

1. THE ESTABLISHMENT OF THE WEIMAR REPUBLIC AND ITS EARLY PROBLEMS

LEARNING OBJECTIVES

- Understand the situation in Germany at the end of the First World War and the impact of the Treaty of Versailles
- Understand the strengths and weaknesses of the new German Republic and the challenges it faced
- Understand Germany's economic problems 1918–23.

When Germany finally surrendered in November 1918, many German soldiers could not believe it: they had been led to believe that they were winning the war. Between 1918 and 1919, Germany experienced a chain of events that historians call the German Revolution. During this period, the Kaiser abdicated and a new way of governing was introduced. This was a 'republic', a form of government without a monarch. A new constitution was also drawn up to show how governments were chosen in the republic and how they should carry out their work. At the end of the First World War, Germany was in chaos. The strain of the war had damaged Germany and people showed their unhappiness through strikes and protests. Many people in Germany, especially ex-soldiers, hated the new republic and everything it stood for. The consequences of the First World War meant that Germany was in economic and political difficulties. Economic problems created by the war had to be dealt with and by 1923 Germany faced a hyperinflation crisis. This further increased anger towards the Weimar Republic – some people felt the government was not able to solve Germany's problems and make Germany strong again.

1.1 THE ABDICATION OF THE KAISER AND THE ESTABLISHMENT OF THE WEIMAR REPUBLIC

LEARNING OBJECTIVES

- Understand the key features and causes of the German Revolution in 1918
- Understand the importance of the abdication of Wilhelm II
- Understand the strengths and weaknesses of the Weimar Constitution.

6 November 1918 Soldiers' and workers' councils established in some German cities

10 November 1918 Council of People's Representatives took control in Germany

January 1919 First elections were held for the Weimar parliament

25 October 1918 Naval commanders at Kiel ordered sailors to fight, leading to mutiny

9 November 1918 Kaiser went into exile in Holland

11 November 1918 The armistice was signed

31 July 1919 A new constitution was approved by the National Assembly

THE GERMAN REVOLUTION

The war had caused terrible suffering among the German people. For example, there were dreadful food shortages due to low domestic production and because the Allies had imposed a naval blockade to prevent imports of food. When Germany entered the war in 1914, its leaders promised a quick victory. Instead, Germany was drawn into a long and bloody conflict against the Allies on the Western Front. By early November 1918 – after 4 years of fighting – German troops had been forced to retreat and the country faced the threat of military occupation. The Allies insisted that peace could not come until the Kaiser abdicated, but he would not agree to stand down. In late October, the naval commanders at Kiel ordered their ships to fight against British naval forces, even though it was clear they would lose. The sailors led a mutiny and refused to fight. Over the next fortnight, there were strikes and protests across Germany and other soldiers also mutinied against the army leaders. There were calls from the German people for the Kaiser to **abdicate** – many Germans blamed him for their country's defeat. The Kaiser had lost control and many ordinary Germans set up their own workers' councils rather than accepting the authority of the Kaiser's officials.

KEY TERM

abdicate when a monarch gives up the throne

EXTEND YOUR KNOWLEDGE

During the First World War, Germany mobilised about 11 million military personnel. It is estimated that around 1.8 million were killed, while a further 1 million were taken as prisoners of war or reported as missing. Around 4 million soldiers were injured, many of whom were left with permanent physical and psychological disabilities. In addition, approximately 750,000 civilians died during the war from the effects of starvation and disease, including a flu epidemic.

THE KAISER ABDICATES

KEY TERM

armistice agreement that stops the fighting in a war

On 9 November 1918, the Kaiser finally accepted that he could not continue to rule. He abdicated and fled to Holland to live in exile. On 10 November, a new republic was set up and a new president took office – the Social Democrat, Friedrich Ebert. The next day, an **armistice** was agreed by Germany and the Allies. Ebert's representative, Matthias Erzberger, signed the armistice to officially end the First World War.

SOURCE A

Kaiser Wilhelm II abdicates, as reported on the front page of a British newspaper on 10 November 1918.



Senior members of the German armed forces claimed that Germany had been close to victory and that the surrender was unnecessary. This was not true, but many Germans chose to believe it and would not accept that Germany had lost the war. To these people, the politicians who signed the armistice were traitors. This theory was known as the 'stab in the back' and helps to explain why the new republic was so unpopular from the beginning.

ACTIVITY

- 1 Why do you think some Germans refused to admit that the country's armed forces had been defeated in the war?
- 2 Why was the Weimar Republic unpopular from the start?

EXTEND YOUR KNOWLEDGE

MATTHIAS ERZBERGER

On 26 August 1921, Erzberger was on vacation in the Black Forest. During a walk, he was shot dead by two former marine officers, who were members of the Organisation Consul (an ultra-nationalist group).

The murderers fled abroad but later returned to Germany, when the government granted amnesty for all crimes committed in 'the fight for national uprising'. Many people regarded Erzberger's assassination as a 'national act of heroism'.

THE WEIMAR REPUBLIC

After the Kaiser's abdication, a Council of People's Representatives took control of Germany in November 1918. This was a temporary measure until a new permanent government system could be put in place. Ebert promised national elections for a new National Assembly. The elections were held on 19 January 1919 and the results were positive for those promoting Germany's new democracy. The electoral turnout was high – 82 per cent of the electorate voted – and moderate parties gained most of the seats. Ebert's SDP won 40 per cent of the seats.

