or Ukrainian people, lived along the southern border. These last had a national consciousness of their own, and they attempted to establish a republic of the Ukraine at the end of the World War.

Of the non-Russian peoples, the most important within the Empire were the Poles. The partitions of 1772-1795 had given to the Tsar about seven and a half million Poles, together with the ancient capital of Warsaw. The Poles were intensely nationalistic and hated the Russians. Predominantly Roman Catholic, they persecuted the Jews with whom they were obliged to live.

Around the shores of the Baltic were grouped other non-Russian peoples, subjected to the rule of the Tsar, but animated by a national consciousness and a desire to be free.

The first were the Finns, a sturdy race of Asiatic origin, who until 1809 had had a kingdom of their own, but who had allowed it in that year to become merged with the Russian Empire, although on an autonomous basis.

Between Finland and Poland lay other peoples, the Letts, the Lithuanians, the Esths, people likewise having a desire to be free. Most of these people were under the economic mastery of German barons who had settled there in the Middle Ages, while all of them were under the political mastery of the Tsar. In the Caucasus, in the southeastern corner of Russia, were other non-Russian peoples, such as the Georgians, the Armenians and the Tartars, who also were inclined toward independence.

Thus one-third of Russia's population was non-Russian, speaking different languages, cherishing individual national traditions. The policy of the Tsars was not to tolerate and conciliate these differences but rigorously to suppress them in the name of "Russification." Decree after decree suppressed all the liberties of the minorities and attempted to compel the latter to learn and use Russian to the exclusion of their own languages. Local assemblies were extinguished and few of the non-Russian peoples were given places in the central administration. The most extreme treatment was meted out to the Iews, of whom Russia contained a larger number than any other country in the world. Jews could not acquire land and only a limited number were allowed to enter the universities. In 1890 the Tsar obliged all Jews to move into segregated districts "within the pale." Excluded from government office and from work on the soil, the Jews went into petty trades where they attracted the hatred of the peasant classes. Russian officials

encouraged popular uprisings against the Jews, pogroms which were marked by wholesale plunder and massacre. In a single year 300,000 Jews emigrated from the Empire because of this treatment.

The writers and statesmen of Russia spoke of the glory of the Slav or Russian race, and demanded that all Slavs, even those found in the Austro-Hungarian Empire and in the Balkan peninsula, should be united under the "Little Father," as the Tsar was often called. The Tsar's court craved expansion for the sake of power, to satisfy a racial nationalism and to obtain an ice-free port. It was this latter motive, among others, which led Russia for centuries to cast a covetous eye upon Constantinople. In foreign hands the ice-free port of Constantinople was a potential menace to the Russian grain trade of the Black Sea.

Moreover, the basis of existence in Russia was extensive instead of intensive. Few modern factories existed, industrial methods were antiquated and even agriculture was primitive. Instead of developing the vast latent resources of the Empire, the Tsar's advisers demanded the acquisition of new territories lying beyond the existing frontiers. Thus Russia pushed across the steppes through Siberia to the Pacific, where she met the disastrous opposition of Japan in the war of 1904-1905, and pressed southward toward the Balkans, where she met the equally disastrous opposition of Austria-Hungary and of the German Empire.

THE STATES OF CENTRAL EUROPE

Turning to the Dual Monarchy of Austria-Hungary, we find that in 1914 it embraced a vast area of 260,000

square miles extending from the Alps to Transylvania and south to the seaports of the Adriatic. For seven hundred miles the Danube flowed through its territory, linking western Europe with the south and the east. The chief virtue of this Empire was that it fostered free trade between a large number of racially divergent peoples, Historically, it had been a bulwark against the encroachment of the Turks after their capture of Constantinople in 1453.

Austria-Hungary was a racial medley. Out of a population of \$1,300,000 there were only 12,000,000 Germans. The largest race, numerically, was the Slav, which numbered 24,250,000. These were divided as follows:

Northern Slavs $\begin{cases}
8,500,000 \text{ Czechs and Slovaks} \\
5,000,000 \text{ Poles} \\
4,000,000 \text{ Ruthenians}
\end{cases}$ Southern Slavs $\begin{cases}
5,500,000 \text{ Serbo-Croats} \\
1,250,000 \text{ Slovenes}
\end{cases}$

In addition to these Slavs there were 10,000,000 Magyars, or Hungarians and 4,000,000 Rumanians and Italians.

