

**GREAT BRITAIN, THE LITTLE ENTENTE AND SECURITY IN
DANUBIAN EUROPE, 1919-1936**

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The University of Leeds
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The candidate confirms that the work submitted is his own and that appropriate credit has been given where reference has been made to the works of others.

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Abstract

This thesis examines British foreign policy towards Danubian Europe from the end of World War One to the Rhineland crisis of 1936 with special reference to security issues. The Foreign Office's attitude towards the alliance known as the Little Entente, which was comprised of Czechoslovakia, Yugoslavia and Romania, is the primary focus of the study, and, by implication, the British outlook on the countries with which the Little Entente was mainly concerned, namely Hungary and, to a lesser extent, Austria and Bulgaria, also features heavily. Danubian Europe presented constant and serious security risks for European peace and stability and, for that reason, contrary to conventional wisdom, it commanded the attention of British diplomacy with a view to appeasing local conflicts. This study looks at the manner in which the Foreign Office perceived and treated the antagonism between the Little Entente and Hungary, on the one hand, and the impact that the former had in connexion with Franco-Italian rivalry in Central/South-Eastern Europe, on the other. With Hitler's accession to power the Little Entente was viewed in Whitehall in relation to its place in the prospective policy for preserving Austrian independence and containing German aggression in the region. It is suggested here that the British approach to security problems in Danubian Europe had certain permanent features which stemmed from the general British outlook on the new successor states – the members of the Little Entente - founded on the ruins of the Habsburg monarchy. It was the lack of confidence in their stability and permanence, as well as the misperceptions about the motives and intentions of the policies pursued by other Powers towards Central/South-Eastern Europe, which accounted for the apparent sluggishness and ineffectiveness of the Foreign Office's dealings with security challenges.

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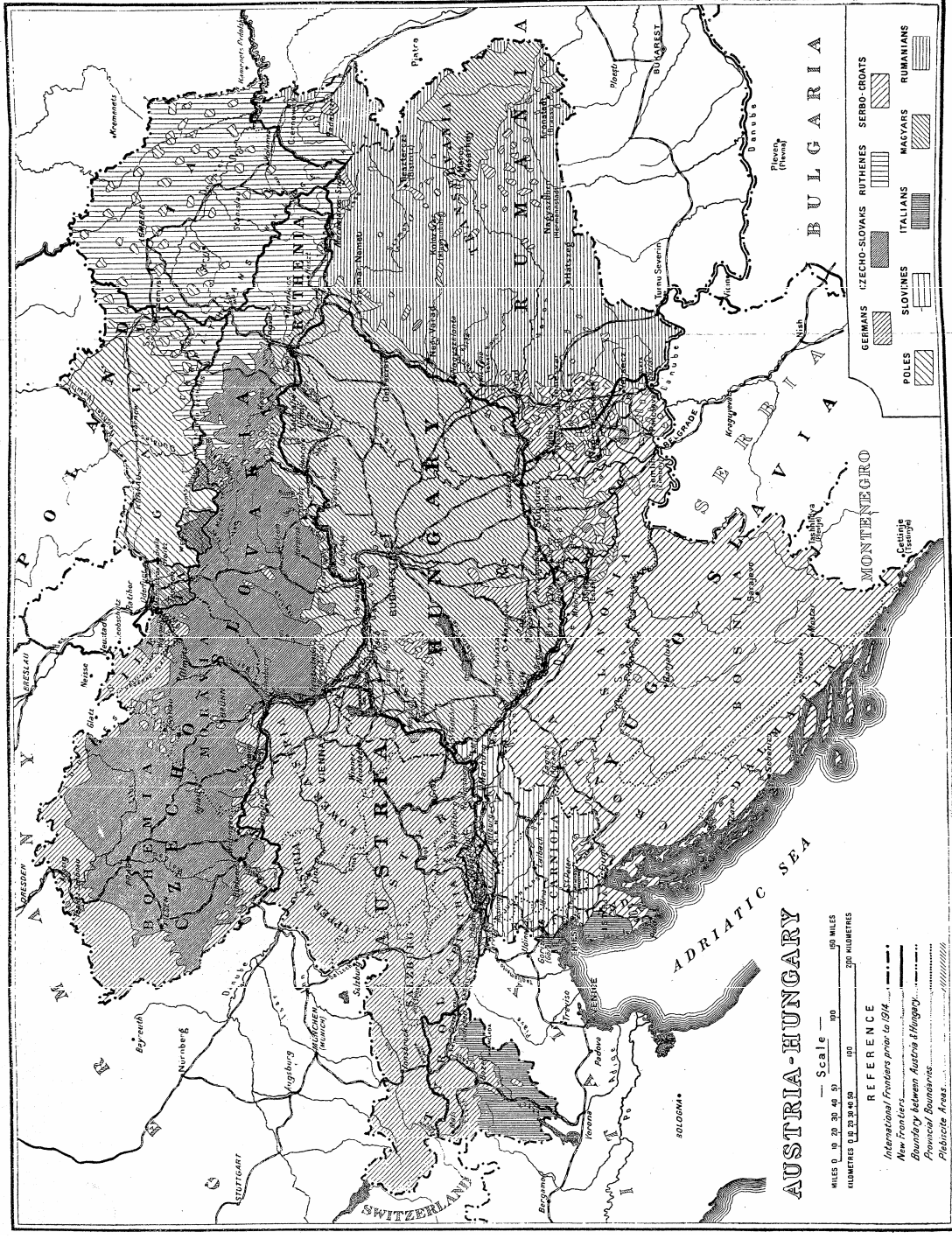
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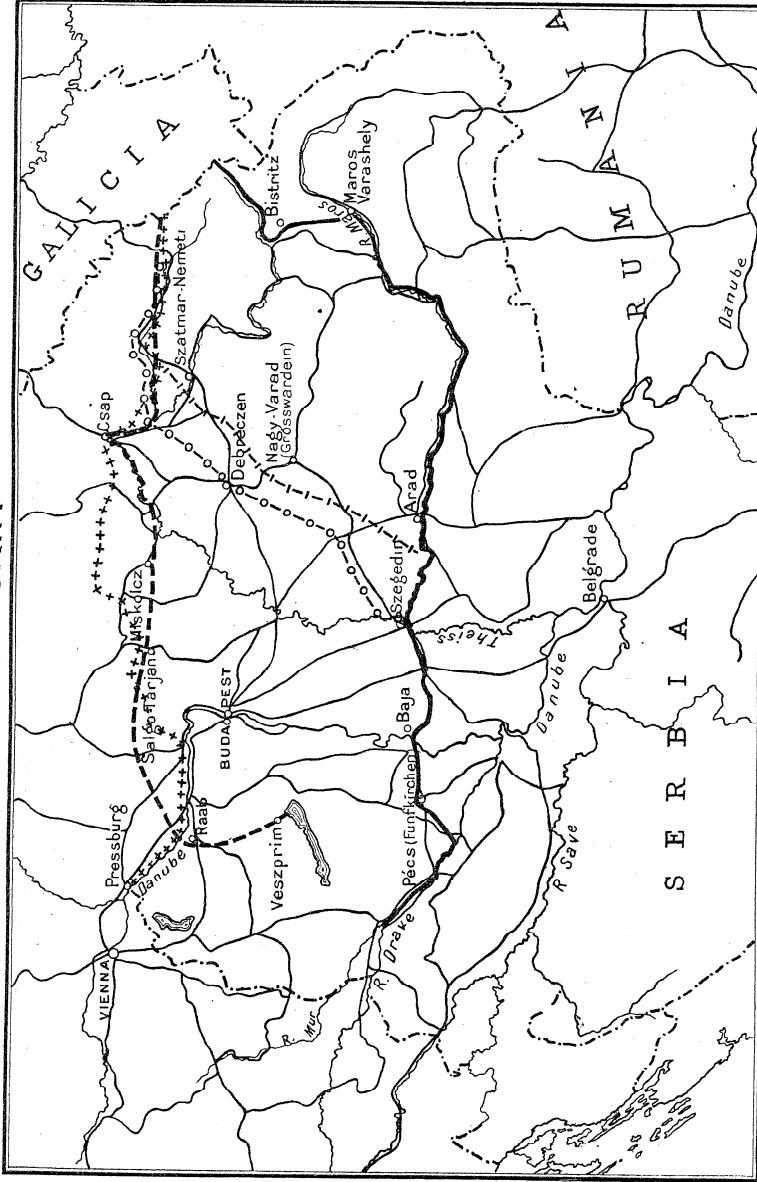
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List of Abbreviations

AJ	Archives of Yugoslavia
A SANU	Archives of the Serbian Academy of Arts and Sciences
BDFA	British Documents on Foreign Affairs
DBFP	Documents on British Foreign Policy
FO	Foreign Office
IMRO	Internal Macedonian Revolutionary Organisation
VA	Military Archives
PID	Political Intelligence Department
SSEES	School of Slavonic and East European Studies
TNA	The National Archives

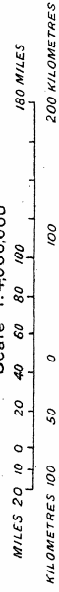


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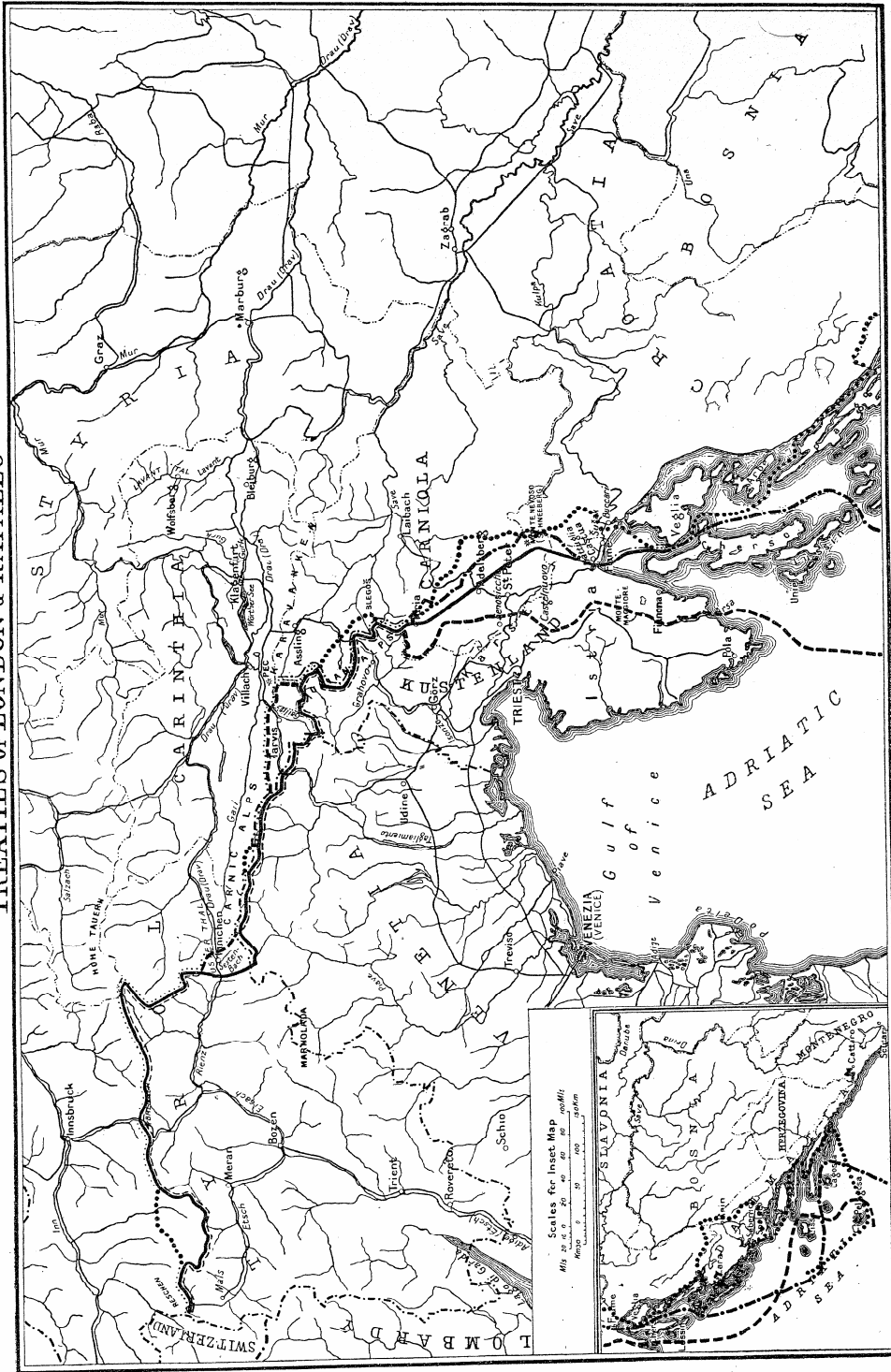


REFERENCE

- ① Hungarian Armistice line, 13th November 1918.
- ② Extension of Rumanian line, February 1919.
- ③ Rumanian Treaty line of 17th August 1916.
- ④ Permanent boundary of Czecho-Slovakia as announced by the Supreme Council, 13th June 1919.
- ⑤ Approximate line of greatest Rumanian advance.

NOTE. On the 19th March 1919, Col. Iix in the name of the Allies summoned the Hungarian Government to withdraw its forces to line ③. The area between ② and ③ was to be treated as a neutral zone. On the 13th June 1919 the Conference ordered the Soviet Government at Budapest to withdraw its forces behind the lines of permanent frontiers accorded to Czecho-Slovakia ④ and to Rumania approximately that of ②.

TREATIES OF LONDON & RAPALLO



Note

- Where lines coincide the symbols of one or more are shown finer
- Italian claims at Conference
- Wilson line, 14th April 1918
- Rapallo Treaty, 12th Nov. 1920

Scales

Miles 0 10 20 30 40 50 60 70 80 90 100

Kilometres 0 10 20 30 40 50 60 70 80 90 100

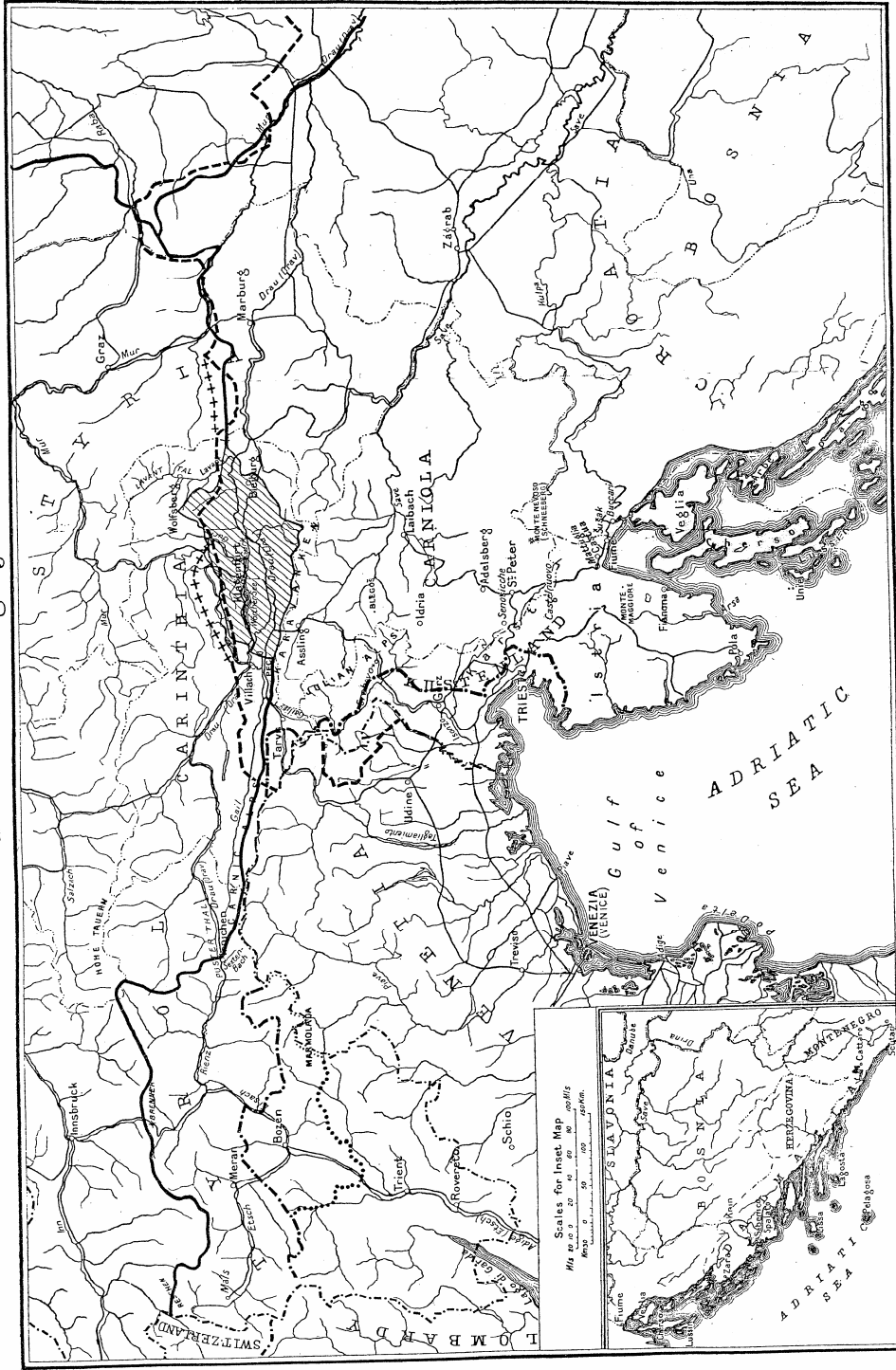
Old Frontiers ———— Railways ————

Scales for Inset Map

Miles 0 10 20 30 40 50 60 70 80 90 100

Kilometres 0 10 20 30 40 50 60 70 80 90 100

ITALIAN & YUGO-SLAV CLAIMS in Austria-Hungary



(maximum)
 (minimum)
 Yugo-Slav claims, at Conference 1919
 Italian claims
 Magdonfert plebiscite area, Treaty 1918

Scales
 Miles 0 10 20 30 40 50 60 70
 Kilometers 0 10 20 30 40 50 60 70
 Old Frontiers
 Railways

Treaty line 1913
 Frontier proposed by Italy, April 1915
 Extreme Austrian concession, April 1915

INTRODUCTION

British policy towards Danubian Europe during the interwar period remains a strangely understudied area. The region, and Czechoslovakia in particular, is, of course, regularly mentioned in the rich literature about the ‘appeasement policy’ and its culmination at the Munich conference, but its treatment is invariably reduced to the role of a passive object in the Great Powers’ diplomatic trial of strength. Although such a view is not without its justification in the actual course of events, it unfortunately tends to marginalise the need to examine the British attitude towards the region itself, which is without doubt an inseparable part of the entire European jigsaw.

There are only a few works which directly address the question of British policy towards Central Europe. Gábor Bátonyi’s work is a pioneering study of that kind in which he reviews British policy in three parallel case studies dealing with Austria, Hungary and Czechoslovakia.¹ The same approach, but covering a shorter period of time and substituting Poland for Austria, is applied in Miklós Lojkó’s book.² The only work which directly touches on the subject of this thesis is Ozer Carmi’s narrative about relations between Britain and the Little Entente which somewhat surprisingly ends with the conclusion of the Italo-Yugoslav pact of friendship of 25 March 1937.³

There are also some works discussing the British attitude towards the individual Central European countries during the interwar period. Béla Király, Peter Pastor and Ivan Sanders’ edition of essays concerning the Trianon Treaty and post-war Hungary contains two contributions written from a British angle.⁴ The same applies in the case of

¹ Gábor Bátonyi, *Britain and Central Europe, 1918-1933* (Oxford: Clarendon Press, 1999).

² Lojkó Miklós, *Meddling in Middle Europe: Britain and the ‘lands between’, 1919-1925* (Budapest: Central European University Press, 2006).

³ Ozer Carmi, *Le Grande-Bretagne et la Petite Entente* (Genève: Librairie Droz, 1972).

⁴ *Essays on World War I: Total War and Peacemaking, A Case Study on Trianon*, ed. by Béla Király, Peter Pastor and Ivan Sanders (New York: Columbia University Press, 1982).

the British outlook on Czechoslovakia which has been scrutinised in several essays included in the edition by Eva Schmidt-Hartmann and Stanley Winters.⁵ Another edition of essays on the founding father of Czechoslovakia, Tomáš Masaryk, contains one about British perceptions of him.⁶ The biography of Sir George Clerk by Gerald Protheroe throws light on its subject's tenure at the Prague Legation and his endeavours to draw the attention of the Foreign Office to the possibilities offered by the Czechoslovak Republic for the establishment of British influence in the region.⁷ The aspect of British policy towards Prague which has received most scholarly attention is the view taken from London of the German minority problem and its treatment by the Czechoslovak government.⁸ An interesting insight into the tortuous British policy towards Austria and other Central European countries immediately after the war is given in Robert Hoffmann's article.⁹

It is clear from this brief review of the existing literature that there is plenty of scope for new and innovative research on the subject. In particular, it seems that the British approach towards security issues in permanently troubled Central Europe calls for a more in-depth analysis. It is a purpose of this thesis to contribute to filling that void. The scope of the thesis was a decisive factor in determining the methodological approach. Since the Little Entente was a fairly big unit, its treatment by British diplomacy covered a number of aspects which were in practice often interlinked and mutually dependent. Apart from the question of relations with Hungary, which was the

⁵ *Great Britain, the United States, and the Bohemian Lands, 1848-1938*, ed. by Eva Schmidt-Hartmann and Stanley Winters (Munich: Oldenbourg, 1991).

⁶ Harry Hanak, 'British Attitudes to Masaryk' in *T. G. Masaryk (1850-1937)*, ed. by Harry Hanak, vol. 3 (London: Macmillan, 1990), pp. 125-148.

