

Lloyd George

Text of Lord Lexden's address to the Lloyd George Society at the National Liberal Club on 25 November 2019, to mark the centenary of the Treaty of Versailles.

Lloyd George and the



The British Empire delegation in June 1919; Lloyd George behind desk, centre-left

THERE ARE CERTAIN words in the political lexicon which always evoke unfavourable reactions. Appeasement, an entirely neutral term in the 1930s, is perhaps the most obvious, blackened, it seems, for ever by the backlash against Neville Chamberlain's foreign policy, or more accurately one element of that policy – deterrence through rearmament, now conveniently forgotten, being the other – in 1940 after the outbreak of war.

Versailles does not come far behind it, when connected with the peace treaty of June 1919,

signed at the half-way point of the Paris peace conference which opened in January that year, rather than with the glory of King Louis XIV, the longest reigning monarch in European history (the queen will overtake him if she lives until 2024).

A century after it was signed, the generally accepted view of the Treaty of Versailles remains that it was a gigantic mistake, so savage and vindictive that it paved the way for the rise of Hitler, and so led directly to the Second World War. According to this view, the

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decisions taken at the Paris peace conference could not have been more certain to produce another world war than if that had been their actual intention.

Germany, so it is argued, was deliberately and cruelly humiliated. The victors – France, Britain and the United States – seized its colonies and large parts of its territory in Europe, imposed disarmament, and, above all, sought to keep it economically enfeebled through reparations – exorbitant payments ostensibly extracted to pay for the damage caused by war.

All this was justified because Germany and its allies were held solely to blame for the conflict's outbreak in 1914. This, as many in the English-speaking world and Germany came to believe, was grossly unfair because Germany had not actually started the war; rather Europe as a whole had in Lloyd George's words 'slithered over the edge', heedless of the catastrophe to come. That became the standard interpretation.

Much is forgotten or overlooked in this widely held view. For example, France had not declared war on Germany; rather Germany had invaded it as part of its war plans to defeat Russia and its ally in the West. In the four years of war, France suffered huge human and material loss; the highest proportion of men of military age killed of any country except Serbia, and the devastation of the northern departments that had contained much of French industry and its coal mines.

The entrenched popular view is increasingly at odds with that of the professional historians. In recent decades they have modified the accepted versions of Germany's innocence of war guilt in 1914, and of the injustice of the Versailles Treaty. There is now a broad consensus among them that the peace terms were not as harsh as they have been widely portrayed, and that the road to the rise of Hitler was not predetermined in 1919.

Few people seem to have been listening very closely to the historians in this year of the Versailles Treaty's centenary. They have a formidable rival. Nothing written since 1919 has come close to making an impact similar to that of a short book with a very dry title published in that year. *The Economic Consequences of the Peace* by John Maynard Keynes was an instant best-seller and has been in print ever since. It denounced the Versailles Treaty as 'one of the most outrageous acts of a cruel victor in civilised history', and predicted another conflict 'before which the horrors of the late German war will fade into nothing.' Few were inclined to dispute his assertion that it was a 'Carthaginian' peace. Nor were they impressed by the comment of the American general who said: 'Well, we don't have much trouble from Carthage these days.'

Keynes later retracted some of the book's more strident conclusions, and apologised to Lloyd George, with whom he had worked closely during the early stages of the peace conference, for the much quoted portrayal of him as an amoral Welsh wizard. But the damage was done. A century on, it still remains, impeding a proper appreciation of the Versailles Treaty and of Lloyd George's role in it.

There are, I think, two points above all which need to be kept firmly in mind in relation to the Versailles Treaty.

First, Germany had been defeated, but not vanquished. The circumstances in 1919 were utterly unlike those of 1945 when the Third Reich was completely destroyed in both East and West. The First World War ended without the great majority of Germans experiencing their country's defeat at first hand. Except in the Rhineland, they did not see occupying troops. This created the central difficulty. With pride in their armed forces largely undiminished, anything beyond mild peace terms was bound to stir great resentment among Germans to which

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the Weimar political leaders long before the rise of Hitler would inevitably give expression. For the victorious allies, however, conscious of the pain and cost of the war, a settlement consisting wholly of mild terms was impossible. So Versailles was never going to be a treaty which could slip into relatively benign historical memory, like the Congress of Vienna in 1815.

The second point is this: the power of the victorious allies to devise a new European settlement – indeed a new global order that the visionary Woodrow Wilson sought – which at first glance seems immense, was in fact severely limited. They had no armies in Central and Eastern Europe where an array of new states came suddenly into existence. Many of these states had to fight desperately to maintain their independence, unaffected by anything going on at the peace conference. Paris and Versailles were far-away places of which they knew nothing, until they despatched delegations to get the results of their victories ratified. Beyond them lay Russia racked by civil war between the Bolsheviks and their opponents. The peace conference cast around in vain for a firm Russian policy. For Lloyd George in particular, these severe constraints on the work of the conference proved immensely frustrating, as he strove to advance the largely moderate agenda which he brought to it.