The new system of government did not include a kaiser or any other form of monarch. It was a republic. Since the National Assembly first met in Weimar (Berlin was too dangerous at this time), the system of government became known as 'the Weimar Republic' and the constitution the Assembly drew up is often referred to as the 'Weimar Constitution'.

KEY TERM

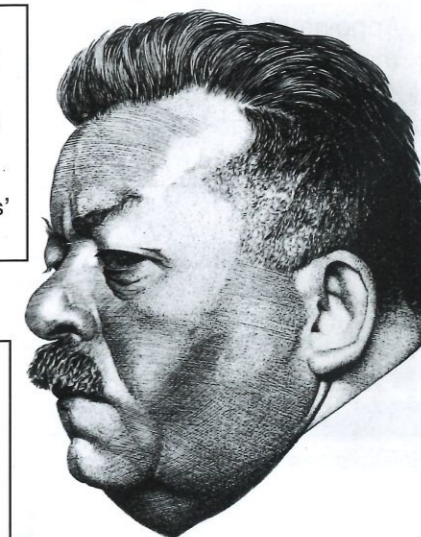
parliamentary democracy a system of government in which people elect representatives to a parliament to make laws and govern the country

The Weimar Constitution guaranteed every German citizen freedom of speech and religion, and equality under the law. All men and women over the age of 20 were given the vote. It set up a **parliamentary democracy** in which the elected Reichstag (parliament) made the laws and appointed the government. The head of the government was the **chancellor**. He was elected every 7 years and he could use his powers to provide checks and balances to the Reichstag. In addition, the Weimar Republic consisted of 18 states, organised as a federation. This meant that each state had its own parliament, passed its own laws and ran its own police force.

EBERT'S APPROACH

Kept state running smoothly by keeping civil servants from previous government and telling them to work with the new workers' and soldiers' councils

Reassured industry leaders that the new government would not take state control over private industries



Promised trade unions that the new republic would try to reduce working hours to an 8-hour day

► Figure 1.1 Ebert's approach to government

Ebert tried to reach out to different interest groups in Germany through a mixture of compromises and alliances. However, the new republic faced opposition from the start.

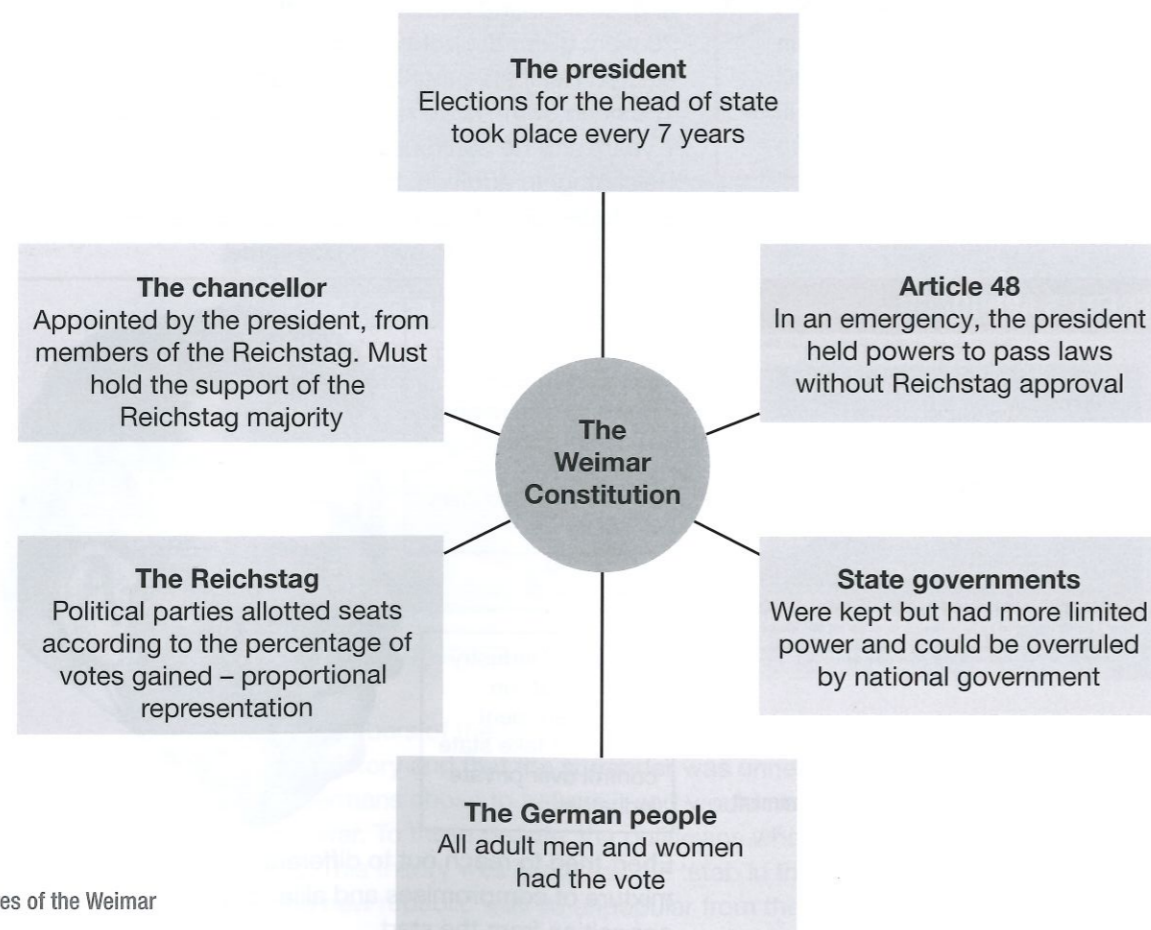
- Many of the country's senior figures, such as army leaders and judges, did not support the new democratic republic.
- Many other Germans wanted the Kaiser to return.
- People who had been influenced by the Russian Revolution in 1917 wanted a communist revolution to rid Germany of the industrialists and the traditional ruling class.