⁷ Gerald Protheroe, *Searching for Security in a New Europe: the Diplomatic Career of Sir George Russell Clerk* (New York: Routledge, 2005); the same author also wrote 'Sir George Clerk and the Struggle for British Influence in Central Europe, 1919-1926', *Diplomacy & Statecraft*, 12. 3 (2001), 39-64.

⁸ Keith Robbins, 'Konrad Henlein, the Sudeten Question and British Foreign Policy', *Historical Journal*, 12. 4 (Dec., 1969), 674-697; Johann Bruegel, *Czechoslovakia before Munich: the German Minority Problem and British Appeasement Policy* (London: Cambridge University Press, 1973); Mark Cornwall, 'A Fluctuating Barometer: British Diplomatic Views of the Czech-German Relationship in Czechoslovakia, 1918-1938' in *Britain, the United States, and the Bohemian Lands*, ed. by Schmidt-Hartmann and Winters, pp. 313-333.

⁹ Robert Hoffman, 'The British Military Representative in Vienna, 1919', *Slavonic and East European Review*, 52. 127 (Apr., 1974), 252-271.

immediate concern and its *raison d'être*, the Little Entente constituted an additional complication in the context of Franco-Italian rivalry in Central Europe. Furthermore, the influence of other Great Powers, notably Germany and the USSR, which was especially apparent in the 1930s, and the interplay between more narrowly defined Central European and the Balkan politics had to be taken into account. For all these reasons an integrative method seemed to be best suited in a study of this kind as it brings out more clearly the inter-relation of different facets of British policy towards the Little Entente and Central Europe in general. It also lays a stronger emphasis on the underlying and broader motives of British policy and the common assumptions, perceptions and convictions which influenced and shaped it.

As for the primary sources, this study is based squarely on the Foreign Office records, the vast majority of which come from the General Correspondence series, and a few from Private Office Papers. These are supplemented by the papers of a number of British officials which are deposited in the Bodleian Library in Oxford and the Churchill Archives Centre in Cambridge. The attempt was made to make the best of these papers by concentrating on the private correspondence files as opposed to material which is duplicated in the National Archives. The most valuable documents, although not prodigious in quantity, were found in the collection of Professor Seton-Watson which is available in the School of Slavonic and East European Studies at the UCL. In addition, use was made of the archives in Belgrade to complement the account from the point of view of the former Kingdom of Yugoslavia and the Little Entente. This was only possible to a very limited extent because of the state of the material in both the Archives of Yugoslavia and the Military Archives. The ravages of war left their mark on the most important collections of the Yugoslav Foreign Ministry and the individual Legations. The only collection which has survived intact was that pertaining to the Yugoslav Legation in London. Nevertheless, Yugoslav sources have occasionally

provided the most useful complement to material from British archives. A detailed list of all the collections drawn upon for the purpose of writing this study is provided in the bibliography.

As the term ‘Central Europe’ is interchangeably used with that of Danubian Europe, its meaning, as usual, requires some explanation. Geopolitical difficulties make almost any definition open to criticism. The safest approach seems to be to apply the term to the countries which were formerly the main component parts of the Habsburg monarchy – Austria, Hungary and Czechoslovakia. Some British diplomats certainly tended to do so. On the other hand, there were smaller tracts of Austro-Hungarian territory which had been assigned to Yugoslavia¹⁰ and Poland; so this definition is not beyond reproach. The way in which the Foreign Office used to administratively group the Central European countries is not helpful either. Its Central Department was concerned with the most of the continent including Germany, Italy, Austria, Hungary, Czechoslovakia and the Balkan countries (except Turkey which was dealt by the Eastern Department).¹¹ In 1934 the reorganisation of the Foreign Office took place and the above mentioned states, with the exception of Germany and Czechoslovakia, were assigned to the Southern Department. The latter two countries came under the jurisdiction of the new Central Department. Consequently, the term ‘Central Europe’ was often used in official correspondence to refer to so many states as to be devoid of any geographical meaning. The interpretation of Central European boundaries which is adopted here is determined by the topic of the thesis, but it also follows, as has been pointed out, the original terminology of the Foreign Office. For all practical intents and purposes it could be taken to be an equivalent of Danubian Europe – with the notable

¹⁰ The official name of the country until 1929 was the Kingdom of the Serbs, Croats and Slovenes. King Alexander’s dictatorship changed it to Yugoslavia (Yugoslav means a South Slav) in 1929 although that name had been used earlier to refer to the country of the South Slavs. Quite often the terms Serbs and Serbia were used as equivalents for the Yugoslavs and Yugoslavia in the same manner as the term Czechs was used instead of Czechoslovaks or, for that matter, English and England instead of British and Britain.

¹¹ For a brief period of time in 1919-1920 Romania had been grouped with Poland and Russia in the Northern Department.

exception of Germany. Indeed, the three Little Entente countries, Czechoslovakia, Yugoslavia and Romania - as well as Hungary and Austria with which the alliance was primarily concerned - were all Danubian countries. The terms 'South-Eastern Europe' and 'the Balkans' are also fairly frequent and they are usually employed when it was necessary to convey a more precise geographical reference. The broad interpretation of Central Europe adopted here may also be justified on the grounds that Yugoslavia and Romania were not only 'Central European' countries in the same sense as Austria and Hungary, but that they were Balkan powers as well and, as such, deeply involved with the Balkan politics. Moreover, Italian policy, which was an important factor in both of these more narrowly defined regions, provides another justification for treating them as a single unit. Such considerations are amply evidenced in British diplomatic documents.

It is useful and necessary to say something about the relative place and importance of British policy towards Danubian Europe in the overall context of Britain's foreign relations in the wake of the First World War. The peace brought in its tail a number of additional commitments across the world which a war-weary Britain found difficult to meet. The most pressing challenges did not rise on the European continent. The insurrection in Ireland was very close to home and that in Egypt the most critical from the point of view of Imperial communications. A peace settlement with Turkey was still far off and, with it, a final pacification and stability in the Middle East. As far as Europe was concerned, it was only natural that British attention would be riveted to the relations between Germany and France. Their precariousness, France's quest for security against the Germany of tomorrow and the reparation issue were the chief reasons which prevented Europe from settling down to normal peace-time conditions. Soviet Russia was another source of instability with its ideological drive to export the Bolshevik revolution to the capitalist countries, and to India, to Whitehall's great annoyance. Lloyd George's ambitious attempt to bring her back into the

respectability of the comity of European nations through the agency of the Genoa Conference of 1922 ended in dismal failure.

In the circumstances it was not surprising that the Danubian troubles did not come anywhere near the top of the Foreign Office's agenda. However, it would be erroneous to assume that Whitehall did not care about what was going on in that region. The memories of the war were too horrible and too vivid for policy-makers to forget what seemed to have been its main lesson, namely that a small and local conflict which could spark off in a distant region might easily spread into a conflagration of global proportions. And the region in question in 1914, as everyone in the Foreign Office recalled, had been the Balkans. This consideration alone would have sufficed for paying due attention to the situation in the smaller countries along the Danube. Moreover, Danubian conflicts often appeared to be a chief threat to European peace and stability. For British diplomacy, the main objective of which was the preservation of peace and the pacification of the continent, this was a compelling reason to keep a watchful eye on the political situation there and to become involved whenever – and the occasions were by no means rare – it looked like that local conflicts might get out of hand. This basic fact, which is demonstrated in the following pages, is often obscured by the conventional wisdom that Britain had no direct and particularly significant interests in the Danube region and was thus rather indifferent to its fate.

The span of the chronological coverage in the thesis also calls for some vindication. That 1919 is taken as the starting point is so natural that it needs no explanation. According to the initial plan, the intention was to bring this survey up to the effective dismemberment of Czechoslovakia by the Munich agreement of September 1938. Indeed, that event signalled the definite disruption of the Little Entente and the establishment of unchallenged German mastery in Danubian Europe. Due to the space constraints of a thesis, however, it has become apparent that it was not possible to do so

in a satisfactory manner. Therefore, the Rhineland crisis of March 1936 was chosen as a suitable closing point. The reasons for this are fairly obvious: following the Abyssinian affair which had erupted in October 1935 and destroyed all prospects of a comprehensive Danubian security arrangement centred on Austria, the German re-occupation of the demilitarised Rhineland zone fundamentally transformed the situation in Central Europe. In strategic terms, Germany's position vis-à-vis the smaller Danubian countries was greatly strengthened, particularly when she fortified the Rhineland to protect herself from a French offensive. The region would soon be fully utilised for the objective of determined economic and political penetration in the countries in question. No one expressed the significance of the event more convincingly than the German Minister for Foreign Affairs, Konstantin von Neurath, when he admitted to an American diplomat how it was viewed from Berlin: 'As soon as our fortifications are constructed and the countries of Central Europe realize that France can not enter German territory at will, all those countries will begin to feel very differently about their foreign policies and a new constellation will develop'.¹² It is a testimony to the truly global character of interwar international relations that two events which happened outside the confines of Central Europe – one in Africa and the other in Western Europe – could have had such a profound impact on the Danube region. The Rhineland crisis thus opened a new and much debated chapter in Danubian history which proved to be a prelude to the Second World War. In this respect the chronological span of this work tends to redress the proclivity of most scholarly works to focus on the years immediately after the Great War and those immediately before the outbreak of World War Two.

The thesis is divided into five chapters. Chapter 1 analysis British dealings with the tumultuous situation created in Danubian Europe at the end of the war and the

¹² *Foreign Relations of the United States*, vol. I, 1936, ed. by E. R. Perkins (Washington: United States Government Printing Office, 1953), Memorandum by the Ambassador in the Soviet Union (William Bullitt), 18 May 1936, no number, pp. 300-303.

conflicting views of the proper course for Britain to pursue in respect of the newly created successor states. The proposal of a Danubian confederation sent shock waves among the latter countries and it was dismissed out of hand, on that account, in London. The Foreign Office greeted the formation of the Little Entente as a stabilising factor in Central Europe, although it was not enamoured with all the complex reasons which animated Czechoslovakia and Yugoslavia to close their ranks. The events surrounding the two abortive putsches of the ex-emperor Karl Habsburg brought about a distinct shift in the British perception of the security challenges in the region, namely of the confrontation between Hungary and the Little Entente. Chapter 2 looks at the British attitude towards the individual members of the Little Entente, and focuses on the view taken in Whitehall of their main security challenges. It is suggested here that this attitude was to a large measure determined by the overall impression of the internal solidity of the countries in question and their potential or lack thereof to contribute towards a permanent pacification of Central Europe. This facet of British appreciation is particularly visible in the view taken of Hungary-Little Entente relations. It will be also seen that British financial institutions had their share in the formulation of foreign policy. Another aspect of the British estimation of the Little Entente and its policy concerned the very friendly relations it maintained with France on the basis of the mutual championing of the territorial *status quo*. This chapter sheds light on the markedly negative British stance on the relations between Paris and the three smaller powers and, in particular, examines the reasons for the hugely exaggerated perception of these relations. A general discussion of the subject is followed by a close investigation of the British view of the Franco-Czechoslovak treaty of 1924 which works perfectly as an example. Chapter 3 surveys the British attempt to initiate a settlement on the Locarno pattern as a remedy for Danubian Europe, or rather two settlements dealing separately with 'Central Europe' and the Balkans. Following the failure of this endeavour, the

Foreign Office had to face and respond to the deterioration of the situation in the Danubian region which was part and parcel of the growing rivalry between Italy and France. Whitehall's policy throughout this period was marked by a persistent approach based on the set of prejudices and fallacious premises which are scrutinised throughout the chapter. Chapter 4 enquires into the British outlook on the aggravating circumstances in Danubian Europe at the turn of decade – the growing signs of the restiveness of the revisionist countries and the corresponding closing of ranks of the Little Entente. The ambiguous attitude towards revision stemmed from the fact that, on its merits, the British deemed it necessary, to certain and undefined extent, but refrained from broaching it directly on grounds of its practical difficulties. It is also demonstrated by the Foreign Office's distinct reservations about the capabilities of the Little Entente to uphold the security system it had created and guarded. Chapter 5 looks at the complexity of the security issues brought about by the Nazi pressure on Austria and the British endeavour to facilitate a comprehensive pact which would protect the independence of Vienna and, at the same time, resolve the conflict, on the one hand, between Italy and the Little Entente and, on the other, Hungary and the Little Entente. Different aspects of the British handling of the growing tensions between revisionists and antirevisionists which arose in connexion with Austria and in the Balkans are analysed with a view to pointing out the common threads of the Foreign Office's thinking and action, or rather lack of action. Apart from the struggle for Austrian independence, the German threat was felt further down the Danube and Whitehall observed and approached it in connexion with Czechoslovakia's precarious situation and the uncertain ultimate attitude of the Little Entente - with an odd mixture of keen appreciation and ineffective policy for the purpose of countering it.

British policy towards the region, the Little Entente and its individual countries shows certain permanent features insofar as it operated on a set of preconceived

assumptions and it manifested itself through recognisable and common patterns of diplomatic action. Looking at it from that perspective, one might trace some of the roots of that policy, usually referred to as ‘appeasement’, which under the guidance of Neville Chamberlain found its natural outlet in Munich in September 1938.

CHAPTER 1

A NEW EUROPE OR A 'BALKANISED EUROPE'? THE BRITISH DILEMMA, 1919-1921

Introduction

The changes in the map of Europe, particularly in its central and south-eastern parts, at the end of the Great War was the most fundamental redistribution of frontiers and political influence since the times of the barbarian invasions which had swept away the Roman Empire. The demise of the Habsburg Monarchy left behind a number of smaller states. Vanquished Austria and Hungary struggled to survive in their truncated state, uncertain of their external boundaries and riddled with a chaotic internal situation which threatened to turn into complete collapse. The successor states, essentially satisfied with the attainment of their national aims, were also confronted with serious domestic challenges. Enlarged or newly-created countries themselves represented multinational societies which were struggling to harmonise the different nationalities within their framework; the need for a new and efficient administrative system was urgent; and finally, the severance of traditional economic links among various provinces of the former Habsburg Empire had to be surmounted in order to provide a decent prospect for the whole region. The most illustrative example was that of Yugoslavia, which inherited and had to digest six different customs areas, five currencies, five railway networks and three separate banking systems.

Along with the other victorious Entente Powers, Britain was called upon to mould the peace settlement in Paris and to determine not just new frontiers but the whole new outlook of the post-war Central Europe. The scale of the problems confronting policy-makers was reflected upon even before the end of the war, and a need to find a 'constructive' solution was clearly recognised. Leopold Amery of the

War Council noted: ‘Otherwise we shall simply have of the whole of Central Europe a reproduction on a larger scale of what the Balkans were after 1913.’¹ The only guiding light in the search for a new arrangement was the principle of national self-determination expounded by the American President Woodrow Wilson. Although seemingly offering a clear-cut solution, it proved to be much more complex and difficult to apply in practice. James Headlam-Morley, the Assistant Director of the Foreign Office’s Political Intelligence Department, observed: ‘I find people in an extraordinary muddle with regard to all these problems which have inevitably been created by the war and many of which have been very imperfectly formulated by Wilson.’²

This chapter examines how British diplomacy reacted to the new political constellation and the challenges it brought in its tail. The first section of the chapter demonstrates how two divergent influences vied in imposing their views on the Foreign Office policy. The first was the so-called New Europe group inspired by the ideas of Professor Robert William Seton-Watson which was striving to promote the rise of successor states based on the national self-determination principle on the ruins of Austria-Hungary. The second one was a more conservative group of political and military officials who occupied posts in Central Europe. The movement for a Habsburg restoration was an obvious reaction of the old and defeated forces which endeavoured to obtain British support for its schemes of Danubian Confederation. This project, as is demonstrated in the second section, met with scornful rebuff in the Foreign Office which was prone completely to underestimate its strength and potential consequences. The third section analyses the British stance towards the creation of the Little Entente alliance between Czechoslovakia and Yugoslavia. It will be seen how the British

¹ Cambridge, Churchill Archives Centre, The Papers of Leopold Amery (hereafter AMEL), 2/1/1, Amery to Cecil, private, 21 October 1918.

² London, School of Slavonic and East European Studies (hereafter SSEES), The Papers of Professor Robert William Seton-Watson, Individual Correspondence Files (hereafter SEW/17), SEW/17/9/3, Headlam-Morley to Seton-Watson, private, 21 July 1919.

Ministers at Belgrade and Prague shrewdly perceived the powerful forces which determined the attitude of the two countries and their bitter opposition to everything that a Habsburg restoration stood for. London welcomed the alliance as tending to enhance stability in the region, although it did not fully appreciate the considerations pointed out by the local representatives. Finally, the fourth section outlines the two abortive attempts of the Austro-Hungarian ex-emperor to recapture his throne in Hungary and the marked impact they had on the Foreign Office in bringing home the full implications of the unsettled situation in Danubian Europe, and the great security risks involved, as well as a shift in the British perception of the tension between Hungary and the Little Entente.

1.1. The Shaping of the New Europe

The tremendous and unprecedented turmoil following the end of the war placed British policy-makers in a rather unenviable quandary. They were facing a situation which suddenly and rapidly developed in the field and for which they were ill-prepared. Indeed, during the war Britain was most reluctant to plump for a definite policy of the dismemberment of Austria-Hungary and decisions were mostly taken in response to changing circumstances.³ The mastering of the new map of Central Europe, not to speak of a mosaic of political intricacies, was not helped by the peculiar insular ignorance and indifference displayed by most Britons. It is interesting to note how two British diplomats who spent a number of years in Prague and Belgrade kept receiving letters, even those from official departments, addressed to a plethora of misspelled or blatantly wrong names of cities and countries.⁴ This confusion extended to the political

³ Kenneth Calder, *Britain and the Origins of the New Europe* (Cambridge: Cambridge University Press, 1976); Harry Hanak, 'The Government, the Foreign Office and Austria-Hungary, 1914-1918', *Slavonic and East European Review*, 47. 108 (Jan., 1969), 161-197.

⁴ Nevile Henderson, *Water Under the Bridges* (London: Hodder & Stoughton, 1945), pp. 169-170; Robert Bruce Lockhart, *Retreat from Glory* (London: Putnam, 1934), p. 56; the latter gives more impressive list:

sphere as well. Robert Bruce Lockhart, a man who acquired a considerable experience of Central Europe while working in diplomacy and banking, recalled in his memoirs how a stream of visitors to Prague had held a vast variety of views on the remedy for the fragmented region:

Some were pro-Czech and others anti-Czech. Their attitude was determined largely by the treatment which they received at the frontier station. Some saw the only hope of salvation in the restoration of the Habsburgs. Others demanded redress for Hungary. Others again were advocates of the Anschluss and were in favour of incorporating Austria in Germany. Later, when Mussolini came into power, there was a movement against the Balkanisation of Central Europe and in favour of giving a free hand to the Fascist Duce, even if it meant handing over the Dalmatian Coast to Italy. There were others – and they were the sanest – who advocated some form of economic federation, which would restore the economic entity of the former Austro-Hungarian monarchy.⁵

In a medley of official and unofficial opinions two threads of thought could be distinguished. The first one was formed around the Scottish historian Seton-Watson whose views – which included the fervent championing of the right of self-determination for the oppressed nationalities of Austria-Hungary - were voiced in the periodical *The New Europe*.⁶ Seton-Watson's influence far exceeded that of an ordinary publicist for the contributors of his periodical comprised of a number of junior Foreign Office clerks for whom his liberal nationalist ideals presented a gospel of a novel order that should be brought about as result of the war. A number of disciples of 'Scotus Viator', as he was known to the readers of *The Spectator*, who laboured with him in the Intelligence Bureau of the Department of Information – Headlam-Morley, brothers Rex and Allen Leeper, Lewis Namier – were appointed to the Political Intelligence Department founded by the Permanent Under-Secretary of the Foreign Office, Lord Hardinge, which was to have such an instrumental role during the deliberations of the Paris Peace Conference. One of his admirers, Harold Nicolson, although not a member

'Prague, Czechoslovakia; Prague, Yugoslavia; Prague, Czechoslovakia; Prague, Vienna; and even The Prague, Poland.'

⁵ Bruce Lockhart, p. 104.

⁶ Hugh and Christopher Seton-Watson, *The Making of a New Europe: R. W. Seton-Watson and the Last Years of Austria-Hungary* (London: Methuen, 1981); Bátonyi, ch. 8; Harry Hanak, 'The New Europe, 1916-20', *Slavonic and East European Review*, 39. 93 (Jun., 1961), 369-399.

of the PID, confessed that he was imbued with the doctrines preached on the pages of *The New Europe* and claimed that the younger echelon of British officials in Paris was primarily animated by the high ideals of the new order that was about to come into being through the consolidation of the new states.⁷ It has been alleged that Seton-Watson's friends on the territorial commissions of the conference, ignoring the grave reservations of the Prime Minister, David Lloyd George, almost single-handedly pushed through the harsh peace settlement with Hungary - the Treaty of Trianon of 4 June 1920.⁸ This allegation seems to be somewhat exaggerated as it does not make sufficient allowance for the basic fact that the final settlement was to the greatest extent predetermined by the actual situation on the ground.

The other forces tugging in the opposite direction are much more difficult to define for they were composed of individuals, important civil and military officials engaged in Central Europe, who were inimical to the new order but who did not act in a concerted manner and who were thus incapable of matching the New Europe group. Their common denominator could perhaps best be summed up as an inveterate predilection for the old social and political order which appealed to them on the grounds of their own upbringing and political beliefs, and, as leading Czechs were quick to point out, their Roman Catholic faith. Sir Thomas Montgomery-Cunninghame, Military Attaché at Vienna and Prague, was a typical example of a Briton who disliked the new and fledgling order in Central Europe. For him a country like Czechoslovakia was a creation 'contrary to the lessons of history, geography, economics, morality and common sense.'⁹ There was a great deal of irony in the fact that it fell to Cunninghame to accompany the Czechoslovak President, Tomáš Masaryk, on his triumphant return to

⁷ Harold Nicolson, *Peacemaking, 1919* (London: Constable, 1937, second edition), pp. 32-33.