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On 11 January 1919, Lloyd George bounded with his usual vigour on to a British destroyer for the Channel crossing to France. Beneath ‘the snow-white hair of a patriarch’ gleamed ‘the sparkling eyes of youth’, in the words of the veteran parliamentary reporter, Frank Dilnot, who had followed his career closely and with admiration.

Throughout the conference, which brought around a thousand people together from all parts of the globe, he would display the energy and resourcefulness which were among the central features of his magnetic character. He was almost constantly in good humour. Lord Robert Cecil, son of the great Tory leader, Lord Salisbury, and a fervent proponent of the League of Nations, wrote: ‘Whatever was going on at the conference, however hard at work and harried by the gravest responsibilities of his position, Mr Lloyd George was certain to be at the top of his form – full of chaff intermingled with shrewd though never ill-natured comments on those with whom he was working.’

His fertile mind brought forth endless schemes and ideas, large and small. Asked how

Britain could come more quickly to France’s aid if she were attacked again, Lloyd George said he would get a Channel tunnel built, reviving a proposal that had come before Gladstone’s cabinet in a rather desultory way in 1885. He mentioned it several times to the French during the conference.

At the outset, the British delegation told him of their worries that telephone calls were being tapped. ‘We’ll use Welsh,’ he told his private secretary, A. J. Sylvester. ‘That will confound our interested listeners.’ Thereafter, according to Sylvester, ‘the British delegation to the peace conference was able to transmit all their messages over the telephone to London and receive replies from Downing Street or the Foreign Office with secrecy assured.’ Who would have thought that a number of Welsh speakers were to be found at the heart of the British government a hundred years ago?

The conference was not well planned or well organised. Huge progress was in the end secured in just six months by concentrating all major decision-making in the hands of the so-called Big Three: Clemenceau, Woodrow Wilson and Lloyd George. It was not a happy band. Lloyd George successfully charmed the high-minded but vain American president, expressing full support for Wilson’s idealistic ventures, especially the League of Nations, though he was not surprised that it was unable to become the central guardian of a peaceful world order that Wilson intended.

But neither of them could get on good terms with the quarrelsome, irascible Clemenceau, whose ardent French patriotism consumed him. Harold Nicolson, a rising young star among the professional diplomats at the conference and, like Keynes, a bitter critic of its results, witnessed Clemenceau’s rudeness to Lloyd George. On one occasion, Clemenceau said to him, ‘You have told me seven lies this morning. This is the eighth.’ Whereupon Lloyd George got up and seized him by the scruff of the neck; Wilson had to separate them.

During the peace conference, Lloyd George combined flexibility of method with marked consistency of aim. Perhaps alone of the three great peacemakers, he had firm, practical, long-term objectives for the future of Europe as a whole – East and West – for which he worked with patience and resource, though inevitably without complete success. As Bismarck once said, facts are stronger than the will of men, and, as I mentioned at the outset, circumstances imposed limits on what anyone in Paris, however determined and skilful, could hope to achieve.

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He was subject to unfair criticism, to which of course he had long ago in his career become used. At Paris he was accused of wanting to crush Germany through punitive measures to which he was said, quite wrongly, to have committed himself during the December 1918 election. That accusation has echoed down the years of the century that has now elapsed. But at no point during that election did Lloyd George endorse the notorious statement made by the businessman turned Tory politician, Eric Geddes, that Germany should be squeezed until the pips squeaked. Lloyd George did not intend to allow any squeaking, though it is true that he did little to discourage others from anticipating that shrill sound. The criticism of him that can be fairly made has been summed up by Ken Morgan: 'His political position was sufficiently unassailable for him to take the lead in educating the public in the economic facts of life with regard to a settlement. He failed to do so.'

At the peace conference, Lloyd George was the most zealous advocate of moderation on the central issues relating to Germany, with which the peacemakers had to deal. At the final meetings of the ill-assorted triumvirate in June 1919, he strove hard, though admittedly with results that often disappointed him, to revise and soften the terms to be offered to Germany. His underlying aim never deviated: Germany's political system must be rebuilt along new democratic lines and the country given the central place it deserved in European and wider international affairs.

At the same time, of course, he was vigilant as the champion of British interests. He could not have survived as one of the most powerful of all prime ministers if he failed to safeguard and extend the nation's role and influence in the aftermath of victory. He was determined to retain Britain's ascendancy in the Near East with its abundant supplies of oil, whose enormous economic significance was now beginning to be fully realised for the first time. He swiftly secured acceptance of Britain's claims to the German colonies in Africa.