Germany remained very unstable and riots and demonstrations were common in many cities. Ebert's grip on power was not secure but, despite these problems, he managed to establish Germany's new constitution.

STRENGTHS AND WEAKNESSES OF THE NEW CONSTITUTION

Germany was in the process of moving from one style of government – the old system, under the Kaiser – to another, under the new republic. The new constitution set out the rules by which Germany would be governed under the new system. Some historians have argued that the constitution itself made it difficult for the republic to deal effectively with Germany's problems after the First World War. The main problems were as follows.

- Germany was politically divided and economically damaged. For the new system to be a success, politicians and other powerful forces in Germany would have to work together. However, there was a lack of commitment to do this.
- The system of proportional representation gave many different political views a say, which should have been positive. However, this type of political system requires co-operation and compromise and, unfortunately, Germany had no experience of running a political system in this way.



► **Figure 1.2** The key features of the Weimar Constitution

PROPORTIONAL REPRESENTATION

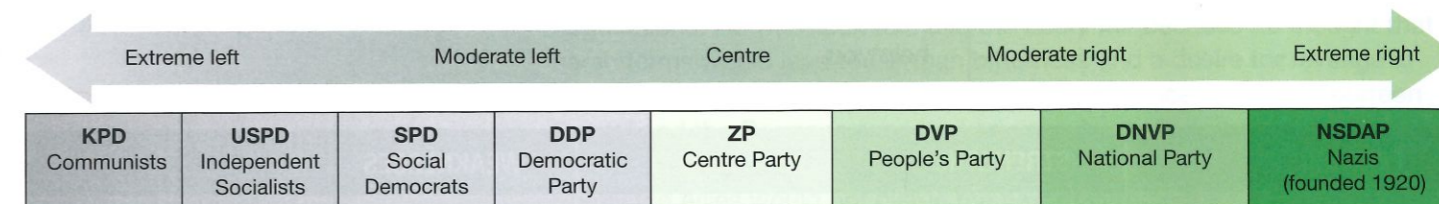
Under the system of proportional representation, seats in the Reichstag were awarded according to the percentage of votes gained. If a party won 10 per cent of the votes, it got 10 per cent of the seats in the Reichstag. (Under the old 'first past the post' system, a party could win 10 per cent of the votes but still get no seats, if they came last in all the constituencies.)

Proportional representation can be viewed as both a strength and a weakness of the new constitution: all parties which received votes had representation in the Reichstag but, as a result, many small and sometimes **extremist** parties won seats. This led to an unstable government, because no individual party had a majority and several parties had to form a **coalition**.

Coalition governments can work well when there is agreement but, in post-war Germany, the coalitions often broke down. This meant that the government no longer had a majority in the Reichstag. As a result, there was a series of short-term governments that were unable to effectively address Germany's problems as a nation. The politicians involved were seen as unhelpful and self-interested, which led to resentment among the general public.

KEY TERM

coalition a government made up of different political parties



▲ **Figure 1.3** Political parties in the Weimar Republic

EXTRACT A

From a recent book on the history of Germany.

The new constitution had several built-in weaknesses. Between 1919 and 1933 there was not even a single election when one party won more than half the votes cast in elections for the Reichstag. As a result, the system of proportional representation meant that no party won more than half the seats. Consequently, whichever party formed the government was forced to rely on other, less successful, parties to form squabbling and weak coalitions. When faced with having to deal with any serious political problems, the coalitions fell apart because the different parties had different views.

EXAM-STYLE QUESTION

A04

SKILLS ANALYSIS, INTERPRETATION, CREATIVITY

Study Extract A.

What impression does the author of Extract A give about the impact of proportional representation on Germany?

You **must** use Extract A to explain your answer.

(6 marks)

HINT

Consider the language and tone of the author when explaining the impression they give.

CHANCELLORS OF THE WEIMAR REPUBLIC, 1919–23

Many chancellors found their time in office came to a sudden end when a coalition failed. The table below shows the number of days served by each chancellor between 1919 and 1923.

▼ CHANCELLOR	▼ DAYS IN OFFICE
Ebert	96
Scheidemann	127
Bauer	279
Muller	86
Fehrenbach	313
Wirth	1 year 188 days
Cuno	1 year 202 days

ACTIVITY

Complete the table below to show the strengths and weaknesses of the Weimar Constitution. Use the information above, including Figure 1.2, to help you.

▼ FEATURE	▼ STRENGTHS	▼ WEAKNESSES
Democratic	All people had the same rights in law, including the right to vote in democratic elections.	The republic faced serious opposition from people who did not want democracy to succeed. These people also had the right to vote, so they were able to vote for parties that wanted to destroy the democratic system.
President's role	A strong president could protect the country in times of crisis.	
Chancellor's role	The chancellor needed a majority in the Reichstag, so their appointment was democratic.	
Proportional representation		Proportional representation led to many small political parties in parliament. No single party could get a majority so parties had to form coalitions. This led to weak and unstable government.
Article 48	In times of unrest, this could be used to make laws so that government could continue.	
States' rights		Individual states could oppose the national government and try to remove it.