⁸ Thomas Sakmyster, 'Great Britain and the Making of the Treaty of Trianon' in *A Case Study of Trianon*, ed. by Király, Pastor and Sanders, pp. 107-129.

⁹ Thomas Cunninghame, *Dusty Measure* (London: John Murray, 1939), p. 303.

Prague after the war. His recollection of that journey shows how every fibre of his being was aggrieved by the turn of events he was forced to promote:

On looking back now I recognise that the Czechs made a poor choice in me. My underlying sympathies were not with their crusade. With the zealous young crowd of iconoclasts with whom I travelled I was spiritually at loggerheads. I respected their enthusiasm, but was antagonistic to its object. I was not a triumphant victor in this part of the world: I was a mourner for lovely things broken, for prosperity destroyed, thrown out with other Adams from a garden of comfort and ease to watch raw hands digging the foundations of a new and doubtful Paradise.¹⁰

As will be seen later, Cunninghame's feelings towards and estimates of the Czech-dominated Republic were fully shared by other British representatives sent to Prague during 1919.

Another prominent Briton, Admiral Ernest Troubridge, arrived in the Danubian region in November 1918 with 'very comprehensive powers, including all command of the allied forces on the Danube & the organisation of the traffic'.¹¹ The Admiral's Chief of Staff, Alfred Stead, characterised his arrival as a 'most to be desired development of British prestige in S. E. & Central Europe.' This glowing tribute was certainly not shared in Bucharest. Admiral Troubridge used to clash with the Romanian military authorities in occupation of the eastern part of Hungary whose stay in that country he considered inimical to British interests.¹²

There were also economic considerations prompted by the complete disorganisation of commercial intercourse due to the breakdown of the transport system and the protectionist high-tariff wall policies of the successor states which appeared to have militated against the viability of the new arrangements. The peace settlement had not yet taken its final shape when Headlam-Morley recognised a need to redress certain

¹⁰ Ibid.

¹¹ Churchill Archives Centre, AMEL 2/1/1, Stead to Amery, private, 6 November 1918.

¹² *Documents on British Foreign Policy, 1919-1939*, ed. by Ernest Woodward and Rohan Butler (London: Her Majesty's Stationary Office, 1947-), first series [hereafter DBFP, references in the first two chapters are to ser. I], vol. VI, No. 123, Troubridge to Balfour, 19 August 1919; No. 124, Rattigan to Curzon, 19 August 1919; No. 148, Rattigan to Curzon, 30 August 1919; No. 157, Troubridge to Balfour, 2 September 1919; The Bucharest Legation demurred from the Admiral's opinion as to the detrimental effect of the Romanian occupation of the eastern parts of Hungary which was deemed indispensable for keeping order and preventing recrudescence of Bolshevism there. See No. 170, Rattigan to Curzon, 10 September 1919.

provisions: ‘what it seems to me that we want is a recognition that there must be a revision as to specific points in the economic and reparation clauses, but [we] should insist on it that this does not imply a general scrapping of the whole thing’ which meant ‘an alteration of the political and territorial settlement.’¹³ He anticipated ‘great difficulties with Hungary.’ A month later Headlam-Morley was even more sceptical: ‘I will confess that I feel very doubtful about the [Trianon] Treaty; I do not believe it will be possible eventually to maintain it without far-reaching modifications.’¹⁴

To fully appreciate the working of all these powerful and divergent forces it is necessary to examine how they combined, clashed and ultimately shaped British policy in the Central European countries. In May 1919 Sir Francis Oppenheimer paid a visit to Vienna in his capacity as British Financial Commissioner and studied the situation on the spot. He embodied his observations in two memoranda which were remarkable for their foresight and masterly grasp of both the political and economic issues at stake. The basic assumption of Oppenheimer’s study was that the preservation of Austria, which was at the time barely surviving and in dire need of food, coal and other necessities, was well worth the Allies’ efforts in view of the overwhelming objective of keeping her away from Germany.¹⁵ The objective was presented as justified and highly desirable from both the internal and external political aspect. As far as the former was concerned, it was asserted that the majority of Austrian people did not want a union with Germany if any other feasible solution was available. In regard to the future peace of Europe the importance of preventing the Anschluss was outlined with a striking astuteness in view

¹³ Churchill Archives Centre, The Papers of Sir James Headlam-Morley (hereafter HDLM), Correspondence Bundles, box 37, Headlam-Morley to Malcolm, private, February 1920.

¹⁴ Churchill Archives Centre, HDLM, Correspondence Bundles, box 37, Headlam-Morley to Young, private, 20 March 1920.

¹⁵ DBFP, VI, Memorandum by Sir Francis Oppenheimer relative to the situation in Austria, 3 June 1919, and Memorandum prepared at the request of the Chancellor of the Exchequer relative to the situation in Austria, 20 June 1919, both enclosed in No. 25, Curzon to Balfour, 9 July 1919; the third enclosure in the above-mentioned document is Foreign Office to Treasury, 9 July 1919 in which Lord Curzon entirely endorsed Oppenheimer’s proposals from the purely political point of view and re-emphasised the fact that the fusion of Austria with Germany ‘would have a direct and unfortunate effect upon the position of the new States of Czecho-Slovakia and Jugo-Slavia, whom His Majesty’s Government are morally bound to support.’

of its potential repercussions: it would dispose of the danger of Austria becoming the jumping-off ground for the renewed German *Drang nach Osten*; it would prevent the formation of a German bloc bordering on Italy which Rome might deem beneficial with a view to her ambitions in the Mediterranean which were likely to bring her into conflict with France and also her expansionist aims in the Danube region which would pit her against the newly created Slav countries, Yugoslavia and Czechoslovakia, the Italian idea being that a liaison with Germany would help to keep her possible enemies separated; finally, Oppenheimer contended, an Austro-German union would endanger the existence of Czechoslovakia with her sizeable German population which would immediately strive to break away from Prague.

Moreover, left to herself and faced with famine Austria and the whole of Central Europe could easily fall prey to Bolshevism which would then force the rest of the European countries, and probably the United States, to embark on some combined action in order to save Europe from utter destruction. Oppenheimer insisted that rather than saddling Austria with punitive peace terms and reparations it was necessary to frame the peace treaty in such manner so as to provide the best possible conditions for the speedy recovery of her industries. In the long run, however, the crucial prerequisite for the Austrian recovery was for Vienna to resume its role as the 'clearing-house' for the former component parts of the Habsburg monarchy. This could not be achieved without close economic intercourse between the successor states, which the Allies should press for, and which did not necessarily have to take the form of a Customs Union. To begin with, the Allies needed to exercise control over the administration of Austria on the pattern that Britain was exercising in Egypt and which the Austrians themselves were prepared to accept.

Oppenheimer's views chimed with those of Headlam-Morley. While arguing that the new Austria had to be treated as a successor country – just like Czechoslovakia

– and not as a juridicially identical state with the old Austria, Headlam-Morley predicted that ‘it is quite probable, and I think desirable, that some economic union should in the future be established between the Danube states’ and that such a union would be much easier of accomplishment if it were clearly understood that the new Austria was not the heir of the old one.¹⁶ He was quite dissatisfied with the drafting of the Austrian treaty, the whole structure of which he found ‘merely ludicrous and stupid.’¹⁷

Following on Oppenheimer’s memoranda and the discouraging attitude of the Treasury which wanted to refer the matter to the Peace Delegation at Paris, Charles Howard Smith, a member of the War Department of the Foreign Office, made a renewed attempt to present the case before the War Cabinet. Having pointed out the proposals put forward by the Austrian financial leaders in the meantime and the great opportunities which these afforded British enterprise, Howard Smith underscored that the potentialities of Austria, at present small in itself, would actually open up the markets of the whole Danubian region:

If we obtain a strong position in Vienna we immediately strengthen our position in Bohemia, in Hungary and even in Jugo-Slavia. All these countries wish to trade with us, and we shall be able also to facilitate regular interchanges between the various States thus helping to solve one of the great problems of Central Europe while profiting ourselves at the same time.¹⁸

In fact, by securing a firm footing at Vienna, the British could, Howard Smith believed, ‘create a paramount position, commercially and politically, in Central Europe’, especially given the fact that ‘We are already allied with the Czechs and it is to our interests to support the Jugo-slavs against the Italians.’¹⁹ It was necessary to work for

¹⁶ *A Memoir of the Paris Peace Conference*, ed. by Agnes Headlam-Morley, Russell Bryant and Anna Cienciala (London: Methuen & Co LTD, 1972), Note on the draft Austrian treaty, 26 May 1919, pp. 127-129.

¹⁷ *Ibid.* Extract from letter to Mr. [Percy] Koppel (F.O.), 30 June 1919, pp. 177-180.

¹⁸ DBFP, VI, No. 112, Memorandum by Howard Smith ‘The advantages, commercial and political, of giving financial assistance to German-Austria’, 15 August 1919.

¹⁹ *Ibid.*

the cooperation of the successor states and thereby promote their own true interests and British trade, a task that should not prove to be insuperable.

The urgency of the necessity to take action in order to ameliorate the economic position of Central Europe was most evident to British diplomats in Vienna where conditions had markedly deteriorated in stark contrast to the glorious pre-war days. Francis Lindley, High Commissioner and later Minister in that city, had no doubts as to the remedy for the deplorable conditions: ‘Looking it as a whole, I am convinced that the only way in which the various States, formerly forming part of the Empire, can be helped to extricate themselves from their ap[p]alling muddle is to take them all in hand and make them do what they are told.’²⁰ Lindley had no qualms about intimating that it would be justified and even necessary to interfere in the internal affairs of the successor states ‘and to make all these people understand that they have got to live together as neighbours whether they like it or not.’ While relaying how he was approached by a representative of the Austrian monarchists who had enquired as to the British attitude towards the change of government, and more particularly towards the Habsburg family, Cyril Butler of the Inter-Allied Food Commission at Vienna expressed his personal conviction that some reunion between the successor states was inevitable in the next few years, probably starting with a reattaching of Austria and Hungary.²¹ Meanwhile the Austrian crisis did not abate. The new Foreign Secretary, Lord Curzon, repeatedly urged Treasury officials to immediately open a joint credit together with the other Allies in favour of the Austrian government.²² ‘Is anything to be done for Austria or Hungary except a continuance perhaps of the hand to mouth policy represented by relief in doles?’ – an exasperated Butler asked Lord Hardinge; but the reply, though

²⁰ DBFP, VI, No. 265, Lindley to Curzon, private, 7 November 1919; also No. 296, Lindley to Curzon, 22 November 1919; No. 356, Lindley to Curzon, 5 December 1919; No. 372, Lindley to Curzon, 13 December 1919.

²¹ DBFP, VI, two letters from Mr. Butler to Sir W. Goode of 4 September 1919 and a copy of questionnaire submitted by Butler’s Austrian interlocutor, enclosed in No. 171, Crowe to Curzon, 12 September 1919.

²² DBFP, VI, No. 278, Foreign Office to the Treasury, 12 November 1919.

sympathetic, was not reassuring in view of the considerable financial difficulties involved.²³

The convening of the Porto Rosa conference in 1921 for the purpose of facilitating the transport situation and economic inter-state intercourse in Central Europe seemed to have promised great possibilities. The Foreign Office was eager to push forward the scheme so as to attain ‘some reasonable and effective arrangement for trade between the “Successor” States.’²⁴ However, the attitude of the latter did not augur well for the conference. Sir Alban Young, Minister at Belgrade, was told in the Yugoslav Ministry for Foreign Affairs that there was no use in attending conferences, the object of which ‘was to procure sacrifices which the S. H. S. [SCS] Government would decline to make’.²⁵ It was also noted that Beneš ‘threw cold water on the Porto Rosa conference’ and claimed that Austria could not expect much in the way of assistance from the successor states.²⁶ The Italians and Yugoslavs were expected to be most obstructive at the conference.²⁷ Indeed, the conference paid lip service to the benefits of economic cooperation, but foundering on the mutual jealousies and fears of its participants, it remained bereft of any substantial results.

Hungary presented another sort of difficulty for the country remained in political turmoil for a long time after the armistice. The leftist government of Count Mihály Károlyi held a promise of social and political democratisation by means of which it also hoped to maintain the integrity of the historical lands of the crown of St. Stephen, but it

²³ DBFP, VI, No. 210, Butler (Vienna) to Hardinge, private, 13 October 1919; also No. 212, Butler (Budapest) to Hardinge, private, 15 October 1919; No. 229, Hardinge to Butler (Vienna), private, 25 October 1919; No. 238, Hardinge to Butler (Vienna), private, 30 October 1919.

²⁴ Kew, The National Archives [hereafter TNA], Foreign Office Records, General Correspondence, Minutes by Cadogan and Crowe [quoted], 2 February 1921, and Curzon, 5 February 1921, C 2304/75/3; the same recommendation was made in the Cabinet Report of the Committee on Austria [C. P. 2510], 28 January 1921, C 2318/75/3; both in FO 371/5739; Crowe to Hohler, private, 8 April 1921, C 7197/79/62, FO 371/5832; DBFP, XXII, No. 10, Curzon to Clerk, 18 January 1921.

²⁵ TNA, Young to Curzon, 12 February 1921, C 3333/75/3, FO 371/5739.

²⁶ TNA, Minutes by Tufton, 4 February 1921, C 2448/79/62, FO 371/5832.

²⁷ TNA, Minutes by Tufton, 5 February 1921, C 2530/79/62; Historical Note on Economic Conference in Central Europe, enclosed in Lindley to Curzon, 3 March 1921, C 4735/79/62; Young to Curzon, 30 March 1921, C 6597/79/62; all in FO 371/5832.

could not withstand the loss of substantial slices of territory occupied by the victorious Czech, Romanian and Serb armies. On 21 March 1919 it gave way to the communist dictatorship of Béla Kun which survived in power for 133 days during which time it posed not just the menace of spreading Bolshevism, particularly to Austria and Bohemia, but also put to the test the authority of the Allies whose inactivity would amount to a public profession of impotence.²⁸ The Magyars readily enlisted Bolshevik armed forces due to the aroused national feeling and desperation caused by the mutilation of their country. For a while Slovakia was occupied by the Hungarian Red Army.

According to Lloyd George, the Allied statesmen in Paris had a grand strategy to deal with the situation: 'Policy of Allies was first to insist on retirement of Bela Kun from Czecho-Slovak territory, to be followed immediately by retirement of Roumania from Hungarian territory, after which peace negotiations with Hungary would commence.'²⁹ Lloyd George was blaming the Romanians for the breach of the armistice and the refusal to comply with the demands of the Allies. Nevertheless, the Romanian army advanced into Budapest following the collapse of the Bolshevik rule. After a brief tenure of office by the Social Democrats the extreme right-wing government under István Friedrich took the reins of the country and installed the Archduke Joseph Habsburg as head of state. The accession of a Habsburg met with a distinct ill-feeling on the part of the Belgrade and Prague governments which were not in the slightest relieved when the Bolshevik downfall brought with it what was, to their mind, such a heavy price.³⁰ The chaotic situation in Hungary, large tracts of which were under occupation while the rest of the country was stewing in social and political disorder,

²⁸ DBFP, VI, No. 30, Balfour to Curzon, 9 July 1919; a number of reports reached the Foreign Office to the effect that the large majority of the Hungarians were anti-communistic and that the Bolsheviks' hold on the country was very precarious. See No. 32, Curzon to Balfour, 10 July 1919.

²⁹ DBFP, VI, No. 39, Lloyd George to Kerr, 13 July 1919.

³⁰ DBFP, VI, No. 101, Cunninghame to Balfour, 10 August 1919, and f. 1 containing C. des Graz to FO, 10 August 1919; No. 103, Gosling to Curzon, 10 August 1919; No. 111, C. des Graz to Curzon, 15 August 1919; The Social-Democrats of Austria were equally displeased.

made it imperative to evolve a fairly representative government that would possess sufficient authority to restore a regular administration and make peace with the Allies. With this object in view, and not losing sight of the prior necessity to remove Romanian troops from the country, the Supreme Allied Council dispatched Sir George Clerk, a senior Foreign Office official, on successive missions to Bucharest and Budapest.³¹

The reports of relentless requisitioning and plundering of the occupied parts of Hungary by the Romanians produced a profoundly unfavourable impression at the Peace Conference.³² Frank Rattigan, British Chargé d' Affaires at Bucharest, pointed out that the Allied Generals in Budapest showed a distinct lack of friendliness and tact towards Romanians, a situation which was further aggravated by hostile reports they were receiving from their Hungarian agents.³³ On his arrival in Budapest Clerk estimated that a Romanian withdrawal from Hungary was indispensable for the final stabilisation of that country despite the risk that such action would entail for the parties of the left which were apprehensive of the reactionary white terror.³⁴ During his mission Clerk experienced difficulties with the Allied military representatives who were quick to accuse him of being pro-Romanian.³⁵ For his part the envoy saw them 'all very comfortably lodged in various palaces of Hungarian magnates, they are smiled over by all Hungarians, and they have about as much sense of political realities as a stuffed dog.'³⁶ The most troublesome on account of his open pro-Hungarian stance was Admiral Troubridge. Clerk even believed that the Supreme Council would have to bring pressure to bear on the Admiral.³⁷ Although acting on behalf of the Allies, Clerk was mindful of British interests. He urged Sir Eyre Crowe, the Assistant Under-Secretary of

³¹ Bányai, pp. 101-114; Lojkó, *Meddling in Middle Europe*, pp. 13-22; Protheroe, *Searching for Security in a New Europe*, pp. 13-23.

³² DBFP, VI, No. 196, Crowe to General Gorton [of the Allied Military Mission at Budapest], 26 September 1919; No. 197, Curzon to Rattigan, 27 September 1919.

³³ DBFP, VI, No. 203, Rattigan to Curzon, 8 October 1919.

³⁴ DBFP, VI, No. 232, Clerk (Budapest) to Crowe (Paris), 25 October 1919.

³⁵ Harry Bandholtz, *An Undiplomatic Diary* (New York: Columbia University Press, 1933), pp. 125-132, 135-136.

³⁶ DBFP, VI, No. 284, Clerk (Budapest) to Crowe (Paris), private, 16 November 1919.

³⁷ For more about Troubridge's activities see also Bányai, pp. 104-106.

State for Foreign Affairs, to resist to utmost the idea of a combined Czecho-Serb occupation of Hungary as it 'would really be [a] French occupation' given their closely knit connexions with the French military.³⁸

With Romanian evacuation taking place the second part of Sir George's mission proved to be more of a challenge. In retrospect he would say that the goal 'was to get rid of the Friedrich Govt., which the Supreme Council did not like, and to substitute for it a Government with which the Supreme Council would condescend to deal, though I must not in any way interfere with the internal affairs of Hungary!'³⁹ Non-interference was a pure chimera. Clerk's role was instrumental in bringing together the former Commander-in-Chief of the Austro-Hungarian fleet, Admiral Miklós Horthy, who was now in command of the only organised Hungarian armed force in the southern fringes of the country forged for the express purpose of fighting the Bolsheviks, and the liberal Social Democratic and Jewish elements in Budapest who were terrified at the prospect of being massacred in retribution for the atrocities of Béla Kun's 'Red Terror'. Clerk did try his best to ensure the safety of the latter and specifically asked for and obtained a written assurance from Horthy that he would impose discipline and self-restraint on his troops.⁴⁰ Finally, a provisional government under Károly Huszár was formed and accorded formal recognition by the Supreme Council subject to the condition that it would hold free elections based on universal suffrage.⁴¹ This arrangement did not prove successful. Horthy's special detachments executed a lot of real and alleged political opponents; and after the elections, which fell far short of democratic standards, the Admiral was elected Regent of Hungary on 1 March 1920. With that a durable regime – a peculiar amalgamation of the traditional conservatives and extremely militant and

³⁸ DBFP, VI, No. 261, Clerk to Crowe, 6 November 1919.

³⁹ SSEES, SEW/17/4/2, Clerk to Seton-Watson, private, 6 December 1924; also DBFP, VI, No. 231, Clerk (Budapest) to Crowe (Paris), 25 October 1919.

⁴⁰ DBFP, VI, No. 259, Clerk (Budapest) to Clemenceau (Paris), 6 November 1919, with enclosed correspondence between Clerk and Horthy of 4-5 November 1919.

⁴¹ DBFP, VI, No. 307, Clerk (Budapest) to Crowe (Paris), 25 November 1919.

radically anti-Semitic right-wingers - was established.⁴² Clerk later claimed that he was doubtful of how the arrangement that he had sponsored would be carried out and thus offered to return to Budapest at the time of the elections, a proposal which was rejected by the Supreme Council. However, his recollections did not tally with his professions at the time of the mission when he appears to have fallen, like so many others of his countrymen, under the spell of the Admiral's personal charisma: 'In fact my confidence in Horthy has not only been justified but increased. I have now little fear of political persecutions.'⁴³

Hungary settled down internally but remained a cockpit of Central European political intrigue. The attitude of the Entente Powers was not helpful in this respect. Horthy himself apprised Admiral Troubridge of the proposals made to him by the Italians which aimed at an exclusive predominance of Rome in Hungary with a view to disrupting Yugoslavia and completely ousting British political influence.⁴⁴ In spring 1920 an exchange of views took place between the Secretary-General of the Quai d'Orsay, Maurice Paléologue, and several prominent Hungarians with a view to rapprochement between their two countries.⁴⁵ The general idea was to grant considerable concessions to the French company Schneider-Creusot which would make Hungary a French stronghold in Central Europe in return for which Paris would ensure, so the Hungarians hoped, substantial improvements in the territorial settlement of the peace treaty, the terms of which had become known early in January 1920.⁴⁶

⁴² Thomas Sakmyster, 'From Habsburg Admiral to Hungarian Regent: the Political Metamorphosis of Miklós Horthy 1918-1921', *East European Quarterly*, 17, 2 (1983), 129-148.