He was firm, too, in support of Britain's traditional right of search on the high seas which had been vital in sustaining the naval blockade of German ports that had contributed so signally to the Allied victory. He countered the new doctrine of freedom of the seas advanced by the United States as a means of challenging British dominance. Rivalry between Britain and America with its visceral, and ever-growing, hostility to the British Empire was one of the less noticed undercurrents at the Paris peace conference. It would grow in significance as the years passed.

In 1919 Lloyd George was profoundly conscious of the importance of the Empire. In his war memoirs, he extolled the indispensable contributions made by the Empire's troops during the conflict. Many at the time tended to lay particular emphasis on the loyalty shown by the Dominions. He gave as much, sometimes more, weight, to other parts of the Empire, notably India, whose large forces on the Western Front he rightly judged to have been indispensable. He doubted, however, whether India would ever be able to run its own affairs, while in the Dominions wide responsibilities could continue to be devolved. 'Home Rule for Hell', a heckler once cried at one of his meetings. 'Quite right', he retorted, 'let every man speak up for his own country'.

In Paris, European issues inevitably claimed most of his attention. Throughout he was an advocate of leniency. He argued that the statesmanlike course would be to try to build up the economies of the new nations of central and eastern Europe, victors and vanquished alike, so that trade and economic prosperity could be restored. He criticised the exaggerated claims of the money to be obtained from Germany made by the French finance minister, Klotz, 'the only Jew who knows nothing about money', as he was disrespectfully known.

Lloyd George also spoke up for moderation in relation to Germany's new frontiers. He believed that large German-speaking populations in places like the Rhineland, Danzig and Upper Silesia should remain under German control. He worried about the consequences of making them minorities in the new states that had suddenly come into existence. There were others that could have been added usefully to his list: for example, the Sudetenland whose three million Germans became part of Czechoslovakia, creating the difficulty that Hitler was to exploit so ruthlessly nineteen years later, unimpeded by the Slovaks who resented Czech dominance in the state. Poland had no greater success in integrating its large German population.

Five years later, Lloyd George uncannily predicted the terrible catastrophe that would overtake Europe in the following decade. 'I cannot conceive any greater cause of war', he said in 1924, 'than that the German people, who have certainly proved themselves one of the most vigorous races of the world, should be surrounded by a number of small states, many of them consisting of people who have never previously set up a stable government for themselves, but each of them containing large masses of Germans clamouring for reunification with their native land.'

In the quest for a new European order, Lloyd George was often wiser and more far-sighted than his colleagues. He deserved his laurels.

At the peace conference, Lloyd George drew the main elements of his German policies together in a notable memorandum composed one weekend in March at Fontainebleau. Germany, it asserted, would always be a first-class power, and this should be openly recognised. Reparation payments should be strictly related to Germany's ability to pay. German-speaking populations should not be placed against their will under French or Polish rule. While the Kaiser and other wartime leaders should be brought to trial, the German people should not be made international scapegoats.

How Lloyd George enjoyed teasing George V about the prosecution of his cousin, the Kaiser. Where would the trial be held, the king asked? O, Westminster Hall probably. Where would he be imprisoned? The Tower of London would be the obvious place, said Lloyd George. In the event of course the Kaiser remained safely in his Dutch refuge, drinking English tea and reading P. G. Wodehouse.

Lloyd George's fellow peacemakers had little sympathy with his calls for greater generosity towards Germany over the creation of new frontiers, or with his predictions of grave trouble ahead if the original plans were not revised. He secured no more than the recognition of Danzig as a free city and a plebiscite in one of the many disputed regions, Upper Silesia. In truth, here as elsewhere, there was little the great men in Paris could do in practice. As a leading British military figure noted, over so many areas 'the Paris writ does not run.'

Lloyd George was also unable to carry the day with his bold, imaginative schemes for dealing with the most vexed of all the issues with which the peacemakers were concerned: the payment of reparations by Germany – and also by its allies, though they have been forgotten in most accounts – in accordance with precedent going back centuries. An expert American expert wrote: 'The subject of reparations caused more trouble, contention, hard feeling, and delay at the Paris peace conference than any other point of the Treaty.' The way this vexed question was settled gave the unyielding German opponents of the treaty their strongest, enduring argument. No one ever found a way of successfully countering the assertion that the payment of reparations inflicted the gravest damage on the German economy.

Everything would have utterly different if Lloyd George had been heeded at an early stage. France and Britain ended up demanding large reparations because they had heavy debts to repay, chiefly to the United States. Guided

by Maynard Keynes with whom he later fell out so spectacularly, Lloyd George told his fellow peacemakers that the priority should be the rebuilding of the German economy. The pre-war powerhouse of Europe – with which Britain had done so much business and which was the main destination for its tourists – must recover that role in the interests of them all. The Allies should fix a reparations bill well within Germany's ability to pay, and encourage its revival, with loans if necessary, to get its economy going again.