1.2 THE TREATY OF VERSAILLES

LEARNING OBJECTIVES

- Understand the attitudes of the peacemakers at the Versailles Conference
- Understand the terms of the treaty
- Evaluate the impact of the treaty on the German people.

After the armistice was signed in November 1918, the Allies began drawing up a peace treaty. As the defeated nation, Germany expected to be punished. However, it was hopeful that the treaty would not be too harsh, for several reasons.

- Most Germans believed they had been forced into war and that all the countries involved should take responsibility.
- The Allies might want to give the new German government a chance to restore stability. A harsh treaty would make this much more difficult.
- The president of the USA, Woodrow Wilson, was a key figure in the negotiations. He was keen to make the treaty fair because he thought that harsh terms would lead to German bitterness and a desire for revenge in the longer term. In January 1918, Wilson had produced a list of 'Fourteen Points' and the Germans expected any new treaty to be based on this list.
- The Kaiser had fled and Germany had a new democratic government. Surely the Allies would not blame the new government for the actions and decisions of the Kaiser?

SOURCE B

An extract from a speech made by Georges Clemenceau at the peace conference in June 1919.

They were the first to use poisonous gas, ignoring the appalling suffering it entailed. They began the bombing and long distance shelling of towns for no military object, but solely for the purpose of reducing the morale of their opponents by striking at their women and children. They commenced the submarine campaign with its destruction of great numbers of innocent passengers and sailors, in mid ocean. They drove thousands of men and women and children with brutal savagery into slavery in foreign lands. They allowed barbarities to be practised against their prisoners of war from which the most uncivilised people would have recoiled.

However, Germany was to be disappointed: the Allies were not prepared to 'forgive and forget'. As expected, Wilson was willing to make compromises, but France and Britain had other ideas. Georges Clemenceau, the prime minister of France, was determined to make Germany pay for the terrible destruction that had occurred in France during the war (see Source B). He also wanted to weaken the German armed forces, so that France would not have to fear another attack from Germany.

The British prime minister, David Lloyd George, was keen to avoid a peace settlement that might lead to war in the future. However, he also had reasons to make sure Germany was not let off lightly. In December 1918, his government had won an election in Britain; during their **campaign**, they had promised to 'squeeze the German lemon until the pips squeak'. Some people in Britain even wanted to see the Kaiser hanged.

The peace treaty was known as the Treaty of Versailles. Under the terms of the treaty, the Germans had to give up land, both in Germany and overseas (as shown in Figure 1.4).

- Alsace and Lorraine were lost to France.
- Eupen and Malmedy were lost to Belgium.
- Posen and West Prussia were lost to Poland.
- Upper Silesia voted to become part of Poland.
- Northern Schleswig voted to become part of Denmark.
- The German port of Danzig was made an international city, not governed by Germany.

Overall, Germany lost about 13 per cent of its European territory; as a result, it lost almost 50 per cent of its iron reserves and 15 per cent of its coal reserves. In addition, Germany lost all 11 of its colonies in Africa and the Far East. These colonies were given to victorious countries as 'mandates' – territories to look after.

► **Figure 1.4** The territorial terms of the Treaty of Versailles



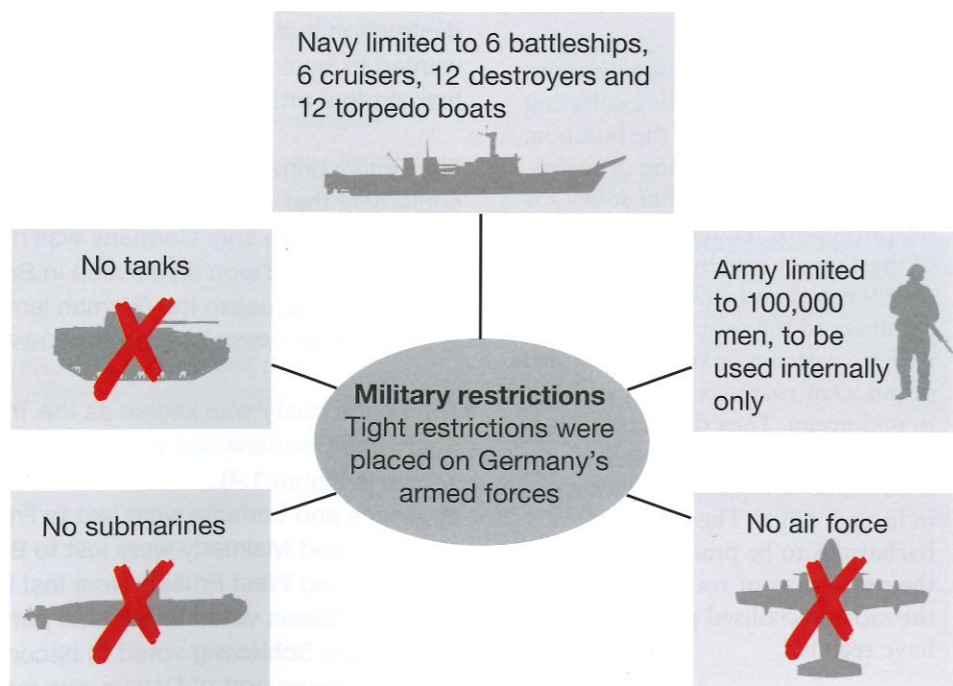
KEY TERMS

War Guilt a clause in the treaty which said Germany had to accept the blame for starting the war

reparations payments made to the Allies to pay for the damage caused by Germany during the war

There were also non-territorial terms in the Versailles settlement.