⁴³ DBFP, VI, No. 290, Clerk (Budapest) to Crowe (Paris), private, 19 November 1919.

⁴⁴ DBFP, VI, No. 309, Admiral Troubridge to Admiralty, 4 November 1919, enclosed in Curzon to Crowe (Paris), 26 November 1919.

⁴⁵ Magda Ádám, *The Little Entente and Europe, 1920-1929* (Budapest: Akadémiai Kiadó, 1993), pp. 52-109; Anne Orde, 'France and Hungary in 1920: Revisionism and Railways' in *A Case Study of Trianon*, ed. by Király, Pastor and Sanders, pp. 183-200.

⁴⁶ *Papers and Documents relating to the Foreign Relations of Hungary*, 2 vols., ed. by Francis Deák and Dezső Ujváry (Budapest: Royal Hungarian University Press 1939), I, No. 242, Instructions for the Special Representatives of the Hungarian Government for negotiations with Ambassador Paléologue, 23 April 1920; the map presenting maximal Hungarian territorial demands is attached.

Rumours of Paléologue's schemes had reached Seton-Watson and, as he wrote to Allen Leeper, had rendered him 'speechless'. He was also relieved 'that our own policy is sane and free from the Magyar infection.'⁴⁷ The British delegation in Paris was not perturbed by the news: 'The French-Hungarian intrigue does not worry me much: it can do us no harm – but it can do the French great harm', Leeper wrote. 'Unfortunately it is typical of a certain side of French policy. I think the Reparation Committee will have something to say on all this shortly.'⁴⁸ Replying to the reports of Franco-Hungarian dealings and commenting on suggestions for taking action Curzon instructed both Athelstan-Johnson, the Chargé d'Affaires at Budapest, and Lord Derby, the Ambassador in Paris, to refrain from making any sort of representations in their respective capitals.⁴⁹ It was not before September that Lord Derby officially enquired of the French government about their negotiations with the Magyars and received a suitable assurance.⁵⁰ British reserve proved to be fully justified as nothing came of the Franco-Hungarian negotiations, but, as will be seen later, the very fact of their taking place would have an important and lasting impact on Central European politics.

In Prague, the British Chargé d'Affaires, Cecil Gosling, painted a distinctly gloomy picture of the situation in the fledgling country. He reported that the Republic was riddled with racial animosities, the blame for which was laid on the Czechs who had 'succeeded in hostileizing not only their former enemies the German Bohemians, but also the Moravians and the Slovaks.'⁵¹ Gosling maintained that the latter two

⁴⁷ SSEES, SEW/8/2/1, Seton-Watson to Leeper, private, 6 July 1920.

⁴⁸ SSEES, SEW/8/2/1, Leeper to Seton-Watson, private, 22 July 1920.

⁴⁹ DBFP, XII, No. 184, Athelstan-Johnson to Curzon, 4 July 1920; No. 185, Curzon to Athelstan-Johnson, 7 July 1920; No. 186, Curzon to Derby (Paris), 8 July 1920.

⁵⁰ DBFP, XII, No. 244, Derby to Curzon, 8 October 1920 with enclosed letter from Derby to Leygues [French Prime Minister and Minister for Foreign Affairs], 25 September 1920, and reply Leygues to Derby, 29 September 1920 [in French].

⁵¹ DBFP, VI, No. 1, Gosling to Curzon, 23 June 1919; footnote 3 contains the prior correspondence between Gosling and Balfour which gives account of the former's intervention, approved by the latter, on the behalf of the German Bohemians suffering from a harsh treatment at the hands of the Czech troops. Gosling estimated that the situation was 'steadily growing worse and disorder, revolt and even Bolshevism is [*sic*] to be feared.' His recommendation to the President Masaryk to replace the existing Czech military units in the German regions with the better disciplined ones was supported by his superiors but the idea of despatching British or other Allied troops dismissed out of hand.

communities, especially the Slovaks, desired autonomy as a result of the high-handed methods of Czech officialdom whereas the Jews were looked upon with extreme hostility in Bohemia and considered to be imbued with Bolshevism in Slovakia. In addition, the old Czech nobility was highly dissatisfied on account of sequestration of its property and its complete exclusion from public service. Gosling also deplored the anticlerical policy of the government and claimed that the indignities committed against the Roman Catholic Church 'created a painful impression among the people of moderate views.'⁵² The Chargé d'Affaires was favourably impressed with the personality of Masaryk and 'his high principles and qualities of heart and mind', but thought him to be lacking in firmness and decisiveness in coping with the problems confronting him. The Cabinet Ministers were, on the contrary, 'ignorant and narrow-minded', and they had 'lost the confidence of the public' due to their party bickering which affected 'the whole fabric of the administration and is a permanent source of weakness.'⁵³ In conclusion, Gosling doubted whether the Republic, faced with considerable internal difficulties, surrounded on all sides by enemies and exposed to the invasion of the Hungarian Red Army, could stand alone. He regarded French military support through the agency of General Pellé's mission as very useful but probably not a sufficient prop for the preservation of Czechoslovak independence. Gosling deemed British financial assistance and expert advice in transport and other matters as essential for the achievement of that goal.

The Hungarian Red Army withdrew from Slovakia, but, despite a fortunate ending of the hostilities for the Czechs, Gosling was left with a very unfavourable impression of their troops which had 'proved bad and unreliable', and had only managed to remain undefeated due to the skill and energy of the commanding French

⁵² DBFP, VI, No. 1, Gosling to Curzon, 23 June 1919.

⁵³ Ibid. Gosling had an interview with Beneš on the latter's return from Paris and was much impressed with his 'energy, statesmanlike outlook and mental calibre' as well as with 'high courage and by the broadness of his views.' See DBFP, VI, No. 228, Gosling to Curzon, 24 October 1919.

officers and their staff. The Czechs demonstrated a marked unwillingness to fight for Slovakia whereas the Slovak peasants proved equally indifferent to the Czechs and the Slovak town-dwellers were in fact ‘for the greater part, frankly pro-Magyar’.⁵⁴ Gosling’s intention of visiting the ‘Sudetenland’ – the German name for the parts of Bohemia populated by Germans - with the object of collecting material for a report on the situation of the local population was not approved by Lord Curzon, in consultation with Arthur Balfour, for it was thought that the Prague government would look on such a visit with suspicion.⁵⁵ In November, having heard from Beneš that the government was alive to the deficiencies of the administration and that it intended to tackle them on broad and liberal lines, Gosling recommended that Britain should facilitate such a policy by providing financial assistance in the matter of a loan which Beneš was about to try and float in London.⁵⁶ However, dissatisfied with the lack of changes, Gosling reiterated his critical attitude towards Czechoslovakia in his last report before departing from Prague at the end of 1919.⁵⁷ He assured Lindley, with considerable exaggeration, during the latter’s visit to Czechoslovakia, that the most backward of South American states in which he had passed some of his career ‘was run on more enlightened and less corrupt lines than is Czecho-Slovakia.’⁵⁸ Lindley himself was appalled by the inefficiency of the transport system and did his best to impress that point on the Czechoslovak President; but he was disappointed to find ‘that Masaryk’s [*sic*] hatred of Vienna has in no way abated owing to the change of circumstances’.⁵⁹

In February 1919 Seton-Watson was sent to Prague under the cover of Lady Muriel Paget’s humanitarian mission ‘with the sanction and approval of the Foreign

⁵⁴ DBFP, VI, No. 36, Gosling to Curzon, 11 July 1919; also No. 134, Gosling to Curzon, 23 August 1919; No. 283, Gosling to Curzon, 16 November 1919; No. 332, Gosling to Curzon, 1 December 1919; No. 400, Gosling to Curzon, 29 December 1919 with enclosures: Gosling to Masaryk, private, 2 December 1919, and Masaryk to Gosling, private, 27 December 1919.

⁵⁵ DBFP, VI, No. 161, Curzon to Balfour, 6 September 1919, and No. 173, Curzon to Gosling, 13 September 1919.

⁵⁶ DBFP, VI, No. 257, Gosling to Curzon, 6 November 1919.

⁵⁷ DBFP, VI, No. 402, Gosling to Curzon, 31 December 1919.

⁵⁸ DBFP, VI, No. 406, Lindley to Curzon, private, 1 January 1920.

⁵⁹ *Ibid.*

Office’ – and also in response to the express wish of the Czechs – where he was to ‘watch the political situation’, supply London with reliable information and exercise influence on the local authorities.⁶⁰ His arrival was bound to lend some perspective to the highly critical reports coming from Gosling. Seton-Watson referred to his friend Masaryk’s presidential work in Czechoslovakia as ‘building one of the most essential parts of the New Europe’.⁶¹ His correspondence from Prague reveals the real nature of his activities. In the absence of a proper British Minister, Seton-Watson was filling the void. Yet he himself did not consider such a provisional arrangement to be adequate for the purpose and he strongly implored the Foreign Office to appoint an official representative:

Meanwhile a certain period is likely to elapse when there will be no one here who has any pronounced Czech sympathies or can be definitely regarded as either actively friendly or well-informed. This is regrettable. I would urge you to make an effort to have some Slavophil (a man with Russian experience & of course *progressive* not tsarist would be best, as Czechophils are not in the diplomatic market) sent here as quickly as possible, showing our sympathy & also “keeping our end up” here.⁶²

Seton-Watson had no doubt about the importance of the newly-founded country: ‘Prague is going to be the hub of Central non-German Europe & we must help on this process, not merely watch it platonically.’⁶³ He warned about the detrimental effect of British officials who did not seem to understand their true role in the process: ‘In this connection Sir T. Cunningham’s activity in Vienna is highly mischievous & causing considerable uneasiness here.’⁶⁴ It is interesting to note that even Gosling had had to reassure Masaryk in respect of Cunningham’s activities and point out the services rendered to Czechoslovakia by the Colonel in opposing the Hungarian Bolshevik

⁶⁰ SSEES, SEW/17/9/3, Foreign Office to British Delegation at Paris [Peace Conference]; minutes by Headlam-Morley, Crowe and Lord Harding, 24 February 1919; Headlam-Morley to Seton-Watson, 7 April 1919.

⁶¹ SSEES, SEW/17/16/6, Seton-Watson to Masaryk, private, 7 July 1919.

⁶² SSEES, SEW/17/9/3, Seton-Watson to Headlam-Morley, private, 29 May 1919. Emphasis in original.

⁶³ Ibid. Emphasis in original.

⁶⁴ Ibid.

movement.⁶⁵ As Headlam-Morley soon confirmed, Seton-Watson's informal letters were found to be very illuminating and useful among the Foreign Office officials.⁶⁶

Scotus Viator's mission turned out to be as significant as it was inconspicuous. He discussed in detail the pressing matter of minority rights with President Masaryk and transmitted the latter's views to the British delegation at Paris.⁶⁷ The British had no intention of framing the national minorities clauses in such a way as to infringe on the full exercise of the successor states' sovereign powers. Headlam-Morley described the minority rights convention as 'rather generally worded clauses which will give Minorities the essential rights as to the use of their language in private intercourse, reasonable facilities in Courts of Justice and, where they form a considerable proportion of the population, the right to have their language used as the medium of instruction in schools.'⁶⁸ In a frank exchange of views between the two trusted friends Masaryk gave an account of the sort of anxieties that troubled the Czechs as regards the vacillations of British policy in the region:

The British policy here (Central Europe) is not yet quite clear... A small instance or proof of that unclearness is the fact, that your Government has sent here so many Catholics, that even the unpolitical public speaks about it & wonders, what it means. Mr Gosling (he left) was in connexion with our high clergy (and with the nobility); he intervened very often in various even private matters in the benefit of the clergy & their protegés. He took the part of the clerical party too decidedly; I liked him and we spoke of these matters openly, but I saw, he even did not suspect, that he worked for Rome. A Mr. Coulson, a military attaché, joined (here in Prague) the Roman Church (they say influenced by Mr. Gosling) & you can imagine, how our Clericals and the Nobility rejoiced in that... In Budapest Admiral Troobridge [*sic*] (if I am not mistaken, a convert also) goes every [Sunday?] to Mass & is indeed the influence of the Magyar "Christians"... and so in Vienna & everywhere your officials are apt to come under the influence of the nobility. It is natural, that they do not like our simplicity & rusticality; but accepting the hospitality of the nobility they accept by & by their views.⁶⁹

⁶⁵ DBFP, VI, No. 58, Gosling to Curzon, 23 July 1919.

⁶⁶ SSEES, SEW/17/9/3, Headlam-Morley to Seton-Watson, private, 27 May 1919.

⁶⁷ SSEES, SEW/17/9/3, Seton-Watson to Headlam-Morley, private, 11 May 1919; also Seton-Watson to Headlam-Morley, private, 14 May 1919.

⁶⁸ SSEES, SEW/17/9/3, Headlam-Morley to Seton-Watson, private, 27 May 1919.

⁶⁹ SSEES, SEW/17/16/6, Masaryk to Seton-Watson, private, 1 February 1920; Masaryk's complaints in regard to British policy spring to mind his scrutiny of what he termed as the widespread tourist and aristocratic hunting idea which to a large extent accounted for 'political dilettantism and amateurishness' found both among British public and professional politicians. The former idea reminded many Britons to a pleasant time they used to have in Vienna or Budapest and contrasted so favourably an affable Viennese with a not so socially attractive Berliner while the latter idea was an obvious explanation for the backing which British aristocracy extended to their Hungarian friends and relatives. See Masaryk's war-time

In reply to Masaryk's critical overview of British policy in Central Europe Seton-Watson put forward his own – and quite realistic - view of the position:

I of course entirely agree with all you say about our agents in Budapest, Bulgaria etc. There is however a tendency – very natural, I fully admit – on the part of some of your people, as also of the Yugoslavs and Roumanians, to draw altogether exaggerated deductions from these unfortunate facts. In reality it is, I am sure, quite a mistake to assume that Trowbridge [*sic*]-Gosling and others (now Lord Newton) represent in any way British policy. On the contrary, they are individuals who have been caught up in certain currents and are busily engaged in urging a policy of their own upon our government, but not with success... I can find no evidence of a serious nature to suggest that the Magyar intrigues have got any hold here in London. The real criticism against our people is a somewhat lordly indifference towards New States, alternating with reserve and a waiting attitude'.⁷⁰

As for Czechoslovakia, Seton-Watson's semi-official stay in that country was just the beginning of a change of diplomatic personnel which would see people of a truly 'New Europe' frame of mind coming into the British Legation. In January 1920 Robert Bruce Lockhart, a Slavophil Scotsman who held Czech leaders in high esteem,⁷¹ arrived in Prague to take up his post as Commercial Secretary with introduction letters 'of the greatest value' from Seton-Watson.⁷² In two weeks time he was joined by George Clerk, the first British Minister to the Republic, whose arrival Bruce Lockhart eagerly expected 'as we do not seem to be over-popular with the Czechs.' Clerk's appointment was an obvious choice: as the Head of the War Department at the Foreign Office during the war he had been, through the mediation of Seton-Watson, the first among British diplomats to have known and introduced to other officials Masaryk and Beneš among the other émigré leaders of the oppressed nationalities.⁷³ The difference between the new British representatives and their predecessors, and the way in which they perceived and treated Czechoslovak circumstances, was profound. Bruce Lockhart later described Gosling as sympathetic to the "Blacks", the name we gave to the old

memorandum in SSEES, SEW/17/16/7; the same document provides a penetrating analysis of the historic relationship between the Roman Catholic Church and the Habsburg dynasty.

⁷⁰ SSEES, SEW/17/16/6, Seton-Watson to Masaryk, private, 1 March 1920. Emphasis in original.

⁷¹ Bruce Lockhart, pp. 70-87.

⁷² SSEES, SEW/17/14/6, Bruce Lockhart to Seton-Watson, private, 20 January 1920.

⁷³ Protheroe, *Searching for Security in a New Europe*, p. 1.

feudal aristocrats, who, Habsburg in sympathy and now shorn of their former glory, were to a man contemptuous of the Czechs, and it is not surprising that the Czechs were up in arms against him – not altogether without reason.’⁷⁴ The military attaché, Basil Coulson, had also moved in aristocratic circles and, Bruce Lockhart added, ‘far more than Gosling, had exceeded the bounds of diplomatic discretion in his comments on the Czechs.’ Contrary to Gosling’s portrait of the Bohemian nobility as being willing to blend into the new Czechoslovak state only to find itself carefully ostracised by the authorities, Bruce Lockhart painted a picture of a decadent class indulging in futile sneering at the new rulers of the country.⁷⁵ His chief, Sir George, tried to build a bridge between the aristocracy and democratic government officials by hosting a gala dinner to which both groups were invited, but his efforts ended in a fiasco.⁷⁶

On his arrival in Prague Clerk confided his first impressions to Seton-Watson: ‘I find a curious atmosphere of restraint, fear, and suspicion. The Czechs prepared to find me monarchist and reactionary: the others regretting their avowed and fervently Catholic friend. And everyone expecting miracles!’⁷⁷ The two men were of the same mind regarding the right line of British policy to be pursued in the region: ‘As you know, there is, and can be, no foundation for nervousness about Buda Pest as the centre of our policy. On the other hand, if Prague is to be that centre, it must qualify itself by becoming, as potentially it can become, the most advanced and stable of the new States.’⁷⁸ Clerk was keen on having Seton-Watson in Prague for a while and being able to draw on his expert experience; he was consequently disappointed that his visit did not materialise:

Quite apart from my personal regret, I do feel that it is very desirable that the few people, such as yourself, who really know this people, should see what sort of a job they are making of the difficult art of government. Not only is it just as well that

⁷⁴ Bruce Lockhart, p. 52.

⁷⁵ Ibid., pp. 58-61.

⁷⁶ Ibid., pp. 66-69.

⁷⁷ SSEES, SEW/17/4/2, Clerk to Seton-Watson, private, 2 February 1920.

⁷⁸ Ibid. Emphasis in original.

publicity should be given to their mistakes as well as to their successes, but I feel that a word from anyone like you, in whom they have complete confidence, is far more likely to make them see the error of their ways than anything else. And, as I have told you before, your appreciation of the position here would incidentally be of the greatest value to me.⁷⁹

The sanction of the ‘Big Five’ from Paris was not forthcoming and Seton-Watson did not want to join Clerk without formal authorisation.⁸⁰

Seton-Watson kept crusading nevertheless. His account of his activities in Paris where he was in close touch with the British – and even the American – delegation provides an illuminating sidelight into both his own lobbying for the cause of ‘the New Europe’ and the general atmosphere prevailing among British representatives in this question. At the conference he had a series of conversations with Balfour and his private secretary, Eric Phipps, who were in agreement with his views; he also spoke with ‘J.W.H.M. [Headlam-Morley], H. Nicolson, Leeper, [Harold] Temperley, [Charles] Webster and others, and found that they did not need to be converted.’⁸¹ He was satisfied that Crowe and Sir William Tyrell, the Head of the Political Intelligence Department, were ‘solid in these views’ as well. However, Philip Kerr, private secretary to Lloyd George, ‘who has latterly come to count more with L. G. in foreign political questions than all the rest of the Delegation put together’ proved to be ‘even more doctrinaire and nebulous in his ideas than he used to be’ particularly in respect of Bela Kun’s communist dictatorship and Hungarian affairs generally.⁸² Seton-Watson was apprehensive lest Lloyd George might impetuously force a decision concerning Hungary and thought it necessary that ‘efforts had to be concentrated on preventing this’. As it happened, there was nothing to fear as the Prime Minister eventually acquiesced in the Foreign Office policy.

⁷⁹ SSEES, SEW/17/4/2, Clerk to Seton-Watson, private, 28 July 1920.

⁸⁰ SSEES, SEW/17/9/3, Seton-Watson to Headlam-Morley, private, 21 October 1919.

⁸¹ Ibid.

⁸² Ibid. For Kerr’s acerbic critique of the Allied policy towards Hungary see Bátonyi, p. 102.

Romania had problems similar to those of Czechoslovakia. Like his colleague Gosling, Rattigan was also engaged in advocating the case of a minority – the large Hungarian population in Transylvania - and warning of the disrepute into which Romania could be brought by maladministration of her new provinces.⁸³ Romanian Prime Minister, Ion Brătianu, was greatly dissatisfied with the treatment meted out to Romania at the peace conference and in particular with the minorities clause.⁸⁴ His demeanour made him the most unpopular figure in Paris. Even Leeper, probably the most pro-Romanian Briton, was exasperated with such obstinacy: ‘There’ve been a good many difficulties too over the much misrepresented Minority Treaty: what could one expect with Brătianu and Pašić [Serb and later Yugoslav Prime Minister].’⁸⁵ King Ferdinand of Romania expressed the hope that the minorities clause would be either dropped or modified in such a way so as not to contravene the sovereign rights of Romania.⁸⁶ As it stood the clause aroused a great deal of indignation in the country and made it impossible for any government to accept it.

Rattigan confirmed that the Romanian Liberal government headed by brothers Ion and Vintilă Brătianu were determined to establish a thorough government monopoly in the field of commerce and industry excluding foreign capital. The Minister thus believed that British enterprise should wait for the disappearance from public life of the Liberals and the worst forms of ‘corruption for which this country is so notorious.’⁸⁷

⁸³ DBFP, VI, No. 11, Rattigan to Curzon, 4 July 1919; also No. 262, Clerk (Budapest) to Crowe (Paris), 6 November 1919.

⁸⁴ DBFP, VI, No. 37, Rattigan to Curzon, 12 July 1919; No. 53, Rattigan to Curzon, 18 July 1919; No. 245, Rattigan to Curzon, 2 November 1919; David Lloyd George, *Memoirs of the Peace Conference*, 2 vols (New Haven: Yale University Press, 1939), II, pp. 883-898; *A Memoir of the Paris Peace Conference*, ed. by Headlam-Morley, Bryant and Cienciala, Extract from diary, entry on 1 June 1919, pp. 133-137.