'The economic mechanism of Europe is jammed', Lloyd George told President Wilson. 'A proposal which unfolds future prospects and shows the peoples of Europe a road by which food and employment and orderly existence can once again come their way will be a more powerful weapon than any other for the preservation from the danger of Bolshevism of that order of human society which we believe to be the best starting point for future improvement and greater well-being.' In that spirit the French minister for commerce and industry drew up a detailed plan for a new European economic order based on the pooling of resources by its nations. In 1919 nothing came of it, but the vision remained: the French minister's assistant was Jean Monnet. A century ago there were glimpses of Europe's one true destination if lasting peace was to be found: union among its states.

Any successful scheme for Europe's economic renaissance after the First World War depended on the United States, just as it did after 1945. Lloyd George, again following Keynes's advice, made his most radical proposal: the cancellation of the debts that the Allies owed each other, which would open the way to reasonable reparation payments by Germany. The proposal was rejected. Unlike in 1945, the Americans told the Europeans that they must work out their own salvation.

But if a way of avoiding large reparation payments could not be found, parliament and public opinion would insist that Britain had a significant share. Lloyd George succeeded in keeping a specific sum out of the Versailles Treaty, but neither he nor anyone else could prevent the bitter wrangling over the amount, and how it should be paid, during the years that followed, poisoning international relations.

And, after all the agony, was Germany crippled by reparations? The German historian Jürgen Tampke has recently estimated that in the end some two billion gold marks were paid – a tiny fraction of what Hitler would later spend on rearming. Even if that estimate is too low,

the total was almost certainly less than what France, with a much smaller economy, paid Germany after the Franco-Prussian War of 1870–71.

Margaret MacMillan concludes in her masterly study, *Peacemakers*: ‘the picture of Germany crushed by a vindictive peace cannot be sustained.’ Yet, to return to the impact of Keynes’s work, nothing could shake the fixed German belief, increasingly echoed among the victorious allies, that it was vindictive. As so often, perception was at odds with reality.

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Finally, may I touch briefly on the Near East, that other truly tragic legacy of the Paris peace conference, which inflicted grave damage on the reputations of France and Britain? The only woman to play a part in the conference, Gertrude Bell, who knew the region like the back of her hand, wrote at the time: ‘They are making such a horrible muddle of the Near East. I confidently anticipate that it will be much worse than it was before the war. It’s like a nightmare in which you foresee all the terrible things that are going to happen and can’t stretch out your hand to prevent them.’

The main elements of tragedy are all too familiar. Secret pacts were concluded and then cancelled amidst much rancour. Promises were made to the Arab leaders who rose up against the Ottomans, only to be subsequently dishonoured. As we know to our bitter cost, the Arab world could never forget its betrayal, keeping for ever in sharp focus what seemed to them the most flagrant example of Western perfidy, the Zionist presence in Palestine, of which Lloyd George, that lover of the Old Testament, was an ardent supporter. Lord Curzon, a coalition colleague for whom Lloyd George had little regard, seems to have been one of the few who cared about what might happen to the Arabs of Palestine. ‘What’, he asked, ‘is to become of the people of the country?’ Chaim Weizmann predicted a contented and prosperous Asiatic Belgium. He achieved with British help an Asiatic Ulster with even deeper hatreds on its narrow ground.

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On 28 June 1919, the Treaty of Versailles was signed. On the following day, Lloyd George returned to London, arriving at Victoria Station, accompanied by his mistress and outstandingly efficient secretary, Frances Stevenson. She recorded in her diary:

D. had a wonderful reception at the station... & to crown it all, the King himself, with the Prince of Wales, came to the station to meet him. The people at court tried to dissuade him from doing so, saying that there was ‘no precedent for it’. ‘Very well’, replied the King, ‘I will make a precedent.’... Everyone threw flowers at D. & a laurel wreath was thrown into the Royal carriage. It fell on the King’s lap but he handed it to D. ‘This is for you’, he said. D. has given it to me... I know better than anyone how well he deserves the laurels he has won.

Posterity, heavily influenced by Keynes, has been reluctant to give its endorsement to that loyal verdict. But in the quest for a new European order, Lloyd George was often wiser and more far-sighted than his colleagues. He deserved his laurels.

Alistair Lexden is a Conservative peer and Chairman of the Conservative History Group, contributing regularly to its annual Conservative History Journal. He is working on an extended version of an article, ‘The Man Who Enriched – and Robbed – The Tories’ in the June 2021 edition of Parliamentary History about a corrupt Conservative Party Treasurer, Horace Farquhar, who sold peerages for Lloyd George. A short paperback is planned for 2023.

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