- Germany had to accept the blame for the war – **War Guilt**.
- Germany had to pay **reparations** of 136,000 million marks (£6,600 million) to the Allies.
- German military forces were cut. The main restrictions are shown in Figure 1.5.



► **Figure 1.5** Changes to the German military force under the terms of the Treaty of Versailles

THE GERMAN REACTION TO THE TREATY

The German government was shocked by the harshness of the treaty. It had been unaware of the terms because it had not even been allowed to attend the negotiations. At first, the government refused to sign the treaty because it thought the terms were too harsh. However, the Allies threatened to restart the war if the Germans did not sign. The German politicians understood that Germany could not fight anymore – the country and the people were in a desperate state – so, reluctantly, they accepted and signed the treaty. The German representatives called the treaty a 'shameful diktat' and said they had been forced to accept terms that were unfair and deliberately humiliating.

EXTRACT B

From a recent book on the history of Germany.

Much more important than the fairness or unfairness of the treaty was its impact on the new German Republic. How far is it true that the Versailles Treaty wrecked German democracy? Much more serious was the political demoralisation which the treaty caused within Germany itself. The real damage was the disillusionment of more moderate men who might otherwise have supported the new republic.

Article 231 of the treaty (the 'War Guilt Clause') was particularly humiliating. This clause stated that Germany had to accept the blame for starting the war. The German public strongly resented this; they felt that the responsibility for the war should be shared by all the powers involved in the conflict. War guilt meant that the Allies felt justified in forcing the Germans to pay reparations, to pay for the damage caused in the war.

Many German people were angry about the government's decision to sign the treaty. They felt that Germany had been a strong and proud nation, and the Allies were deliberately seeking to weaken them. The politicians who signed the treaty were labelled the 'November Criminals' and were hated for their actions. The myth began that Germany had been stabbed in the back by its own government. Many people were determined to undermine the new government, and several politicians who argued that Germany had no choice but to sign were assassinated.

EXAM-STYLE QUESTION

A04

SKILLS ANALYSIS, INTERPRETATION, CREATIVITY

Study Extract B.

What impression does the author of Extract B give about the impact of the Treaty of Versailles on the German people?

You **must** use Extract B to explain your answer.

(6 marks)

HINT

Has the author used any particular words or phrases to make an impression?

EXTEND YOUR KNOWLEDGE

FRIEDRICH EBERT

As president of Germany, Ebert was forced to accept the terms of the Versailles Treaty. However, he personally believed that the war had not really been lost and that Germany had been capable of winning. He had lost two sons who were soldiers in the war. In December 1918, he said to the German soldiers returning from war, 'Your sacrifice and deeds are without parallel. No enemy defeated you.'

EXAM-STYLE QUESTION

A01

A02

Explain **two** effects on Germany of the Treaty of Versailles.

(8 marks)

HINT

Remember to give two separate effects. For example, you could talk about the economic impact on Germany as a result of reparations and land losses, and the psychological impact on Germany of accepting war guilt.

SOURCE C

A cartoon from a British magazine published in 1919.



ACTIVITY

- 1 From the German point of view, which part of the treaty was harshest? Explain your answer.
- 2 What can you learn about the Treaty of Versailles from Sources C, D and E?
- 3 'If the German government didn't like the Treaty of Versailles, they shouldn't have signed it.' Explain whether you agree with this statement.

SOURCE D

From a German newspaper on 28 June 1919.

Today in the Hall of Mirrors the disgraceful treaty is being signed. Do not forget it! The German people will, with unceasing labour, press forward to reconquer the place among the nations to which they are entitled.

SOURCE E

A German cartoon showing the leaders of other countries conspiring to punish Germany.



ACTIVITY

- 1 Design a cartoon that criticises the terms of the Treaty of Versailles. Choose one or two aspects to highlight from: reparations, war guilt, losses of territory or military restrictions.
- 2 Discuss your design with a partner and ask them to work out the message of your cartoon.

1.3 CHALLENGES TO THE WEIMAR REPUBLIC FROM LEFT AND RIGHT

LEARNING OBJECTIVES

- Understand the unrest in Germany after the First World War
- Understand the events and consequences of the Spartacist Uprising and the Kapp Putsch
- Understand Germany's economic problems in the years 1919–23.



The first governments in the Weimar Republic faced opposition, not only from those Germans angered by the Treaty of Versailles, but by **left-wing** and **right-wing** political parties and organisations. In 1917 left-wing revolutionary activity in Russia had resulted in the overthrow of the Tsar and many people saw the poverty and discontent in Europe as an ideal opportunity to spread communism. Indeed, the Kaiser's abdication in 1918 was brought on partly by uprisings against his rule in the armed forces.

But there were equally strong feelings from many Germans with right-wing views. They did not approve of the new 'liberal and democratic' way of governing the country and wanted the return of a political system led by a powerful individual ruler like the Kaiser had been previously. Many of the people with these views held influential positions in German society, such as army leaders and judges. This would make the work of the Weimar government even harder.

The table below summarises the key features of the Left and the Right in German politics in the early 1920s.