⁸⁵ SSEES, SEW/8/2/1, Leeper to Seton-Watson, private, 30 August 1919; none of the successor states’ leaders was enamoured with the minorities convention but they, except Brătianu, were wise enough not to come into conflict with the Entente Powers over the question.

⁸⁶ DBFP, VI, No. 11, Rattigan to Curzon, 4 July 1919.

⁸⁷ DBFP, VI, No. 29, Rattigan to Curzon, 9 July 1919.

Having refused to sign the peace treaty of St. Germain with Austria containing the disputed minorities clause, Brătianu resigned and King Ferdinand struggled to form a new government. Rattigan recommended that the prospect of some modification of the minorities clause should be offered to the Transylvanian leader, Iuliu Maniu, so that he could accept the premiership and form a more reliable cabinet than his predecessor's. Fearing that the country might drift into anarchy and cease to be a bulwark against communism. The Foreign Office, however, declined to authorise his suggestion.⁸⁸ Leeper believed that Brătianu's resignation had been undertaken for the purposes of domestic policy: discredited on account of his corrupt and tyrannical methods of government and the failure to obtain support for his proposals at the Peace Conference, he decided to try and recover his diminishing political standing by rallying popular nationalistic clamour behind him on the issue which he gauged as offering him a chance of scoring a victory over the Entente Powers.⁸⁹ Thus, Leeper argued, contrary to Rattigan, that a firm attitude towards Brătianu which would face the Romanians with a clear choice between the acceptance of the principle of the protection of national minorities, on the one hand, and a definite break with the Allies, on the other, was more likely to swing the country at large in the desired direction and bring about the downfall of the Liberals. It was Leeper's advice that prevailed not just in the Foreign Office but also in the Supreme Council at Paris. An ultimatum was duly delivered to Romania under the duress of which the Bucharest government gave way and attached its signature to the Austrian peace treaty.

⁸⁸ DBFP, VI, No. 163, Rattigan to Curzon, 6 September 1919; No. 177, Crowe to Rattigan, 15 September 1919; No. 178, Rattigan to Curzon, 15 September 1919; No. 364, Rattigan to Crowe (Paris), 9 December 1919.

⁸⁹ DBFP, VI, Memorandum by Mr. Leeper on the Roumanian Situation, 29 September 1919, enclosed in No. 201, Crowe to Curzon, 6 October 1919.

1.2. Habsburg Restoration

The ex-emperor of Austria-Hungary, Karl IV Habsburg, remained politically active even after he had been forced to relinquish the exercise of imperial power. His efforts centred on presenting a carefully argued case to the victorious Allies. In a lengthy conversation with Lord Acton of the British Embassy in Berne, Karl's supporter and his last Chancellor, Professor Lammasch, mapped out a scheme for the creation of 'a loose confederation of neutral republics including Upper and Lower Austria, Salzburg, the Tyrol, the Vorarlberg, the German portions of Styria and Carinthia and the German portions of Hungary.'⁹⁰ He showed a distinct sympathy for the former emperor but avoided mentioning his name in connexion with the plan he put forward. However, the Foreign Office was not impressed in the slightest with Lammasch's arguments and passed on a harsh judgement: 'Professor Lammasch's statements are at the very best half true and his schemes seem fantastic.'⁹¹ Karl was fully engaged in the campaign himself and was reported to have stressed 'that he constitutes sole possible link which could be utilised by Allies for the purpose of effecting an economic union between portions of former Austro-Hungarian Empire'.⁹² According to information received by the British, a good deal of the French Embassy's staff was well disposed to recommending his utterances to their government.⁹³

In a secret political report from Vienna concerning the progress of the royalist movement on Austrian soil it was pointed out that headway had not been made, the general tendency being to await the restoration of a king in Hungary.⁹⁴ Royalists were anxious to find out firstly what would be the attitude of the British government in the event of a Habsburg restoration, and secondly what the chances were of inducing a

⁹⁰ TNA, Memorandum enclosed in Rumbold to Curzon, 19 March 1919, C 45905/5445/43, FO 371/3529.

⁹¹ TNA, Note by Namier, 2 April 1919, referring to Rumbold to Curzon, 19 March 1919, C 45905/5445/43, FO 371/3529.

⁹² DBFP, VI, No. 13, Acton to Curzon, 5 July 1919.

⁹³ In the Foreign Office it was believed that Karl's efforts would remain fruitless. Randall's minutes on 8 July 1919 contain following remark: 'Having failed to obtain British help the Emperor now turns to the French.' See TNA, C 98726/18267/43, FO 371/3540.

⁹⁴ TNA, Secret political report from Vienna, 13 November 1919, C 686/686/3, FO 371/4384.

British prince to accept the crown.⁹⁵ Another secret report written only twelve days earlier revealed strong monarchical feeling among the officers of the Austrian Army, ardent adversaries of the present political and social conditions, who believed that the re-establishment of the Monarchy was about to happen in Hungary and would be followed by the march of the Hungarian Army into Austria in order to proclaim a monarchy there as well, a contingency they looked forward to and to which end they were willing to join their Hungarian comrades.⁹⁶ An uprising in the Yugoslav province of Croatia was also expected as a result of resistance to being ruled by Belgrade. Having received these reports the Foreign Office's official A. W. G. Randall dismissed the idea of any organised movement on the part of Austrian royalists.⁹⁷

Karl's attempt to win over British support for his projected confederation got underway in the summer of 1920 when, acting on his behalf, the Marquis de Castellane, met the newly appointed British minister in Paris, Lord Hardinge, and suggested to him a secret meeting between the ex-emperor and some distinguished British representative, the object of which would be a discussion of the proposed union of the Danubian states.⁹⁸ He handed over to Hardinge a paper written by Karl himself explaining the advantages of confederation, but this attempt to link the person of the ex-emperor with the necessity of facilitating commercial intercourse along the Danube turned out to be counterproductive:

Economic agreements & regular co-operation between the different Danubian states may be most desirable & provision is made in the final version of article 207 of the Hungarian peace treaty for giving any such movements every encouragement. But the sort of pressure on our Allies the ex-Emperor suggests seems to me not only unjustified but the surest way to defeat the movement – all the more if these states

⁹⁵ Ibid. That was certainly not the first time the latter suggestion had been made as it was quite clear from the following comment: 'It seems almost impossible to get people here to realise that the British Government cannot and will not take any definite action in this matter, and that the setting up of a British prince on the throne would lead to endless complications.'

⁹⁶ TNA, Secret political report from Vienna, 1 November 1919, C 686/686/3, FO 371/4384.

⁹⁷ TNA, Minutes by Randall, 8 December 1919, *ibid.*

⁹⁸ TNA, Hardinge to Curzon, 8 June 1920, C 202931/202931/62, FO 371/3562; this was Castellane's renewed attempt to enlist British sympathy after his suggestion had already been sternly declined by Lord Hardinge. See DBFP, VI, No. 415, Curzon to Lindley, 13 January 1920.

connected the name of the ex-Emperor with the plan which they would look on as an attempt to revive the Habsburg monarchy.⁹⁹

The fact that Castellane did not receive an outright rebuttal sufficed for him to continue his advances and nearly two months later he was at the Embassy in Paris, again with the same proposals, this time thoroughly elaborated in several memoranda.¹⁰⁰ The Marquis transmitted the papers which put forward the case for a Danubian Federation under the auspices of the ex-emperor, but the idea met with a frosty reception in the Foreign Office where it was deemed 'undeserving of serious consideration' not least as it seriously put to the test the patience of its reader.¹⁰¹

The New Europe group could have been counted on to resist returning to the old and inopportune solutions. After referring to Seton-Watson's article on Joseph Habsburg, the then Hungarian head of state, Leeper reassured him: 'but don't fear the danger from that side much. Pro-Danubians are very much at a discount.'¹⁰² Leeper zealously fought against pro-Habsburg intrigues at the Peace Conference and sent word to Seton-Watson: 'I'm also having pretty good tussles over Hungarian & other things & if I can, as I'm now somewhat rashly trying, down & damn Habsburgism for good & ever, I can die happy!'¹⁰³

Leeper's words were soon acted upon. It was with a view to the danger of an attempt to reinstate the Archduke Joseph that Lord Derby proposed a resolution, which would be accepted on 2 February 1920, unequivocally stating that the restoration of the Habsburg dynasty would be 'neither recognised nor tolerated' by the Allied Powers.¹⁰⁴ Italy and Yugoslavia reaffirmed this undertaking by their anti-Habsburg convention of

⁹⁹ TNA, Minute by Leeper, 11 June 1920, no. 202931, FO 371/3562.

¹⁰⁰ There are four documents enclosed in TNA, Bland to Campbell, undated, C 2690/2690/62, FO 371/4714.

¹⁰¹ TNA, Minutes by Cadogan, 30 July 1920, Phipps [quoted] and Crowe, 31 July 1920, and Curzon, 2 August 1920, C 2690/2690/62, FO 371/4714.

¹⁰² SSEES, SEW/8/2/1, Leeper to Seton-Watson, private, 30 August 1919.

¹⁰³ SSEES, SEW/8/2/1, Allen Leeper to Seton-Watson, private, 31 January 1920.

¹⁰⁴ DBFP, XII, No. 80, Derby (Paris) to Curzon, 2 February 1920; the text of the resolution is annexed.

12 November 1920 which formed a part of the Rapallo Treaty setting down the frontiers between the two countries.¹⁰⁵

The underground activities of the ex-emperor's adherents showed a marked persistence nevertheless. Cunninghame wrote a secret memorandum on 17 October 1920 in which he drew attention to the Papal influence over Karl Habsburg and also pointed out French support of the latter.¹⁰⁶ The Foreign Office did not take seriously Cunninghame's warnings about French backing - Crowe discounted them as 'fantastic'.¹⁰⁷ Time and again the Central Department resolutely pronounced itself against the Archduke Joseph or any other Habsburg.¹⁰⁸ The real depth of the legitimist feeling in Hungary seems to have been difficult to gauge. Clerk observed from Budapest that, although the Hungarians were deeply imbued with the monarchical idea, the majority of thinking people fully realised that a Habsburg restoration would be neither practical nor desirable in light of the ill-feeling existing as a result of the recent past and the clear signs that the Entente Powers would not countenance it. He reported how a number of persons and deputations of various political persuasions had impressed on him

with startling and almost embarrassing earnestness, that the ardent desire of the Magyar nation is that an English Prince should come here and reign as their King. England, they say, is the one country towards which they look with veneration and trust, whose institutions and ideas they regard as fundamentally in harmony with their own, and on whose aid and sympathy they base all their hopes of moral and material resuscitation. With the aid of an English King, at whose hands they would gratefully accept and adopt English ideas, institutions and habits of thought, it would be possible, they maintain, for Hungary to emerge from her disaster and

¹⁰⁵ Carlo Sforza, *Diplomatic Europe since the Treaty of Versailles* (New Haven: Yale University Press, 1928), pp. 101-102; Ivo Lederer, *Yugoslavia at the Paris Peace Conference: a study in frontier making* (New Haven: Yale University Press, 1963), p. 307.

¹⁰⁶ TNA, Cunninghame to Bridgeman, 20 October 1920, enclosed in Bridgeman to Curzon, 20 October 1920, C 9518/414/3, FO 371/4643; Cunninghame's report refers to the said secret memorandum which has not been preserved in the archives. It had already been reported that the ex-empresses Zita had been 'in constant touch with Catholic priests who might serve as agents.' See DBFP, VI, No. 158, Rumbold to Curzon, 4 September 1919.

¹⁰⁷ TNA, Minutes by Crowe, 27 October 1920, C 9518/414/3, FO 371/4643.

¹⁰⁸ DBFP, XII, No. 75, Curzon to Hohler, 29 January 1920; No. 163, Curzon to Hohler, 3 June 1920; No. 202, Curzon to Athelstan-Johnson, 30 July 1920; No. 286, Athelstan-Johnson to Curzon, 4 December 1920; No. 287, Curzon to Athelstan-Johnson, 7 December 1920; No. 290, Athelstan-Johnson to Curzon, 13 December 1920; No. 292, Record of a Conversation between Sir E. Crowe and the Counsellor of the Italian Embassy (London), 13 December 1920; No. 293, Hardinge (Paris) to Curzon, 15 December 1920.

despair, and become a corner-stone of England's policy in Europe, a pillar of stability in Eastern Europe, and a faithful rampart against Germany, should she ever become strong enough once more to resume her policy of encroachment towards the East.¹⁰⁹

Clerk believed that Hungary could, after signing a peace treaty, really proceed to invite an English prince to fill her vacant throne. On the other hand, the High Commissioner, Athelstan-Johnson, was 'reluctantly coming to the conclusion that the Hungarians are determined to have a Habsburg King, and that the only other solution is a Republic, which no one desires.'¹¹⁰ He considered that that king would not necessarily have to be Karl but some other member of the family.

In reply to Athelstan-Johnson's admonition, Lord Curzon fully explained the reasons which to his mind heavily weighed against any such contingency:

It appears to me that the chief hope for the future prosperity of Hungary lies in the abandonment of such dreams as Hungarian political parties seem freely to indulge in of recovering the position that Hungary formerly held in Central Europe which was symbolised by the Habsburg Dynasty. While much may depend on the attitude of Hungary's neighbours, the Hungarian people themselves, by turning from these impossible aspirations to the reconstruction of their country and the renewal of relations with their neighbours, can best work for the renewal of their prosperity. For these reasons, and in the general interests of peace in Central Europe, it appears essential that His Majesty's Government and the Allied Powers should not relax the ban they have pronounced on the Habsburg Dynasty, for the restoration of this dynasty could not fail to ruin all prospects of future cooperation between the Danubian States.¹¹¹

1.3. The formation of the Little Entente

While the campaign of the ex-emperor was underway the successor states arduously worked to counter what they saw as reactionary developments. The Yugoslav Defence Ministry submitted a memorandum to the Cabinet arguing for a rapprochement with Czechoslovakia as early as November 1919 and instructed its Military Attaché at Prague to convey a message to the Czechoslovak Defence Ministry to the effect that

¹⁰⁹ DBFP, VI, No. 300, Clerk to Curzon, 23 November 1919; also vol. XII, No. 194, Athelstan-Johnson to Curzon, 17 July 1920.

¹¹⁰ DBFP, XII, No. 280, Athelstan-Johnson to Curzon, 17 November 1920.

¹¹¹ DBFP, XII, No. 283, Curzon to Athelstan-Johnson, 27 November 1920.

Yugoslavia would gladly accept an initiative on the part of the Czechoslovak government for closer collaboration.¹¹² When, early in 1920, the question of kingship was acute in Hungary they joined forces to bring pressure to bear on the Conference of Ambassadors, an inter-allied executive organ of the Entente after the war, and obtained the resolution of 2 February.¹¹³ In fact, the Yugoslavs, Romanians and Czechoslovaks wanted all dynasties which had waged war on the Entente Powers and the smaller allies to be explicitly forbidden from taking the reins of government.¹¹⁴

The determined opposition to a Habsburg restoration on the part of the successor states stemmed from deep-rooted reasons. Czechoslovakia, Romania and Yugoslavia had sizeable Magyar and German national minorities that would be naturally attracted to a Habsburg monarchy to which, after all, they had pledged their allegiance for centuries. This ethnic divide between the once oppressed and once dominating nations was compounded by the social differences and antipathies felt between the ruling aristocratic Hungarian class and the democratically-minded leadership of the successor states which originated from peasant masses. For the latter Habsburg rule embodied all that the former stood for.

British diplomatic representatives, or at least those who were sympathetic towards the new states, captured those sentiments and understood their force in a way that was perhaps difficult for anyone who did not reside in a successor country. When the resolve of the successor states came to be tested in 1921, the British Minister in Belgrade was very explicit in this respect:

It seems incredible that a virile race like the Serbs should really be so nervous in regard to the Habsburgs and the [concealing and smuggling of] arms of a reactionary Hungary, but perhaps one does not take into sufficient account the sullen suspicions of a relatively ignorant peasant state. What the Serbs would like to see would be the Establishment of a social-democrat Government at Budapest.

¹¹² Belgrade, Military Archives [hereafter VA], registry 17, box 108, fascicle 3, doc. 2, The summary of the subjects relating to the Little Entente and its conferences [from 1940].

¹¹³ Charles von Werkman, *The Tragedy of Charles of Habsburg* (London: P. Allan, 1924), p. 96.

¹¹⁴ Belgrade, Archives of Yugoslavia [hereafter AJ], London Legation, fascicle I, Pašić to Gavrilović, 28 February 1920, confidential no. 64.

They cannot bear to think of Hungarian magnates exercising their influence amongst the governing circles in the west.¹¹⁵

Clerk almost mirrored that appreciation from Prague:

In the first place, it is necessary to realise that both Czechs and Hungarians have an exaggerated fear of each other's iniquitous designs. The average Hungarian regards every Czech as a Bolshevik, and the Czech Government as animated by the sole desire of upsetting the existing régime in Hungary and setting up a new Bela Kun Government in Budapest. The average Czech looks on every Hungarian as an irredentist reactionary who does nothing but conspire against this country and will not rest content until Czechoslovakia is once more under the domination of a Habsburg sovereign, carefully controlled by Hungarian magnates. Such an atmosphere is not conducive to a calm and objective consideration of events, but it has to be taken into account.¹¹⁶

Against such a background any sign of leniency towards Hungary on the part of the Great Powers was viewed with suspicion and barely concealed displeasure. 'How frequently have I not reported to your Lordship that at the Ministry for Foreign Affairs in Belgrade the favourite phrase is that we are the dupes of the Magyars!', exclaimed Young who went on to express his fear that dangerous consequences could spring from such frame of mind. 'And I must confess that the pronounced pro-Hungarian views acquired by our officials, travellers and business men have always alarmed me lest the Succession States should feel it their urgent interest to have it out with Hungary before this latter had had time to consolidate this sympathy into a closer connection.'¹¹⁷

On 14 August 1920 Czechoslovakia and Yugoslavia signed a defensive treaty directed against Hungary, thus initiating the alliance which came to be known as the Little Entente. When Beneš stated that it was directed against the policy of reviving the Austro-Hungarian Empire in the form of a Danubian Confederation, Phipps found it to be a clear indication 'what the Czech & Serb attitude would be' towards the project

¹¹⁵ TNA, Young to Curzon, 3 November 1921, 21265/180/21, FO 371/6109; also DBFP, VI, No. 370, Young to Curzon, 12 December 1919.

¹¹⁶ *British Documents on Foreign Affairs: Reports and Papers from the Foreign Office Confidential Print* [hereafter BDFA, references are to part II, series F], ed. by Kenneth Bourne and D. Cameron Watt (University Publications of America, 1986-), vol. 1, Doc. 223, Clerk to Curzon, 31 October 1921; also TNA, Clerk to Chamberlain, 21 January 1926, C 938/210/21, FO 371/11364.

¹¹⁷ DBFP, XXII, No. 439, Young to Curzon, 27 October 1921.

advocated by the Marquis de Castellane.¹¹⁸ Young took a speech made by the Yugoslav Prime Minister, Milenko Vesnić, on the occasion of the banquet given in Beneš's honour, to be as much directed against French flirtations with Hungary as against Hungarian revanchism itself.¹¹⁹ His report brought out a complexity of motives and considerations which had animated the signatories. Wary of the sudden and unwelcome initiatives on the part of the Great Powers, the alliance should, in general terms, render them stronger and thus more independent of the Western Powers, while in its literal scope it should ensure the strict execution of the Trianon Treaty by resisting modifications which the Principal Allies themselves might be prepared to condone.¹²⁰ Another great incentive for the treaty was to guard the economic independence of the succession states which, if compromised, might open the way for the imposition of the feared political solutions - the French capitalists' action in Hungary being a compelling example. In this connexion Young pointed out the British role in arousing these sort of anxieties: 'The tendency of our own men of affairs to expect the Yugo-Slavs to enter into business combinations of which the headquarters are at Vienna or Budapest has doubtless had its influence in preparing the ground for a joint resistance to any restoration of Austrian or Hungarian economic domination.'¹²¹

Young's observations made little impression in the Foreign Office. In fact, it was expected that, along with the improved stability, the Little Entente understanding

¹¹⁸ TNA, Minutes by Phipps, 20 August 1920, C 4341/4025/19, FO 371/4700; 'It puts an end to that idea.' – Lord Hardinge added; also Clerk to Curzon, 28 December 1920, C 169/79/62, FO 371/5832.

¹¹⁹ TNA, Young to FO, 19 August 1920, C 4342/4025/19, FO 371/4700; Young to Curzon, 19 August 1920, C 4783/4025/19, FO 371/4700; to be sure, the signatories were well aware of what was going on. The Czechoslovak Legation at Vienna received a report on the Franco-Magyar agreement from a man who claimed to have been a secretary to Hungarian Minister Koranyi until he had been sacked due to his Jewish origin. See SSEES, SEW/17/4/1, Cisar [of Czechoslovak Legation at London] to Seton-Watson, private, 29 September 1920.

¹²⁰ TNA, Young to Curzon, 19 August 1920, C 4783/4025/19, FO 371/4700.