Before 1867 Austria and Hungary were independent of each other. In that year the two states signed the Ausgleich, or Compromise, in which Franz Josef of Hapsburg assumed the joint title of Emperor of Austria and King of Hungary. Each state continued to have its own parliament. The German minority dominated Austria and a Magyar minority continued to dominate Hungary—not only in politics but in the ownership of land. The majority of the people were peasants at the mercy of their overlords. In 1910 only eight out of the 413 deputies in the Hungarian parliament were non-Magyars.

Because of its racial composition and of the supremacy of a German and Magyar minority, the Empire seethed with unrest and instability. A Russian ferment was at work among the Slavs. Rumanian and Italian influence was similarly at work among expatriates under Hapsburg rule. The Serbs and the Croats and the Slovenes agitated for union with the little state of Serbia. The Czechs in the north nourished the thought of a restored Bohemia. The ideals of self-determination and of nationality thus seized hold of the entire Empire. The more stern and intolerant were the masters, the stronger, the more fanatical did the demand for independence become.

Because of the racial composition of her people and her strategic situation, Austria-Hungary lived in constant fear of her neighbors. She feared Italy because Italy, like herself, had shown a desire to control the Adriatic. She feared Russia because of Pan-Slavism. Should Russia establish her predominance in Constantinople and in the Balkans, Austria would lose the southern Slavs. She feared, moreover, that Russia would work to deprive her of the northern Slavs and Ruthenes. The real contest in Europe before the war was between Russia and Austria-Hungary. The tragedy of the situation was that Germany, France and England were drawn into the contest, thus converting a local into a world-wide war.

Between these almost medieval empires of Russia and Austria-Hungary and the more modern governments of England and France, lay the relatively newly created German Empire. Culturally the people of Germany had reached an advanced position. But for a variety of reasons they had lagged politically. It was only in 1871 that Bis-

marck, by a policy of "blood and iron," succeeded in welding a mosaic of petty states together. Germany now became a federation of twenty-six states having a miscellany of governments. Four of them were kingdoms, six were grand duchies, five were just ordinary duchies, seven were principalities, and there were three city republics. The states in this federation were by no means equal. The Junker state of Prussia, having two-thirds of the population of the Empire, dominated them all. The King of Prussia was also the German Emperor. Out of the 61 seats in the Bundesrat, the upper branch of the German parliament, 17 were held by Prussia. The latter had an absolute veto on laws affecting the army and navy or tax reduction, and could block any constitutional amendment. There was, it is true, a Reichstag composed of 397 members elected by the people; but it had little control over the Emperor, the Imperial Chancellor or the German military machine.

In bringing about the unification of Germany, Bismarck came into conflict with his neighbors. It was he who fought the war of 1871 with France. Imitating the earlier example of Louis XIV, he took Alsace-Lorraine. He believed these tactics were necessary to prove that Germany was a great power. Moreover, German population was increasing and German industries, driven by unequalled discipline and efficiency, produced commodities in excess of what could be consumed at home. Bismarck and his followers looked abroad for foreign markets—markets which could become a monopoly for German business men. Finding the tropical market already divided between France and England, they nevertheless managed to obtain several colonies in Africa, and then turned their attention to the Near East. Once

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political influence was established over the Balkans and Turkey, trade would follow. These countries had mines to be exploited and railways to be built. Under German influence, these countries would give concessions to Germans for such exploitation. German capital would have an outlet for investment and the Near East would buy large quantities of German goods.

The enemies of German expansion were England, Russia and France. England demanded these markets as fiercely as Germany. Russia would tolerate no power which threatened to thwart her desires for Constantinople. France had her hands on the throat of the Sultan of Morocco, and despite the efforts of Germany, culminating in the Algeciras Conference of 1906, declined to let go. Germany challenged England by a policy of naval construction; she challenged France by building up a highly efficient army; she challenged Russia by entering into an alliance with Austria-Hungary and Italy in 1882.

This alliance was met by a strange union—that of autocratic Russia and democratic France, who made an alliance in 1892. For a time England, engaged in colonial quarrels with France, hesitated as to which way to jump. Finally deciding that a policy of isolation was impossible, she timidly cast her lot with France. The entente cordiale formed in 1904 gradually and secretly ripened into an alliance. Thus Germany soon created enemies abroad who threatened to "encircle" her. The German Government also made enemies at home. It oppressed the inhabitants of Alsace-Lorraine and attempted to Prussianize the Polish peasants in the north. It was likewise confronted by internal demands for more self-government.