EXTREME LEFT WING	EXTREME RIGHT WING
Believed that workers should hold political power and all people should be treated as equals	Wanted a strong authoritarian government headed by a powerful leader; sought a return of the Kaiser and the previous system
Promoted the interests of workers and argued that workers should own the land and businesses themselves	Believed in capitalism and protecting the interests of private businesses and land owners
The main left-wing political party was the Communist Party (KPD)	The main right-wing party was the National Party (DNVP)
They were inspired by the Russian Revolution of 1917 and wanted a similar revolution in Germany	They hated the Communists who had opposed the Kaiser and mutinied at the end of the First World War

From 1919, Germany was governed by a coalition of moderate parties including the Social Democrats (SPD), the Democrats (DDP) and the Centre Party (ZP). However, the elections of 6 June 1920 saw a worrying decline in support for moderates. After the elections, these three parties held only 45 per cent of the seats in the Reichstag. Both the extreme left-wing and extreme right-wing parties won about 20 per cent of seats. The remaining seats were held by smaller parties. During most of the 1920s, the moderate parties continued to form majority coalitions. However, they were constantly under attack from other parties who wanted more **radical** policies. Even before the formation of the Weimar Republic, there had been an attempt to set up a communist government in Berlin.

CHALLENGE FROM THE LEFT: THE SPARTACIST UPRISING, JANUARY 1919

KEY TERMS

demobilised (of soldiers) troops who were sent back to Germany from the battlefield at the end of the war

Freikorps an estimated 250,000 ex-soldiers who refused to give up their weapons and used violence on the streets of Germany to further their political aims

After the abdication of the Kaiser, the Spartacus League (Germany's communist party) tried to set up a communist government in Berlin. On 5 January 1919, they organised a revolt in Berlin. They occupied the headquarters of the government newspaper and telephone offices and attempted to bring about a general strike. The government found it very difficult to put down this revolt because the Treaty of Versailles had limited the number of troops in the German army. Instead, the government turned to units of volunteer soldiers, men who had been **demobilised** after the war. These soldiers were known as the **Freikorps**. They hated communism and soon ended the revolt. The communist leaders, Rosa Luxemburg and Karl Liebknecht, were shot by Freikorps fighters. Although the Spartacist Uprising had been defeated, this did not mean the end of the threat to the Weimar Republic from communism. During the 1920s, the German Communist Party was the largest in Europe (outside Russia) and it regularly won at least 10 per cent of the vote in national elections. In the November 1932 elections it won 100 seats. Throughout this period it strongly opposed the 'capitalist' governments which were elected.

SOURCE F

Rosa Luxemburg speaking at a rally in 1907.



EXTEND YOUR KNOWLEDGE

Rosa Luxemburg was a revolutionary socialist who was given the nickname 'Red Rosa'. She had an international reputation as a brilliant public speaker. She was a leading critic of the war and was imprisoned for her work distributing anti-war propaganda. In 1918, she was let out of prison and went to Berlin to lead the Spartacists.

CHALLENGE FROM THE RIGHT: THE KAPP PUTSCH, MARCH 1920

SOURCE G

Members of the Freikorps marching into Berlin in support of the Kapp Putsch in March 1920.



When the terms of the Treaty of Versailles were announced in January 1920, the Freikorps were among its strongest opponents. The Weimar government had agreed to reduce the number of troops in the army, from 650,000 to 100,000. Many ex-soldiers felt unable to adjust to civilian life after the end of the First World War; these men joined together to form volunteer Freikorps units. In 1920, Ebert tried to disband two Freikorps units. The Freikorps revolted, marching to Berlin and declaring Dr Wolfgang Kapp as Germany's new leader. Kapp was an extreme **nationalist** who had the support of a number of army officers. The German army refused to stop the Freikorps, as they felt sympathy for the aims of the Kapp **Putsch**.

KEY TERMS

nationalist a person who wants a strong country that puts its national interests before others

putsch uprising

ACTIVITY

- 1 Identify two similarities and two differences between the Spartacist Uprising and the Kapp Putsch. You could consider their aims, leadership, support or other features.
- 2 Which was the greater threat to the Weimar Republic – the Spartacists or the Kapp Putsch?

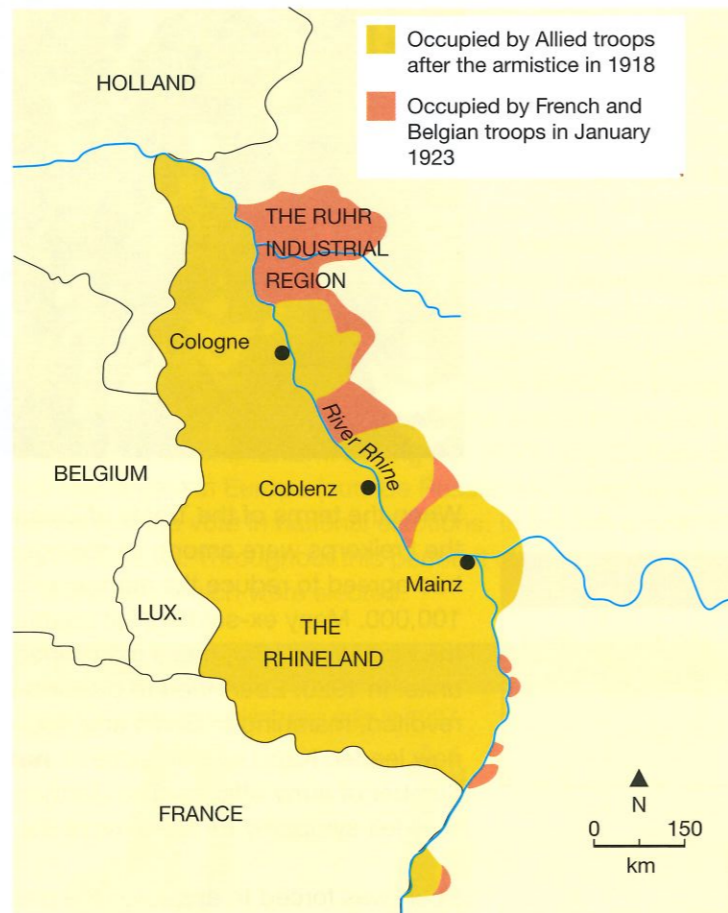
Ebert was forced to appeal to the people for support. He moved the government out of the city and encouraged the people to go on general strike to stop the revolt. Essential supplies such as gas, water and electricity were disrupted by the strikes and soon the city was unable to function. Kapp realised that he did not have the support he would need to govern Germany. He fled to Sweden, the government returned to Berlin and the Freikorps were disbanded.