¹²¹ Ibid. As an example of this wariness Young adduced the problem of the Danube regulation and averred how 'the impatient activity of Western financiers and the presence of foreign vessels of war have done much to render this country and I expect some other riverain States suspicious of the results of any surrender of sovereign rights.' See TNA, Young to Curzon, 11 September 1920, C 6385/4025/19, FO 371/4700; also DBFP, XII, No. 120, Young to Curzon, 2 March 1920; No. 299, Young to Curzon, 23 December 1920.

might have beneficial effects on economic relations in Central Europe.¹²² Curzon was hopeful that following the entry into force of the Treaty of Saint Germain the successor states would be inclined to adopt a friendly attitude towards Austria, particularly in commercial matters. He noticed that Czechoslovakia and Yugoslavia did not view Austria with the suspicion they showed towards Hungary and thought it possible ‘that if the Austrian Government adopt the line of policy which I permitted myself to recommend to Baron Franckenstein [the Austrian Minister in London], Austria ought even before long to be invited to enter the Little Entente.’¹²³

On the whole, the British took a favourable view of the Czechoslovak-Yugoslav treaty. ‘There could be no better or more justified reply to French & Italian intrigues in S. E. Europe’, Leeper averred.¹²⁴ Moreover, by way of commenting on Rattigan’s account of the critical remarks made by one of the Romanian opposition leaders, Alexandru Marghiloman, about the inception of the Little Entente and the figures behind it, Lord Curzon impressed on the Minister that Marghiloman should not ‘be encouraged to describe as a *farceur* so able and so loyal a friend of Great Britain as M. Beneš.’¹²⁵ Curzon defined the British attitude in the following terms:

For your guidance in any future conversation on similar subjects with Roumanian politicians, I have to inform you that, in general, the policy described as that of the ‘Little Entente,’ so long as it is purely defensive in character and based on the maintenance of Treaties of Peace, meets with the full approval of Her Majesty’s Government, more particularly as it provides safeguard against the dangerous intrigues to which both the French and Italian Governments appear to have lent themselves in the course of the past year.¹²⁶

There was another important consideration which seems to have contributed to the British approval. The Little Entente’s coming into being coincided with the climax

¹²² TNA, Loraine to FO, 30 October 1920, N 1648/1649/55, FO 371/5413.

¹²³ TNA, Curzon to Bridgeman, 15 October 1920, C 8663/785/3, FO 371/4646.

¹²⁴ TNA, Minutes by Leeper, 23 September 1920, C 6983/4025/19, FO 371/4700; also minutes by Leeper, 28 September 1920, C 7368/4025/19, FO 371/4700; Apart from Italian suggestions imparted to Horthy, Rattigan reported on Italian intrigues in Romania with a view to exploiting the dissatisfaction in that country with the Peace Conference for the self-promoting purposes. See DBFP, VI, No. 277, Rattigan to Curzon, 13 November 1919; No. 319, Rattigan to Curzon, 27 November 1919.

¹²⁵ DBFP, XII, No. 242, Curzon to Rattigan, 7 October 1920.

¹²⁶ Ibid.

of the Soviet-Polish war which saw the Red Army at the gates of Warsaw. As opposed to the French policy of supporting the Polish war effort to the extent of toying with the desperate idea of arming the Hungarian forces in order to make a stand against the Soviets at the Carpathians - Lloyd George favoured a negotiated piece. Prague and Belgrade fully sympathised with the British point of view on grounds of both an intense dislike of any combination that could benefit Hungarian rearmament and an ardent desire to keep out of the conflagration.¹²⁷ No wonder then that Maurice Hankey, the secretary to the cabinet, after having discussed the position with Masaryk in Prague, noted with satisfaction in his diary that the President's opinions entirely corresponded to his own.¹²⁸

Rattigan voiced the only doubt as to the virtue of the Little Entente; and that on the basis of its likely demoralising effect on Budapest: 'I cannot help thinking that it is a mistake to force Hungary into the position of a pariah, even though it may be largely her own fault.'¹²⁹

Romanian participation was hanging fire for the time being due to internal party bickering.¹³⁰ In his conversation with Lloyd George in London the Romanian Foreign Minister, Take Ionescu, spoke of an agreement between Romania, Czechoslovakia, Yugoslavia and Greece and even of the inclusion of Poland in the Little Entente.¹³¹ Off the record, however, he admitted that he was pessimistic as to the inclusion of Poland, but that he had to make the attempt nevertheless for reasons of domestic party

¹²⁷ TNA, Clerk to Curzon, 7 August 1920, C 3908/3309/12, FO 371/4722; Young to FO, 17 August 1920, C 4092/4025/19 and Young to Curzon, C 4164/4025/19, FO 371/4700; the Yugoslavs were thought to be regarding an attack by the Hungarians on any neighbouring state in connexion with the Russo-Polish war as *casus belli*.

¹²⁸ Stephen Roskill, *Hankey, Man of Secrets*, vols.3 (London: Collins, 1972), II, pp. 183-184.

¹²⁹ DBFP, XII, No. 215, Rattigan to Curzon, 19 August 1920; also No. 221, Rattigan to Curzon, 17 September 1920.

¹³⁰ TNA, Rattigan to Curzon, 17 September 1920, C 6983/4025/19 and Rattigan to Curzon, 20 September 1920, C 7503/4025/19, FO 371/4700; The argument of Pan-Slav danger was also impressed on the Romanians from Italian quarters.

¹³¹ DBFP, VIII, No. 92, Note of a Conversation between Lloyd George and Take Ionescu on 20 October 1920.

politics.¹³² The British Prime Minister was hostile to the accession of Poland as he entertained the gravest apprehension in respect of the dangerous policy of Marshal Józef Pilsudski. At about the same time, Beneš confirmed Clerk's impression that Romania was far from joining the Czecho-Yugoslav alliance and that she was more inclined towards Poland.¹³³ The dilemma of Romania's adherence to the Czechoslovak-Yugoslav alliance was to be resolved in connexion with the dramatic events of the following year.

1.4. Two Abortive Karlist Putsches

On 24 March 1921 Karl Habsburg sneaked out of his exile in Switzerland and reached Hungary via Austria.¹³⁴ The next day a long dramatic meeting between Horthy and his sovereign took place during which the former refused to accept Karl's assurances concerning the alleged French backing for his venture and declined to hand over the reins of government.¹³⁵ The Regent persuaded the ex-emperor to leave Hungary which the latter, after having stayed in the countryside for another week, eventually did under the protection of the officers of the Entente Powers. The escapade was met by a firm attitude on the part of Hungary's neighbours who threatened to use force in order to evict Karl from the country.

Sir Thomas Hohler, the High Commissioner and later first British Minister in Hungary, vigorously expounded the case of the Hungarian government which, he was convinced, had had no previous knowledge of Karl's intentions and had been faced with extremely difficult situation on the latter's arrival in the country. In his view Horthy had

¹³² TNA, Minutes by Leeper, 10 November 1920, N 2005/1648/55.

¹³³ BDF, vol. 1, Doc. 111, Clerk to Curzon, 17 October 1920.

¹³⁴ For pro-Habsburg accounts of Karl's activities and his two failed attempts at regaining the Hungarian crown in 1921 see Gordon Brook-Shepherd, *The Last Habsburg* (London: Weidenfeld & Nicolson, 1968) and Werkman, *The Tragedy of Charles of Habsburg*; for a different view see Djordje Knežević, 'Kraljevina Srba, Hrvata i Slovenaca i dva neuspela pokušaja restauracije Habsburgovaca 1921. godine', *Vojnoistorijski glasnik*, 1 (1967), 117-138.

¹³⁵ For the Regent's account see Miklós Horthy, *Memoirs* (London: Hutchinson, 1956), pp. 116-121.

acted with the utmost correctness throughout the crisis, a stance which was fully accepted and appreciated in London.¹³⁶ Young, on the other hand, stressed the determination of Hungary's neighbours to ensure the strictest observance of the Trianon Treaty which would keep Hungary in her enfeebled state and thus provide the only guarantee of dealing effectively with any similar attempts at restoration.¹³⁷ The Entente Powers stood by their smaller allies but the militant reaction in Prague and Belgrade caused some anxiety in London. Although he admitted that the Little Entente's insistence on the exclusion of the Habsburgs was unobjectionable in itself, Alexander Cadogan of the Central Department thought that 'their action is certainly unnecessary and probably injudicious.'¹³⁸ Having received contradictory information as to the complicity of the French in the putsch¹³⁹ - even the Prime Minister Aristide Briand was mentioned in this respect - the Foreign Office was inclined to believe the authenticity of the ex-emperor's allegations.¹⁴⁰

The episode had an important and lasting consequence. Romania joined the Little Entente and rounded up the process of its formation: she signed the agreement of alliance with Czechoslovakia just eighteen days after Karl's expulsion from Hungary. A similar agreement between Romania and Yugoslavia followed on 7 June 1921. Back in Switzerland the ex-emperor did not abandon his hopes of regaining the crown. Colonel Cunninghame warned that the Habsburg bid for the recapture of the crown of St.

¹³⁶ BDFA, vol. 1, Doc. 166, Hohler to Curzon, 7 April 1921; DBFP, XXII, No. 98, Curzon to Hohler, 8 April 1921.

¹³⁷ TNA, Young to Curzon, 8 April 1921, C 7550/180/21, FO 371/6103.

¹³⁸ TNA, Minutes by Cadogan, 18 May 1919, C 10191/180/21, FO 371/6103.

¹³⁹ DBFP, XXII, No. 116, Hardinge to Curzon, 23 April 1921 [footnotes included] gives an overview of the information which reached British diplomats prior and after the putsch.

¹⁴⁰ TNA, Minutes by Tufton, 6 April 1921, Tyrell and Curzon, 15 April 1921, C 7566/180/21, FO 371/6103; The Foreign Secretary was particularly convinced: 'There is no doubt that Karl was let down by the French.' Stefan Osusky, Czechoslovak Minister at Prague, believed that Karl had not had the official French backing but had acted under the misimpression that he had. See SSEES, SEW/17/19/6, Osusky to Seton-Watson, private, 17 April 1921; Yugoslav Minister at Budapest, Milan Milojević, was even more sceptical about the rumours to that effect. See AJ, Budapest Legation, 396-19-40, Milojević to Ninčić, 19 April 1921, confidential no. 602.

Stephen was by no means ended, but his admonition was discounted in the Foreign Office.¹⁴¹

The final act of Karl's drama took place on 21 October 1921 when he and Zita flew into Hungary, gathered some loyal troops in the town of Sopron and descended on Budapest. Horthy showed himself prepared to react with force and the ex-emperor was stopped after a minor skirmish on the outskirts of the capital. The Little Entente reacted even more decisively than in March and mobilisation was ordered and implemented in Czechoslovakia and Yugoslavia, though not in Romania.

Hohler was adamant that the Hungarian government was in no way responsible for Karl's second adventure.¹⁴² He took a leading part in handling the crisis. Horthy deferred to Hohler's advice, approved by Curzon, not to undertake mobilisation in order to meet any eventual attack by the Little Entente forces.¹⁴³ In consultation with the British and other Entente Ministers, the Budapest government decided to place themselves entirely in hands of the Allies.¹⁴⁴ Such a reasonable attitude could not have failed favourably to impress Whitehall.

On the other hand, seeing that the Little Entente countries, particularly Yugoslavia and Czechoslovakia, were continuing their military preparations against Hungary, the Foreign Office instructed its Ministers in Prague, Belgrade and Bucharest to impress strongly on the respective governments that any action would, in the view of the Entente Powers, place them in the wrong and alienate the sympathy of the world.¹⁴⁵ When the Little Entente's demands were officially submitted to the Conference of Ambassadors, the latter accepted only that which called for the forfeiture of the crown

¹⁴¹ TNA, Minutes by Cadogan, Crowe and Curzon, 7 May 1921, C 9781/180/21, FO 371/6103; also DBFP, XII, No. 168, Russell (Berne) to Curzon, 20 June 1920.

¹⁴² TNA, Hohler to Curzon, 23 October 1921, C 20325/180/21, FO 371/6106; Hohler to Curzon, 28 October 1921, C 20747/180/21, FO 371/6107.

¹⁴³ DBFP, XXII, No. 431, Hohler to Curzon, 27 October 1921; No. 447, Curzon to Hohler, 28 October 1921; No. 454, Hohler to Curzon, 28 October 1921; No. 480, Hohler to Curzon, 1 November 1921.

¹⁴⁴ DBFP, XXII, No. 471, Hohler to Curzon, 30 October 1921; TNA, Hardinge to FO, 1 November 1921, C 20925/180/21, FO 371/6108.

¹⁴⁵ DBFP, XXII, No. 446, Curzon to Clerk, Young and Dering (Bucharest), 28 October 1921; No. 467, Curzon to Clerk, 30 October 1921; No. 475, Young to Curzon, 31 October 1921.

by whole of the Habsburg dynasty and requested the Little Entente to demobilise.¹⁴⁶ Acting on strict instructions Young had a frank interview with the Yugoslav Deputy Prime Minister Trifković. Having been met with the ‘usual jibe that we are ever friends of Hungary’s’, Young replied ‘that [the] sight of three strong States descending on [an] unarmed country which was trying to carry out its obligations under difficult circumstances would effectually give reality to this imaginary sympathy.’¹⁴⁷ In his analysis of the reasons behind Belgrade’s determination to deal drastically with what was perceived to be Hungarian defiance, Young remarked that

opinion seems to be growing amongst governing classes of the West that situation created by treaty of Trianon cannot endure. Serbs are aware of this and feel the necessity for giving a knockout blow to the centres from which these hopes radiate. Names of personages who composed Charles’ Government caused almost a bigger shock to the Serbs than the return itself.’¹⁴⁸

The Ambassadors’ Conference tried to strike a balance between Hungary and her neighbours by issuing simultaneous notes to the former requesting her to declare all the Habsburgs to have been barred from wearing the crown of St. Stephen and to the latter to refrain from military measures. At the beginning of November the Hungarian National Assembly passed a law which excluded the House of Habsburg from the throne and undertook to arrive at an understanding with the Great Powers before making a decision as to the kingship question. The Conference of Ambassadors arranged for the former sovereign to be removed from Hungary on a British vessel. He was later interned on the Portuguese island of Madeira where he died in April 1922.

¹⁴⁶ DBFP, XXII, No. 435, Curzon to Hardinge, 27 October 1921; No. 458, Hardinge to Curzon, 29 October 1921; The rejected demands were: the invalidation of the Venice protocol of 11-13 October 1921 signed by Austria and Hungary with Italian mediation by the terms of which the latter country retained through means of plebiscite a part of the Burgenland province apportioned to the former by the original provisions of the Trianon Treaty which was intensely disliked by the Little Entente as being a breach of the original peace treaty; the official Little Entente’s participation in the Commission of Control for Hungarian disarmament; indemnification by Hungary for costs of mobilisation.

¹⁴⁷ DBFP, XXII, No. 472, Young to Curzon, 29 October 1921.

¹⁴⁸ DBFP, XXII, No. 441, Young to Curzon, 28 October 1921; the estimate in the last sentence seems to have been confirmed by the report which Milojević sent to Belgrade at the time of the first putsch. See AJ, Budapest Legation, 396-19-40, Milojević to Ninčić, 30 March 1921, confidential no. 461. Hohler seized Young’s dispatch to express his own doubts – and his French colleague’s – as to the durability of the Trianon settlement. See TNA, Hohler to Curzon, 28 October 1921, C 20748/180/21, FO 371/6107; also DBFP, XII, No. 78, Hohler to Curzon, 1 February 1920.

The unwillingness of Prague and Belgrade to disband their massed troops caused a high pitch of annoyance in the Foreign Office. Nevertheless, Hohler's intimations about their sinister designs were deemed too alarmist: 'It is ridiculous of Czechs and Yugoslavs with their vast armies to pretend that they are now in any danger from Hungary, and their attempts to precipitate a crisis, after declaring themselves satisfied with solution of Habsburg succession question... are dishonest.'¹⁴⁹ Karl's second attempted putsch aroused among British diplomats a keener appreciation of the serious security challenges involved in the Danube region. From his observation point in Vienna, which had not been directly affected by the exciting events of 1921, Lindley appears to have spoken everyone's mind when he concluded:

The somewhat melancholy fact remains that, three years after the end of the great war, the governing factor in the situation in Central Europe is universally recognised as being, not right or justice, but the possession of stout-hearted troops ready and willing to take the field in any cause. I submit that this state of things makes it the more incumbent on Great Britain, whose most vital interest is the return of peaceful and normal conditions, to keep a watchful eye on this important region, and to guard against the idea gaining ground that the proceedings of Balkanised Europe are of no vital importance to us.¹⁵⁰

Conclusion

British policy towards Central Europe in the aftermath of the war was conspicuous in lacking well-defined objectives. The only undisputed view was that it was indispensable to promote economic cooperation between the successor states of the defunct Austria-Hungary which was a precondition for their own well being as well as beneficial for British trade. The first necessity was to stabilise the new order which was threatened by the unsettled internal conditions in the individual countries, most notably Hungary, and to ameliorate the tensions between them arising from the peace settlement which pitted Hungary against her neighbours. The New Europe group of British

¹⁴⁹ DBFP, XXII, No. 505, Hohler to Curzon, 7 November 1921; No. 507, Hohler to Curzon, 8 November 1921; No. 516, Curzon to Hardinge, 10 November 1921 [quoted].

¹⁵⁰ DBFP, XXII, No. 538, Lindley to Curzon, 24 November 1921.

diplomats, inspired by Seton-Watson's views, was predominant in the British Delegation at Paris and favoured supporting the successor states. It was challenged by certain political and military officials deployed in the region who took a poor view of the new order but those were unable to alter the policy of the Foreign Office. The latter was to a great extent determined not just by the number of officials favouring the 'New Europe' policy but also by the actual situation on the ground.

Hence, the Central Department disliked suggestions of a Danubian Confederation which, if connected with the person of the ex-emperor Karl Habsburg, were bound to fail however commendable the objectives of such a confederation might be. A determination to resist the imposition of a Danubian Confederation which sprang from a plethora of interlinked motives, the common denominator of which was a resolve to secure economic and political independence, accounted for the formation of the Little Entente alliance between Czechoslovakia and Yugoslavia which would later be joined by Romania. It met with a favourable reception on the part of the British who deemed it an adequate response to French and Italian intrigues and a suitable means of stabilising Central Europe. It was even hoped that it might serve as a stepping stone for a broader cooperation among the Danubian countries in accordance with British recommendations.

Be that as it may, the Little Entente was soon to face the test for which it had been forged and it successfully opposed Karl's repeated attempts to reclaim the Hungarian throne. The dramatic events of 1921, however, brought about a visible shift in British perceptions of the region's security. The Horthy regime proved itself, in the Foreign Office's eyes, to be loyal, correct and pacifist whereas the Little Entente's actions in threatening to use force of arms constituted a real danger to peace. This perception would be a lasting feature and have a profound impact on British security policy in Central Europe in the years to come.

CHAPTER 2

THE ATTITUDES AND CALCULATIONS DETERMINING BRITISH POLICY TOWARDS DANUBIAN EUROPE, 1921-1925

Introduction

Emerging victoriously from the battle against the Habsburgs, the Little Entente had proved that it was a force to be reckoned with. British diplomacy now had to deal with new aspects of international politics introduced by the establishment of the alliance. In devising and conducting a policy towards the Little Entente countries, and addressing the security issues of Central Europe that were involved, the Foreign Office operated on a variety of perceptions, prejudices and convictions that ultimately influenced and shaped its decisions.

This chapter sets out to examine the origins and nature of the main factors which determined British attitudes and contributed to the formulation of foreign policy. In order to do this in a clear and comprehensive manner the theme is broken down into five sections. The first section will look at how British policy-makers perceived the security problems concerning each individual country of the Little Entente. It is argued here that perceptions of what was and was not conducive to peace and stability in the region stemmed from a general impression of the domestic solidity of the respective governments and their leading personalities as well as from the usual geo-strategic considerations pertaining to each country. In the second section, special attention will be given to the Foreign Office's views of the vexed relations between Hungary and the Little Entente that cemented solidarity among the latter's three members. The third section of the chapter will analyse the interaction of different government departments in the formulation of foreign policy towards Central Europe. More specifically, this section aims at demonstrating the powerful and overwhelming influence that British

financial institutions - namely the Treasury and the Bank of England - exerted over the Foreign Office and the War Office in questions of security and foreign affairs.

Apart from its antagonistic relations with Hungary, the Little Entente presented a bloc of sufficient strength and importance to be considered as a significant factor in terms of its bearing on the broader European situation. The unsettled conditions of post-war Europe offered a few indications of the course that the development of the alliance might take. From the British perspective the alliance enjoyed special relations with France which were viewed with disfavour. This chapter suggests that the unfavourable attitude of the Foreign Office was not dictated by any specific anti-French policy, but was rather the result of certain vastly exaggerated views of the position and policies of the Little Entente countries in regard to France and vice versa. The fourth section of the chapter will outline the basic assumptions entertained at the Foreign Office about the relationship between the Little Entente and France, and analyse the reasons behind misapprehensions in that respect. Finally, the fifth section will outline a case in point - the British attitude towards the conclusion of the Franco-Czechoslovak treaty of 1924.

2.1. The Little Entente Countries: the British Perspective

The three Little Entente member-states each had, apart from the Hungarian danger, and, in the case of Yugoslavia and Romania, a potential threat from Bulgaria, separate and differing sets of security problems. To understand and analyse British policy towards the alliance in broad perspective it is first necessary to grasp the Foreign Office's views on the chief security challenges and position of each country.

Of all the successor states Czechoslovakia was the most consolidated in respect of both her internal and external standing in the immediate years after the war. To a large extent her relatively secure situation was due to the fact that she was not menaced,

unlike her two allies, by her big and powerful neighbour. To be sure, Germany was ever present in the minds of Czechoslovak statesmen as a worrying factor in the not so distant future when that country had regained its strength and recovered its status as a Great Power. At the time, however, this threat was not conceived of in terms of the imminent disintegration of the Czechoslovak state through the separation of the substantial German minority living in Bohemian lands. In addition to Germany's weakness in the wake of the war, which precluded her from pursuing an aggressive foreign policy, the demand for the union of Bohemian Germans with the Weimar Republic had never actually materialised in the mayhem of post-war Europe. Historically, they had never belonged to the German Reich but to Austria, and all the resistance to their incorporation in the newly-created state, in itself not too energetic, was manifested with a view to staying under the rule of Vienna.¹ Having established correct relations with Poland and Austria, which, even if it left something to be desired in the economic and political sphere, at least did not entail security risks from those quarters, and with allied Romania at her flank, the attention of Prague was primarily riveted on the intransigent Hungarians.

The British Minister in Prague, Sir George Clerk, left a strong imprint on the way in which Prague's policy was received and interpreted in the Foreign Office. In Clerk's opinion Czechoslovakia had established herself 'as a serious and responsible factor in the settlement of Europe' due to the broad humanitarian principles Masaryk stood for and through the 'sober and steady' direction of the foreign policy commanded by Beneš.² His unequivocal praise of the Czechoslovak Foreign Minister was justified by the latter's unwavering pursuit of 'promoting friendly relations with the

¹ Bruegel, ch. 2; F. G. Campbell, *Confrontation in Central Europe: Weimar Germany and Czechoslovakia*, (Chicago: University of Chicago Press, 1975), pp. 48-55; for a detailed account of the British views of Czech-German relations within Czechoslovakia see Cornwall, 'A Fluctuating Barometer', pp. 313-333.

² TNA, Annual Report on Czechoslovakia for 1921, 13 March 1922, C 4106/4106/12, FO 371/7392; for British perceptions of Masaryk see Hanak, 'British Attitudes to Masaryk', pp. 125-148.

neighbouring States, encouraging their political, economic and financial co-operation and reaching agreements with them.’ The one and only blot on this admirable picture of foreign policy was relations with the Hungarians, but this was no fault of Beneš. Whitehall endorsed such a view. The foreign policy of Czechoslovakia was regarded as a personal triumph of Beneš and his chief achievement was held to be the creation of the Little Entente which enabled ‘the three countries to speak with one voice in the allied councils.’³ It was principally through Beneš’s able guidance that the Little Entente acted as ‘a solid element of stability in central and eastern Europe.’⁴ ‘Czechoslovakia, which had its own dangers to face, is greatly strengthened by its two allies, and the latter are often restrained and guided into the paths of moderation by Dr. Benes’ wise councils’, Alexander Cadogan explained. Clerk tended to overrate the span of Czechoslovak policy insofar as he assumed that Beneš aspired to form a strong Central European bloc, including Poland, capable of holding its own between a revived Germany and Russia.⁵

With all her comparative advantages, not least her sound and democratic government, Clerk was a firm believer in Czechoslovakia’s future. The Minister saw it as ‘the lynch-pin of Central Europe’ and thought that one day the Czechoslovak state would be ‘our best bridge into Russia’.⁶ For the same reasons he also considered that country to be best suited as a potential fulcrum of British policy in Central Europe. The Commercial Secretary at the Prague Legation, Bruce Lockhart, who fully shared Clerk’s views in regard to Czechoslovakia, advocated unequivocal British support for Beneš’s economic policy not only as the first step towards a gradual improvement of the economic life of Central Europe but also as ‘the surest guarantee against any attempts

³ TNA, memorandum entitled ‘Outstanding questions between His Majesty’s Government and certain foreign countries’, 7 November 1924, C 16914/16914/62, FO 371/9719.

⁴ TNA, Memorandum by Cadogan, 18 October 1923, C 18727/437/12, FO/371/8575.

⁵ DBFP, XXIV, No. 69, Clerk to Balfour, 25 May 1922; TNA, Annual Report on Czechoslovakia for 1921, 13 March 1922, C 4106/4106/12, FO 371/7392.

⁶ TNA, Clerk to Lampson, 5 September 1923, C 15698/56/12, FO 371/8572.

by Germany to build up again a German Mittel-Europa.’⁷ In October 1921 Clerk wholeheartedly supported the signature of the agreement founding the Anglo-Czechoslovak Bank in Prague and personally lobbied for the Czechoslovak government loan to be raised in London in April 1922. In his view it was worth while for Britain to prop up Czechoslovak economic independence through direct financial connections with London as a precondition – as Beneš used to say - for that country’s political independence.⁸

Yugoslavia provided most cause for concern about the maintenance of peace in the region. Her perennial conflict with Italy appeared to be the most dangerous hot-spot in post-war Europe. The dispute over the town of Fiume (Rijeka) was settled by an agreement concluded at Rome in January 1924 and accompanied by the Pact of Friendship that was supposed to usher in an era of good neighbourly relations. That was not to be the case. Albania provided a permanent stumbling block in these relations as it remained the arena of fighting between the parties sponsored by the Adriatic rivals. In the minds of the policy-makers in Belgrade Italian entrenchment in Albania was nothing short of the repetition of the unfortunate experience with the Austro-Hungarian mandate and the overt annexation of Bosnia and Herzegovina of 1908, an analogy they never failed to draw to the attention of the representatives of ‘big’ allies ever since the Paris Peace Conference.⁹ They did not doubt for a moment that Italy intended to use that country as a springboard for further penetration in the Balkans. From the strategic point of view the Yugoslavs were frightened of the peril of the Italians ‘joining hands’ from Albania with the Bulgarians across the Vardar valley in Serb Macedonia, thus cutting

⁷ TNA, Memorandum by H. M. Commercial Secretary on the draft agreement concluded between the Czecho-Slovak Government and the Bank of England, enclosed in Clerk to Curzon, 14 October 1921, C 19833/13400/3, FO 371/5786.

⁸ TNA, Clerk to Curzon, 14 October 1921, C 19833/13400/3, FO 371/5786.

⁹ *Jugoslovenska država i Albanci*, ed. by Ljubodrag Dimić and Djordje Borozan, 2 vols (Beograd: Službeni list SRJ, Arhiv Jugoslavije i Vojno-istorijski institut, 1998), I, No. 852, Pašić to Protić, 18 April 1919; No. 968, Pašić to Davidović, 23 December 1919; No. 972, Memorandum on Albania submitted to Wilson [American President], undated; *Jugoslovenska država i Albanci*, II, No. 12, The position of the Yugoslav delegation in relation to the memorandum of 9 December 1919, 8 January 1920.

off the vital Belgrade-Salonica railway in much the same fashion as the Bulgarian army had actually done in 1915.¹⁰ The stance on the Albanian question was formed accordingly. The Yugoslav delegation at the Paris Conference plumped for the independence of Albania in her 1913 frontiers as sketched by the London Conference after the First Balkan War under the slogan 'the Balkans for the Balkan peoples'.

The British, however, did not recognise as defensive the stance taken by Belgrade and suspected that Yugoslavia was often more guilty than the Italians of stirring up trouble in the neighbouring state. The Central Department firmly believed that Yugoslavia, at least up to 1925, professed a desire for an independent Albania with a view to the elimination of Italian preponderance in that country and the establishment of her own dominance.¹¹

In the Balkans the British judged Yugoslav-Bulgarian friction to be most troublesome. The bone of contention between Yugoslavia and Bulgaria was the province of Macedonia. Possession of the province, liberated from the Turkish rule during the First Balkan War in 1912 by the common effort of all Balkan states, gave rise to the Second Balkan War the following year. Serbia won a decisive victory against Bulgaria and had her way. The Bulgarians entered the First World War on the side of the Central Powers mainly to redress that bitter defeat, but failed once again.

In the contest to vindicate two competing claims regarding the majority Slav population of Macedonia two theses clashed. The Serbian, later Yugoslav, thesis was that the Macedonians were part of the Serbian nation inhabiting the southern parts of their medieval empire. Sofia, however, regarded Macedonians as pure Bulgars and continued to demand that they should be recognised as such and granted minority rights in newly-founded Yugoslavia. The question was an exceptionally vexed one as the indigenous Slav inhabitants were akin to both nations who, after all, had so much in

¹⁰ *Jugoslovenska država i Albanci*, II, No. 14, Dr Trumbić's [the Foreign Minister] expose at the meeting of the allied Prime Ministers on 10 and 12 January 1920.

¹¹ TNA, Minute by Sargent, 29 June 1931, C 5007/475/90, FO 371/15146.

common themselves in terms of origin, language, religion and culture. Belgrade vehemently denied the Bulgarian claim and argued that Macedonians could not be regarded as an ethnic minority according to the criteria set by the Covenant of the League of Nations.¹² The senior Central Department officials acknowledged that there was a lot of legal force, at least on technical grounds, in this contention and deprecated the prospect of thrashing the question out before the League in vain.¹³

Having made a tour of southern districts, the military attaché at Belgrade, Lieutenant-Colonel James Blair, concluded that the rank and file of the population was neither pro-Serb nor pro-Bulgar but was desirous of peace and ‘would be pro-any Government that governed them well.’¹⁴ King Alexander of Yugoslavia privately admitted the truth of such a view.¹⁵ In the final instance the British attitude was determined by practical considerations. Both the Ministers at Belgrade and Sofia, and their superiors in Whitehall, concurred that the assimilation of the Macedonian population within Serbia afforded ‘the best hope of permanent peace in the Balkans’ as it was believed that the terrorist Internal Macedonian Revolutionary Organisation’s (IMRO) demand for autonomy was only envisaged as the first step towards a union with Bulgaria which could thus bring about ‘an almost certain cause of future conflict.’¹⁶ Belgrade was repeatedly advised to improve the administration in the southern province as the best means of facilitating a fast assimilation of the local population.

The Bulgarian government was suspected of using the trouble instigated by IMRO to internationalise the Macedonian imbroglio as they nurtured a hope that their aspirations in regard to Macedonia might be realised at some more favourable juncture

¹² A SANU (the Archives of the Serbian Academy of Sciences and Arts), 14458/I30, Vukašin Životić Papers, Memorandum on legal position of national minorities and peace in the Balkans, 30 August 1930.

¹³ TNA, Minute by Nicolson, 28 February 1924, C 3138/195/7; Minute by Nicolson, 5 March 1924; Minutes by Lampson and Crowe, 6 March 1924, C 3719/195/7, FO 371/9659.

¹⁴ TNA, Blair to Young, 28 June 1922, enclosed in Young to Balfour, 28 June 1922, C 9474/419/7, FO 371/7370.

¹⁵ TNA, Young to Macdonald, 24 January 1924, C 1558/195/7, FO/371/9659.

¹⁶ TNA, Erskine to Macdonald, 2 February 1923; Minute by Bateman, 18 February 1924, C 2353/195/7, FO 371/9659.

in the future.¹⁷ On the basis of its intelligence the Foreign Office deemed that the action undertaken by Sofia in order to discourage the *comitadji* raids was calculated mainly for the sake of appearance.¹⁸ On the other hand, the Bulgarian government was thought to be powerless against a well-organised Macedonian movement which had infiltrated the whole administrative apparatus of the state. In addition, it was believed that IMRO's activity was welcome to the authorities as it provided them with a strong case to argue that the military weakness imposed on Bulgaria by the Neuilly Treaty was the sole reason for their inability to maintain order on their own soil.

The Yugoslav envoy at London presented his superiors with a fairly penetrating analysis of British policy towards the Macedonian problem:

It would be wrong to surmise that London is more favourably disposed to Bulgaria than to us; it is equally indifferent to both of us, and more sympathy is even extended to us. But English foreign policy wants peace both in Europe and in the Balkans, and for that reason wants good relations between Belgrade and Sofia, and sees only two solutions: either for us to grant a certain autonomy to Southern Serbia, or at least the schools, church and language, and thus disarm the Internal Macedonian Organisation and help the Bulgarian government to rid themselves of the Macedonians and establish good relations with us, which is all undoubtedly the thesis of the Bulgarian government, or that we, being a stronger party and a state which had obtained everything it could have expected on that side, calmly and patiently endure the outrages of the Macedonian action until the latter dies out on its own. In anticipation of one or the other solution, and wanting to prevent the possibility of larger conflicts in cases of frontier and other incidents, although it knows to warn us as to the possibility of opening the Macedonian question anew, the Foreign Office gives advice of moderation prepared in advance both to Sofia and Belgrade, and views our mutual incriminations, as was written by the *Times*, as throwing stones on the neighbour's glass house.¹⁹

Given the bitter feeling existing between Yugoslavia and Bulgaria it was all the more surprising that some of the Central Department clerks believed that the only thing that could bring the two countries together was their common 'desire to push Greece out of her new Aegean coastline'.²⁰ Others were more sceptical. Sir Eyre Crowe, the

¹⁷ TNA, Erskine to Macdonald, 20 February 1924; Minute by Nicolson, 28 February 1924, C 3163195/7, FO 371/9659; Minute by Nicolson, 5 March 1924, C 3719/195/7, FO 371/9659.

¹⁸ TNA, Foreign Office to Cabinet Offices, 3 July 1922, C 9035/419/7, FO 371/7370.

¹⁹ *Mesečni izveštaji jugoslovenskog poslanstva u Londonu, 1930-1941. godina*, ed. by Miladin Milošević and Miodrag Zečević (Beograd: Ekspres: Arhiv Jugoslavije, 1991), No. 2, General Report on the internal and foreign policy of Great Britain for March 1930 [Purić to Kumanudi, 1 April 1930, confidential number 210].

²⁰ TNA, Minute by Troutbeck, 11 January 1922, C 419/419/7, FO 371/7370.

Permanent Under-Secretary of State, dismissed the idea out of hand: ‘There is no such policy in Serbia’.²¹ British perceptions of the likelihood of Yugoslav descent down the Vardar valley on the port of Salonica were heavily influenced by a deep mistrust and antipathy towards the veteran Prime Minister, Nikola Pašić, and his People’s Radical Party. The First Secretary of the Central Department, Harold Nicolson, was a mouthpiece of such views: ‘Mr Pašić is a danger to Europe. Old, obstinate, venerable and ingratiating he combines all the futilities of a Balkan politician with the appearance and prestige of an elder statesman. The only hope for Jugo Slavia is that he should disappear.’²² Even when other dire preoccupations of domestic and external policy seemed to have rendered the design on Salonica highly unlikely, the doubts were still alive, for ‘with M. Pasic one never knows!’²³ This prejudice appears to have distorted the outlook on the true disposition of Yugoslav political factors in respect to ‘Vardar policy’. There is no compelling evidence of Pašić’s expansionist drive southwards and the British Minister in Belgrade, Sir Alban Young, was reluctant to take it seriously.²⁴ On the contrary, Vojislav Marinković, one of the leading figures of the Radicals’ rival Democratic Party and a future Foreign Minister (1927-1932), who was liked and respected by the British diplomats as a more enlightened and progressive statesman, was the one who contemplated a more assertive policy towards Greece. In his notes on the general tasks of Yugoslav foreign policy he included a need to ‘reduce Greece to her real ethnographic frontiers’.²⁵ Young, on his part, hinted at ‘Mussolini’s encouragement to the Yugoslavs to extend to the Aegean’ as a possible source of all

²¹ TNA, Minute by Crowe, *ibid*; Desanka Todorović, *Jugoslavija i balkanske države, 1918-1923* (Beograd: Narodna knjiga: Institut za savremenu istoriju, 1979), pp. 102, 117 argues that the Bulgarians did try to strike a deal along those lines but were ignored by mistrustful Yugoslavs.

²² TNA, Minute by Nicolson, 16 March 1922, C 3689/3689/92, FO 371/7685.

²³ TNA, Minute by Nicolson, 15 September 1922, C 12949/12949/19, FO 371/7606.

²⁴ DBFP, XXII, No. 524, Young to Curzon, 14 November 1921; XXIV, No. 350, Young to Curzon, 26 April 1923.

²⁵ A SANU, Marinković Papers, 14439/434, ‘A plan for a state policy’, in manuscript and without date.

rumours.²⁶ If Yugoslavia channelled her alleged expansion towards the Aegean the Italians would gain an unchallenged mastery of the Adriatic.

It is most exemplary of the endless and almost fantastic echoes of Balkan intrigue reverberating in London that in mid-1924 it was suspected, and later denied, that Yugoslavia and Bulgaria, with the tacit support of Rome, had reached an agreement to gain access to the Aegean by joint action against Greece and seizure of the ports of Salonica, Dedeagatch and Kavalla respectively.²⁷ When on 17 November 1924 Belgrade denounced the Greco-Serbian alliance treaty of 1913, presumably to bring pressure to bear on Greece so as to make her more accommodating in providing railway facilities for the transport of goods from Yugoslav Macedonia to Salonica and force her to drop the minority convention concluded that September between her and Bulgaria,²⁸ new doubts arose among the Foreign Office officialdom. 'Is this another manifestation of the anti Greek policy of Italy acting through a secret pact with Serbia?' - wondered John McEwen, the Third Secretary of Central Department.²⁹ Young's report on the surreptitious dealings of the Italian Minister at Belgrade, General Bodrero, was not conducive to allaying the suspicions.³⁰ It was even suspected in the Foreign Office that

²⁶ TNA, Young to Curzon, 6 December 1922, C 17006/12949/19, FO 371.7606; Indeed the Foreign Office received report that the Italians were prepared to endorse Yugoslav claim on Salonica in return for commercial facilities on the Dalmatian coast. See TNA, Minute by Bateman, 2 July 1924, C 10510/10510/62, FO 371/9719.

²⁷ TNA, Crewe to MacDonald, 26 June 1924, C 10230/6098/19; Graham to MacDonald, 26 June 1924, C 10412/6098/19; Erskine to MacDonald, 1 July 1924, C 10556/6098/19; Young to MacDonald, 1 July 1924, C 10812/6098/19; Erskine to MacDonald, 1 July 1924, C 10875/6098/19; all in FO 371/9894.

²⁸ By the terms of the Greco-Bulgarian minority treaty the Slav inhabitants of the Greek part of Macedonia were considered as Bulgarian nationals which had serious implications insofar it undermined the Yugoslav contention that Slav population of Macedonia (Serbian and by implication Greek part of the province) were of Serb origin. The treaty therefore considerably embittered Belgrade against its Greek ally.

²⁹ TNA, Minute by McEwen, 20 November 1924, C 17537/17537/19, FO 371/9897.

³⁰ TNA, Young to FO, 20 November 1924, C 17603/17537/19 and Young to Chamberlain, 27 November 1924, C 18095/17537/19, FO 371/9897; Lampson doubted that a genuine agreement was possible between the Yugoslavs and Italians given their mutual jealousies but was reticent to aver so especially after 'the wicked old man, M. Pasic' had come back into office in Belgrade. See Minute by Lampson, 22 November 1924, C 17649/17537/19 and 26 November, C 17733/17537/19, FO 371/9897, and also Note by Mr Lampson, 2 December 1924, enclosed in Chamberlain to Eyres, 8 December 1924, C 18493/17537/19, FO 371/9897.

General Bodrero was so influential with King Alexander after the conclusion of the Pact of Rome as to obtain the retention of Pašić's radicals in office.³¹

After Mussolini had repudiated the charge of encouraging Serbian adventurism,³² the Italian factor was quickly discounted and the Central Department went back to the issue of whether Yugoslavia, in a likely combination with Sofia, had cast her eye on the Aegean coast. As had been the case earlier, the Foreign Office diplomats could not agree in their assessment of the situation. While Eyre Crowe found the alleged designs rather speculative, Nicolson was convinced that what the Serbs wanted was 'not the smooth running of the transit agreement through Salonica, - but Salonica itself', and, moreover, he was sure that 'one day they will get it.'³³ Failing to make up his mind about what was really going on, the Chief of the Central Department, Miles Lampson, found it easiest to fall back on a not too ingenious gibe: 'The average English mind is not so constituted as to be able to fathom the depths of Balkan intrigue.'³⁴

Nicolson supposed that a rapprochement between Yugoslavia and Bulgaria, in spite of the burden of the past, might eventually lead to the formation of a formidable union of all the South Slavs. In his view such a union would not only be fraught with grave danger for Greece but also inimical to British interests: a powerful Slav state in possession of the Aegean littoral would likely fall within the Russian orbit when that country had recovered and might upset the naval balance in the Eastern Mediterranean without being susceptible to British naval pressure due to its large hinterland.³⁵ The new

³¹ TNA, Minute by Bateman, 27 May 1924, C 8457/123/92.

³² TNA, Graham to MacDonald, 26 June 1924, C 10412/6098/19, FO 371/9894.

³³ TNA, Minutes by Crowe and Nicolson, 16 December 1924, C 18796/17537/19, FO 371/9897; After some initial hesitation Young expressed the opinion that there were no ulterior motives behind the denunciation of the Greco-Serbian treaty. See TNA, Young to Lampson, 10 December 1924, C 18819/17537/19, FO 371/9897.

³⁴ TNA, Minute by Lampson, 24 December 1924, C 18895/17537/19, FO 371/9897.

³⁵ TNA, Minute by Nicolson, 5 January 1924, C 19392/273/7, FO/371/9663; On Nicolson's insistence the question of how passing of Salonica to Yugoslavia would affect British strategic interest in the Eastern Mediterranean was taken up by the armed services. Both the Admiralty and the Air Ministry expressed preference for the maintenance of the *status quo* but were rather indifferent to the consequences of

Secretary of State, Sir Austen Chamberlain, and the rest of the Central Department did not share Nicolson's concerns, but his thinking apparently made an impression as nearly two years later the belief still existed that Yugoslavia's main aspiration was the creation of the great Slav Kingdom; and Foreign Office officialdom even predicted that after the Macedonian problem was settled 'a Serb-Bulgar confederacy will become more feasible.'³⁶

Aside from the insurmountable resentment of Pašić there was another consideration that raised mistrust in relation to Yugoslavia's conduct of foreign affairs. It was widely known that the conspiratorial officers' organisation called the White Hand wielded significant influence over the Yugoslav army, but the exact extent of its impact on the internal and external policy of the country remained a secret for the British military attaché.³⁷ Of course, the very existence of such an underground and unpredictable influence did not fare well for the Foreign Office's perception of Yugoslavia's contribution to security and stability in the region. It also deepened a fundamental misunderstanding between the two countries. Yugoslavia was genuinely nervous in regard to the possibility of a general uprising of the defeated nations, a nervousness which was compounded by the unsatisfactory state of her military preparedness. The Central Department officials were prone to read into Yugoslav professions ulterior motives and a willingness to pre-empt perceived dangers by decisive military actions.³⁸

potential seizure of the port by Yugoslavs. See TNA, Lord Beatty's [Admiralty] remarks, 5 June 1925 and Trenchard [Air Ministry] to Hankey, 8 June 1925, C 7798/798/19, FO 371/10767.