The Kapp Putsch was important because it showed that the government had little military power and could not control its own capital. However, the government did seem to have the support of the majority of the people in Berlin – or, at least, they preferred Ebert's government to Kapp's extreme right wing politics.

GERMANY'S ECONOMIC PROBLEMS

By 1918, Germany was close to **bankruptcy**, due to the cost of the First World War. The Treaty of Versailles made things even worse. The Allies insisted on huge reparations payments and, at the same time, they took away some of Germany's income-generating areas (such as the coalfields in Silesia and the Saar). The Germans struggled to make the reparations payments and asked for them to be reduced. However, the Allies had taken loans during the war, and they needed the payments from Germany so they could repay the money they owed to countries like the USA. By late 1922, Germany had failed to pay some instalments. In December 1922, it missed another payment. This led to French retaliation.

► **Figure 1.6** A map showing the area of Germany occupied by the French in 1923



THE INVASION OF THE RUHR

In January 1923, Belgian and French troops marched into the Ruhr, the centre of Germany's production of iron, steel and coal. The Germans had fallen behind with their reparations payments and the French and Belgians decided to take industrial products instead of cash payments. The German government was angered by the invasion, but realised it could not take military action. Instead, it encouraged the workers in the Ruhr to carry out a campaign of **passive resistance**. German workers went on strike and stopped producing goods that the French could seize. Some Germans used arson and sabotage

KEY TERM

passive resistance the use of peaceful means to resist power or authority

to damage the factories and mines so that production had to stop. In response, the French brought in their own workers. There was fighting between the French and the Germans and over 100 French civilians were killed by the occupying forces. However, the occupation was profitable to France and Belgium. They did not remove their forces until July 1925, after the Dawes Plan (see page 27) was signed.

EFFECTS OF THE INVASION OF THE RUHR

The German government's reaction to the occupation of the Ruhr brought it a temporary popularity: it had resisted France and provided strike pay for the workers involved in passive resistance. The occupation also united the German nation against the invading French and Belgians.

However, the occupation had considerable negative effects. The German economy had been struggling before 1923 and the invasion of the Ruhr made things even worse. Germany lost income as a result of France and Belgium taking industrial products from the Ruhr and the German government was forced to print more money to pay the striking workers. The more notes were printed, the more their value fell and Germany entered a period of **hyperinflation**.

KEY TERM

hyperinflation extreme inflation, when prices rise very quickly

HYPERINFLATION, 1923

CAUSES

In the years 1919–23, the income of the German government was only one quarter of what it needed. The government decided to print more banknotes, so that it had enough money. By 1923, the government had 300 paper mills and 200 printing shops whose only job was to print money.

Unfortunately, at this time most countries linked the value of their banknotes with gold. If the German government has 10 million marks' worth of gold in its banks, it should have 10 million marks' worth of banknotes in circulation. If there are more banknotes in circulation, their value drops and prices rise dramatically. For example, if there are 20 million marks' worth of banknotes in circulation, each banknote is worth half as much – so that the total value of the banknotes still adds up to 10 million marks (to match the value of the gold).

This happened in Germany in 1923. The government had started to print more money during the First World War, to pay for the cost of the war. After it lost the war, it printed even more money so that it could pay the reparations demanded by the Treaty of Versailles. After the invasion of the Ruhr, it was forced to print yet more money, to pay the striking workers.

The table below shows the value of the German mark compared to the dollar. This shows clearly that the value of the mark dropped dramatically between 1914 and 1923.

▼ DATE	▼ EVENT	▼ NUMBER OF MARKS NEEDED TO BUY 1 DOLLAR
1914	Outbreak of First World War	4
1919	German government begins to print money to pay reparations	19
1921	German economy suffering; government prints more money	65
1922	German government continues to print money	493
Jan 1923	French occupy Ruhr; government prints more money to pay striking workers	17,972
Nov 1923	German government loses income and prints more money	4.2 billion

The table below shows the number of marks needed to buy a loaf of bread in Berlin between 1918 and 1923. This too shows how the value of the mark dropped in this period.

▼ DATE	▼ NUMBER OF MARKS NEEDED TO BUY A LOAF OF BREAD
Dec 1918	0.54
Dec 1921	0.39
Dec 1922	163.5
Jan 1923	250
Mar 1923	463
Jun 1923	1,465
Jul 1923	3,465
Aug 1923	69,000
Sep 1923	1,512,000
Oct 1923	1,743,000,000
Nov 1923	201,000,000,000

EXTRACT A

From a recent history book about Germany.

Foreign governments must also share some blame for the crisis. The French and Belgian occupation of the Ruhr in January 1923 came as the final blow to the already weak German Mark. However it is not so much the invasion itself as the government's response to it that let loose hyperinflation.

EXAM-STYLE QUESTION

A01

A02

SKILLS

PROBLEM SOLVING, REASONING,
DECISION MAKING, ADAPTIVE
LEARNING, INNOVATION

'The most important cause of the hyperinflation crisis was the French occupation of the Ruhr.'

How far do you agree? Explain your answer.

You may use the following in your answer:

- the French occupation of the Ruhr
- reparations.

You **must** also use information of your own.

(16 marks)

HINT

The bullet points are prompts to help you think about relevant information you can include in your answer. Remember that you are instructed to use information of your own, so you need to think of another factor to add to reparations and the French occupation.

SOURCE H

Children making kites out of banknotes in 1923.



EXTRACT B

From a recent book on the history of Germany.

A German landowner bought a herd of valuable cows on credit. After a while he sold one of the cows. Because the mark had deteriorated so much, the price he got for the single cow was enough to pay off the whole cost of the herd.

SOURCE I

The memories of a woman who lived in Germany during the period of hyperinflation.

A friend of mine was in charge of the office that had to deal with the giving out of... pensions... in the district around Frankfurt... One case which came her way was the widow of a policeman who had died early, leaving four children. She had been awarded three months of her husband's salary (as a pension). My friend worked out the sum with great care... and sent the papers on as required to Wiesbaden. There they were checked, rubber stamped and sent back to Frankfurt. By the time all this was done, and the money finally paid to the widow, the amount she received would only have paid for three boxes of matches.

EFFECTS

The German people were not so concerned by the falling value of the mark compared with other currencies. The real problem for them was that this fall in value led to rapid price increases, called hyperinflation. Prices rose so rapidly that, in some cases, customers in restaurants, who had enough money to pay for their meal when they sat down, did not have enough money to pay for it by the time they had finished eating!

Hyperinflation forced millions of Germans into poverty. People on fixed incomes (who received the same amount of money each week or month) – such as pensioners – were affected most badly. Soon, their income was almost worthless. The value of people's savings or insurance policies was also wiped out almost overnight. Many people who had thought they were financially secure suddenly found themselves struggling.

For people in work, the situation was not so bad, because their wages rose as well. However, the increases in wages were always slower than the price rises. Some workers took their wages and immediately used them to buy things. They could then swap these items for the things they really needed.

Some groups benefited from the hyperinflation crisis.

- People with loans and mortgages (loans used to buy houses) could pay them off much more quickly, because the real value of the loan had fallen so much (see Extract B). This helped some businesses, as they were able to pay off their business loans quickly.
- People who owned possessions, such as land or buildings, were generally protected as the value of these possessions rose in line with inflation.
- Most farmers benefited, because the food they produced could be sold at higher prices (although, of course, the things they had to buy also cost more).

Although a small number of Germans were able to benefit, hyperinflation was a disaster for Germany. Millions of **middle-class** Germans were thrown into poverty; they blamed the Weimar government for their problems (even though these problems had started before the Weimar Republic was formed). People were desperate and there was a real danger that the government might be overthrown if the country's economic problems were not resolved.

RECAP**RECALL QUIZ**

- 1 Which countries were the Allies in the First World War?
- 2 On what date did Kaiser Wilhelm II abdicate?
- 3 Who was elected as the first president of the new Weimar Republic?
- 4 When was the Treaty of Versailles signed?
- 5 Who were the leaders of the Spartacists?
- 6 Which industrial region was invaded by the French in 1923?
- 7 What name is given to the peaceful opposition that the Germans used in response to the French occupation of their industrial heartland?
- 8 Who paid the strike pay for German workers during the period of their opposition?
- 9 What is hyperinflation?
- 10 Identify one benefit and one problem of hyperinflation.

CHECKPOINT**STRENGTHEN**

- S1** How did the 'stab in the back' theory develop?
S2 The German government caused hyperinflation by printing money. Why didn't they stop printing extra money?
S3 Identify three effects of the hyperinflation crisis, 1923.

CHALLENGE

- C1** How far was proportional representation a problem for the new Weimar Republic?
C2 Why were the German people hopeful that the peace settlement in 1919 would be reasonable?
C3 Why were groups like the Freikorps so opposed to the Treaty of Versailles?

SUMMARY

- In 1918, Kaiser Wilhelm abdicated and Germany experienced a revolution in which a new political system was established.
- The new Weimar Republic was run as a democracy, which meant many changes for Germany.
- The Weimar Republic established a new constitution but it had weaknesses as well as strengths.
- The Treaty of Versailles was hugely resented by the German people who believed it was harsh and unfair on Germany.
- The new democratic politicians were blamed for the Treaty of Versailles and this weakened the prospects for the new Germany.
- Various political groups from the Left and Right did not want the new republic to survive; some groups actively tried to destabilise the new government and start revolutions.
- Germany suffered terrible economic problems in the period 1919–23. In 1923, a chain of events led to the hyperinflation crisis. The economic problems made it harder for the new Weimar Republic to become popular.