³⁶ TNA, Memorandum respecting the Balkan Problem and British Policy in the Balkans, 4 December 1925, C 15882/8243/62, FO 371/10700.

³⁷ TNA, Annual Report on Serb-Croat-Slovene Kingdom for 1923; the French military authorities were similarly at sea in gauging the real influence of the White Hand and one of their reports simply stated that although its nature was an unknown quantity it nevertheless seemed quite influential. See Mile Bjelajac, *Vojska Kraljevine Srba, Hrvata i Slovenaca - Jugoslavije: 1922-1935* (Beograd: Institut za noviju istoriju Srbije, 1994), p. 244.

³⁸ TNA, Minutes by Le Rougetel and Cadogan, 17 and 18 January 1923 respectively, C 749/72/92, FO 371/8902.

On the Yugoslav side that lingering suspicion was duly registered and comprehended chiefly in terms of time-honoured and deep-rooted notions of British policy towards the Slav populace of South-Eastern Europe. At the end of 1930 Foreign Minister Marinković expounded British reluctance to his friend, the Yugoslav envoy in Rome, Milan Rakić. It was a result, he believed, of:

innate distrust [towards the Yugoslavs] due to the difference in our characteristics and conceptions and long-standing prejudices against our people. For the whole century English policy was so orientated that we were always a nuisance whether as opponents of Turkey, or opponents of Austria, or opponents of Bulgaria. In such an old and traditional state that means a lot.³⁹

The key feature of Yugoslav foreign policy, in Young's view, was its inherent fluctuation in relation to the domestic struggle between pre-war Serbia and the old Austro-Hungarian provinces:

In a sense the internal conflict is itself one between a Balkan and mid-European policy. Old Serbia is herself of the Balkans, and the struggle for the hegemony of Belgrade is a manifestation of the Serbian will to found the United Triune Kingdom on the Balkan rock rather than on the Danube sands. King Alexander, who is the guardian of the main lines of the foreign policy, has more than once emphasised to me that he can afford no loosening concessions to South Serbia, as it is there that the roots of the kingdom lie, and he has added that it is over those lands that the Serbians look towards the sea - a "Vardar" policy which requires little encouragement from the Italians...⁴⁰

In Young's analysis this dichotomy of Yugoslav foreign (and internal) policy could have a profound influence on the further development of the Little Entente. If the Belgrade government were to turn their eyes to the Balkans then the Central European policy would be purely defensive and strictly limited to the maintenance of the integrity of the peace treaties. But things could turn out differently: 'the critical condition of

³⁹ Milan Rakić Papers [property of the family], Marinković to Rakić, private, 30 December 1930, quoted in Dunja Hercigonja, *Velika Britanija i spoljnopolički položaj Jugoslavije 1929-1933* (Beograd: Institut za savremenu istoriju, 1987), p. 47; Marinković's words seem to have reflected on the thoughts noted in the official dispatch by Božidar Purić, Chargé d'Affaires of the Yugoslav Legation in London some nine months earlier who had discerned that 'English historians and publicists, [Arthur] Evans, [Wickham] Steed, [Seton-] Watson, were discovering the Austro-Hungarian Slavs and saw a salvation of Austria in solving their problems, a salvation from breakdown by means of which Russia could, as well as by means of us South Slavs, break out to the Adriatic and Mediterranean sea. [They were] friends of the Austrian Slavs for the sake of Austria, not for the sake of Slavs.'³⁹ Although pro-Austrian sentiment had been suffocated during the Great War, the inertia of traditional views, Purić believed, according to which Belgrade's orthodoxy was regarded as 'oriental, enigmatic and revolutionary', carried on. See *Mesečni izveštaji jugoslovenskog poslanstva*, No. 2, General Report on the internal and foreign policy of Great Britain for March 1930 (Purić to Kumanudi, 1 April 1930, confidential number 210).

⁴⁰ TNA, Young to Chamberlain, 4 March 1925, C 3370/3066/62, FO 371/10699.

Austria and the consequent revival of the idea of the Danubian Confederation may possibly so develop as to drag Serbia out of her absorbed contemplation of the Balkans and to infuse fresh interest into her relations with the other members of the Little *Entente*'.⁴¹

The uncertainties and dilemmas surrounding Yugoslavia made it prodigiously difficult for the Central Department to chalk out any defined and positive policy. It appeared abundantly clear that any prospect of maintaining peace and order in the Balkans, if not the whole of Central Europe, hinged upon the role of Yugoslavia whose position as a regional power south of the Danube was fully recognised. 'It would be safe to give countenance to her authority in the Balkans if she were not given to sabre-rattling and to administrative corruption', read a typical reflection on the Yugoslav role in the region.⁴² At the same time Yugoslavia was believed to be the only country in the region with both a vested interest in the preservation of the *status quo* and a capacity for stability.

Romania was endangered by Soviet Russia because of the dispute over the province of Bessarabia. Romanian troops had occupied it towards the end of the Great War as a matter of military expediency and a provisional Bessarabian Assembly of doubtful legitimacy and in doubtful circumstances then declared union with Romania.⁴³ In a comprehensive analysis prepared by the Historical Adviser of the Foreign Office, James Headlam-Morley, it was admitted that the Soviets had a strong case in regard to their refusal to recognise the validity of the severance of Bessarabia.⁴⁴ In addition, it was admitted that Romanian possession of that province had been agreed on as means of offsetting some other matters, namely the evacuation of Hungary and the acceptance

⁴¹ Ibid.

⁴² TNA, Memorandum respecting the Balkan Problem and British Policy in the Balkans, 4 December 1925, C 15882/8243/62, FO 371/10700.

⁴³ For a detailed account of Bessarabian question see TNA, Memorandum by Headlam-Morley, 4 June 1924, N 4852/493/38, FO 371/10486.

⁴⁴ TNA, Observations on the Memorandum by M. Rakovsky of April 30 about Bessarabia (written by Headlam-Morley), 12 May 1924, N 4082/493/38, FO 371/10486.

of minority treaties, with which Bucharest had had to comply. 'There was something in a nature of a bargain, and for this reason we shall have to be very careful not to let the Roumanians down.' Thus the Bessarabian situation was 'rather awkward' for the British and 'the less we say or do the better' policy seemed to be the best, if not only, course of action.⁴⁵

The only hope for a solution, Headlam-Morley asserted, lay in a direct agreement between the two parties that would acknowledge Romanian sovereignty over Bessarabia. While the Historical Adviser recommended that Britain should make every effort to facilitate such a settlement, the other Foreign Office officials could not see how that recommendation might be carried out.⁴⁶ Headlam-Morley also pointed out to his colleagues in the Foreign Office that Britain could not afford for Bessarabia to be seen by other powers as a legal precedent, given the implications such a policy might have for the situation in Egypt, India or Ireland.⁴⁷

The position of Bucharest in an eventual military conflict with the Soviets was regarded as hopeless. The military appreciation was that the Soviets could take central and southern Bessarabia at will.⁴⁸ In September 1922 the British General Staff was of the opinion that only Soviet military unpreparedness precluded an attempt to attack Romania.⁴⁹ The Romanian hold on Bessarabia was deemed precarious as a large part of the population was dissatisfied owing to the military restrictions employed in the province and the Romanian government's Bessarabian policy was characterised as high-handed and oppressive. Given the circumstances the Foreign Office was relieved that the Bessarabian treaty sanctioning Bucharest's possession of the province was not technically in force. The feeling was amplified as it was Britain that had ratified it in the

⁴⁵ Ibid.

⁴⁶ TNA, Minutes by Maxse, 14 May 1924, Lampson, 16 May 1924, and Crowe, 23 May 1924, N 4082/493/38, FO 371/10486.

⁴⁷ TNA, Memorandum by Headlam-Morley, 4 June 1924, N 4852/493/38, FO 371/10486.

⁴⁸ TNA, Memorandum compiled by Major F. A. Sampson, formerly Military Attaché at His Majesty's Legation, Bucharest, 1 March 1932, C 2413/2413/37, FO 371/15992.

⁴⁹ TNA, Annual Report on Romania for 1922, C 4040/4040/37, FO 371/8933.

absence of other Great Powers. Romania's confrontation with her mighty neighbour also burdened relations with her allies. Indeed, Nicolson thought that the Little Entente might founder on the Bessarabian question.⁵⁰

Nevertheless, Romania's problem with Hungarian irredentism was deemed to be far worse as there were nearly a million Magyars living in Transylvania alone who would 'form a great danger to Romania for many years to come.'⁵¹ In a more favourable estimation for the Romanians it was said of the situation in Transylvania that 'if one could really get at the truth of the matter one would find that the fault lay very largely on both sides.'⁵² A more critical appreciation of the Romanian administration of the province led to an almost complete shift of responsibility onto Bucharest, whose ineptitude at conciliating the large Magyar minority was frowned upon.⁵³

In addition, Romania had to be on her guard against Bulgaria for 'filching' the Dobrudja region in 1913 and there was no doubt in the Foreign Office that if the latter country regained her strength at some point recovery of the province would be a priority.⁵⁴

The internal solidity of Romania was deemed by far the most precarious of all the successor states. Howard Smith gave expression to a unanimous opinion in Whitehall when he stated: 'The Roumanians are corrupt and inefficient and have the worst army in Eastern Europe.'⁵⁵ Similarly to Pašić's government in Yugoslavia, the ruling methods of the Romanian Liberal Party, led by Brătianu and 'honeycombed with dishonesty and corruption', were considered a source of instability not just at home but in foreign affairs as well:

⁵⁰ TNA, Minute by Nicolson, 22 June 1924, C 9945/23/62, FO 371/9684.

⁵¹ TNA, Memorandum respecting the Balkan Problem and British Policy in the Balkans, 4 December 1925, C 15882/8243/62, FO 371/10700.

⁵² TNA, Cadogan to Tufton, private, 29 August 1922, enclosed in Tufton to Cadogan, 11 August 1922, C 12168/7103/62, FO 371/7444.

⁵³ TNA, Minute by Cadogan, 11 January 1923, C 1212/54/21, FO 371/8854.

⁵⁴ TNA, Memorandum respecting the Balkan Problem and British Policy in the Balkans, 4 December 1925, C 15882/8243/62, FO 371/10700.

⁵⁵ TNA, Minute by Howard Smith, 16 May 1925, C 6952/251/62, FO 371/10695.

By creating a new Jugo Slavia and a greater Rumania, the Powers may have balcanised Central Europe, but they hoped that they had europeanised the Balkans. This expectation was at least premature. Both in Jugo-Slavia and in Rumania we have seen a cleavage widen between the old and the new provinces, and the divergence of culture and ideas which is the cause of this cleavage is so extensive and so profound that it is bound to form the main element not only in the internal but also in the external policy of the two countries. Neither M. Pasic nor M. Bratianu can bridge the gulf which has opened between the old and the new conceptions: until they both disappear, there can be no national foreign policy for either country, - there can only be the personal policy of M Pasic and M. Bratianu.⁵⁶

2.2. Which Hungarian Government makes for stability?

The prospect of procuring any sort of détente between Hungary and the Little Entente resembled an attempt to square a circle. The government of Count István Bethlen, personal friend and close associate of Regent Horthy, who formed a cabinet following the second putsch of Karl Habsburg, though willing to drop the irksome kingship question, was neither willing nor able to abandon the sacred goal of restoring the Kingdom of St. Stephen. Nor could the Magyars' neighbours have been expected to entertain the possibility of even the slightest change of the territorial *status quo*. How then was the deadlock to be broken?

The Little Entente countries quickly came to the conclusion that the matter was unsolvable as long as the ruling class of Hungarian magnates remained in control of the country's foreign policy. By virtue of their upbringing and their traditional role in society they were completely imbued with the idea of a Great Hungarian Kingdom and it was illusory to expect any substantial change of policy while they were in charge.⁵⁷ Therefore, a radical departure in Hungarian policy required a radical change of regime. But conditions did not augur well for any such development. The leading opposition leaders, such as Count Mihályi Karolyi and Oszkár Jászi, who had been in power for a

⁵⁶ TNA, Minute by Nicolson, 29 March 1923, E 3192/6/44, FO 371/9101; also minute by Nicolson, 12 June 1924, C 9135/123/92, FO 371/9955.

⁵⁷ For a superb analysis of the set of traditional myths which inspired and shaped political activity of Hungarian conservatives see Thomas Sakmyster, *Hungary, the Great Powers, and the Danubian Crisis* (Athens: The University of Georgia Press, 1980), pp. 6-13.

short period of time after the armistice, and who later, under the strains of internal and external pressure, had handed the government to Bela Kun's communists, were dispersed abroad. They had had to leave the country under the threat of the White Terror vigorously conducted by Horthy's forces in the wake of Bela Kun's downfall. Settled in the Little Entente countries, they did not count for much in Hungary.⁵⁸ After the commotion of communist rule Britain herself contributed, particularly by means of the diplomatic mission headed by George Clerk on behalf of the Allied Supreme Council, to the consolidation of the government under Horthy, who soon came to be referred to as 'our creation'.⁵⁹ His rule was deemed indispensable if any semblance of order and stability were to be obtained in a country riddled with anarchy.

The domestic politics in Hungary and the attitude of neighbouring countries became a matter of dispute between the British Legations at Budapest and Prague. Surprisingly, it was the Commercial Secretaries who, in a manner most unusual for their posts, first broached the subject of the nature of the Hungarian government in relation to the prevalent enmity between the two states. In an ostensible attempt to explain the economic reasons behind Czechoslovak resistance to a Habsburg restoration, as well as the Little Entente's insistence on disarmament, Richard Humphreys of the Budapest Legation embarked on a political analysis which concluded that the ultimate Czech goal was the imposition of a Socialist government on Hungary which could be made subservient to Czechoslovakia.⁶⁰ His counterpart at Prague, Bruce Lockhart, felt compelled to refute such an analysis. Although confessing that Professor Masaryk, being 'a Democrat and a Republican', naturally preferred a less reactionary government to deal with, he ridiculed the idea:

⁵⁸ Mihály Karolyi, *Memoirs of Michael Karolyi: Faith Without Illusion* (Oxford: J. Cape, 1956), pp. 192-193.

⁵⁹ Thomas Sakmyster, 'Great Britain and the Establishment of the Horthy Regime' in *Eastern Europe and the West*, ed. by John Morison (London: Macmillan, 1992), pp. 71-80 (p. 76).

⁶⁰ DBFP, XXII, No. 518, Clerk to Curzon, 11 November 1921, Humphreys' memorandum of 4 November 1921 is given in footnote 2.

I have some personal knowledge of the men who are responsible for the policy of the Czecho-Slovak state, and it is difficult to take seriously the idea of President Masaryk, as a bellicose and hot-headed statesman, plotting in the recesses of his library the overthrow of the Horthy régime in order to instal in Budapest a Socialist Government which would be amenable to the dictates of the Prague Imperialists.⁶¹

At the beginning of 1924 Beneš intimated to Clerk his profound mistrust of the Hungarian regime and his preference for a government comprised of ‘opposite numbers’ of the ruling aristocracy, but he denied the allegations of active interference in the domestic affairs of another country.⁶² The British envoy was convinced that the Czech was sincere, believing that his political intelligence would discourage him from ‘any such foolish and adventurous game as to intrigue with or subsidise the opposition leaders of a neighbouring country.’

Whatever had been the case at the end of 1921, when the question of the Hungarian reconstruction loan was raised two years later the Little Entente countries found that to be a good opportunity to exact a change of regime in Budapest. The initiative actually came from the leading Hungarian émigrés Károlyi, Jaszi and Béla Linder, who personally handed an aide-memoiré to the Yugoslav Foreign Ministry in which a suggestion was mooted to connect the issue of the reconstruction loan with a change of government; the aide-memoiré was then forwarded to Prague and Bucharest with a recommendation to ‘support together the action of Hungarian emigration in this sense.’⁶³

Still, for this scheme to have any chance of success a benevolent attitude on the part of the Great Powers was necessary and of that there was no sign. Britain, in particular, was averse to doing anything that might upset the Horthy regime. Goodwill towards the Hungarian government stemmed from the emphatic views tirelessly repeated by Sir Thomas Hohler, Minister at Budapest, renowned for his pro-Hungarian

⁶¹ Ibid. See enclosed Memorandum by H. M. Commercial Secretary (Prague) on Mr. Hohler’s despatch No. 538 of the 4th November, 1921.

⁶² TNA, Clerk to Curzon, 6 February 1924, C 2305/18/21, FO 371/9899; see also Hohler to Curzon, 19 June 1923, C 11030/942/21, FO 371/8863. Beneš actually made sure that Károlyi was given asylum in Prague.

⁶³ AJ, London Legation, FO to Gavrilović, 25 April 1923, confidential number 3951/23.

bias,⁶⁴ which was presumably reinforced by his long-standing friendship with Horthy, and by the high esteem in which he held Prime Minister Bethlen. In a frank and plain-spoken letter to Lampson, Hohler wrote:

But if he [Bethlen] or Horthy thought they could save their country by relinquishing their places, I'm sure they'd do it without hesitating. Only they certainly don't think they would do any good by making room for Carolyi & Co. Nor do I: and I go further: I have a pretty strong personal liking and respect for both these men, but not by any means such as would blind me to their defects: but I think they are far the best men for their jobs that I know, men of character and honour and no little ability.⁶⁵

Hohler also drew attention to the danger that the fall of the current government might bring about a more right-wing regime of the anti-Semitic Gyula Gömbös, which would spell disaster for Hungary herself and for peace in the region, rather than a pacifist cabinet of socialists. This argument weighed heavily in the mind of the Chief of the Central Department: 'if Bethlen fell, Gombos would probably succeed him and the fat would then be well in the fire'.⁶⁶

In addition, the Minister at Budapest drew a rather black and white picture of relations in the Danubian region in which Beneš was cast in the role of a villain bent on the destruction of Hungary. As one of the Foreign Office clerks succinctly put it: 'Benes is Mr. Hohler's King Charles' head in annual reports, dispatches & letters always appearing with distorted features.'⁶⁷ Hohler's assessment of the insidious schemes hatched in Czechoslovakia was diametrically opposed to that which was coming from the most competent quarter – the British Legation at Prague. According to Clerk, Beneš was 'by streets the most intelligent of Central European statesman' and Czechoslovak aspirations 'approach more nearly to common-sense and offer more hope of stability

⁶⁴ He referred to Horthy as 'a very fine fellow', 'hard to find a man more suitable to deal with the present troubles', 'entirely honest and reliable'. Such unmitigated praise induced Butler to minute: 'Mr Hohler has become more Hungarian than the Hungarians.' See TNA, Private Office Papers of Lord Curzon, 1919-1924, Hohler to Curzon, 30 March 1920, FO 800/151; also DBFP, VI, No. 410, Hohler to Curzon, 6 January 1920 for Hohler's reference to his friendship with Horthy.

⁶⁵ TNA, Hohler to Miles, private, 28 June 1923, C 11538/49/21, FO 371/8846.

⁶⁶ TNA, Minute by Lampson, 28 June 1923, C 11337/942/21, FO 371/8863.

⁶⁷ TNA, Minute by Butler, 13 June 1923, C 10159/942/21, FO 371/8863.

than those of any of the country's possibly more attractive, but certainly even more idiotic, neighbours.⁶⁸

The Foreign Office was not impressed with Hohler's ambition to pose as an authority on the rights and wrongs of Czechoslovak foreign policy. Lampson warned him to be wary of exposing himself 'to the accusation of encroaching on the preserves of others [George Clerk].'⁶⁹ The Central Department's Chief took the opportunity of informal communication with the Minister at Budapest to spell out rather bluntly the outlook on Central European politics held in his office:

Clerk is of course our first authority on Benes; if we believed that the latter is quite as black as you make him out we should also need to believe that Clerk was a soft-headed imbecile – and that we know he is very far from being. Benes sees quite clearly – at least we believe and hope he does – that markets have got to be kept open for the products of Czech workshops (they have suffered a lot in the past from the fall of the Austrian crone), but whether he always acts up to what he sees is another matter; and whether he can always bring pig-headed Czechs, Roumanians and Serbs into line is yet a third.⁷⁰

Although Lampson backed Clerk's judgement about Beneš, he essentially accepted Hohler's views regarding the admirable qualities of the leading Magyar statesmen and the advisability of their remaining in power. He also agreed that it was highly likely that the real aim of the Little Entente was to get rid of the Bethlen government.⁷¹ When the Hungarian premier, whether sincerely or for tactical reasons, advanced the prospect of his inevitable resignation following a temporary setback to the procuring of a loan in May 1923, he was officially discouraged from doing so and promised British support for a renewed appeal to interested Powers, including the Little Entente.⁷²

⁶⁸ TNA, Clerk to Curzon, private, 20 June 1923, C 11114/49/21, FO 371/8846; It is interesting to note how Clerk was alive to probability that his generally favourable impressions of Beneš might earn him 'the usual reputation of the British representative abroad of being blind to the faults of the Foreign Minister with whom he has to deal.'

⁶⁹ TNA, Lampson to Hohler, private, 15 June 1923, C 10159/942/21, FO 371/8863.

⁷⁰ Ibid.

⁷¹ TNA, Minute by Lampson, 24 May 1923, C 9483/942/21, FO 371/8862.

⁷² DBFP, XXIV, No. 396, Curzon to Hohler, 30 May 1923; TNA, Minute by Cadogan, 24 May 1923, C 9482/942/21, FO 371/8862.

Other members of the Central Department were far more suspicious of the Little Entente's intentions than Lampson. The Second Secretary, John Le Rougetel, predicted that the overthrow of the present regime in Hungary would be only the first step towards the partition of the country. Alexander Cadogan went so far as to suggest that the Little Entente countries 'have come to the fatal conclusion that they may be able to solve the problem once for all by attempting to assimilate the remaining pure Magyars in what is left of Hungary.'⁷³

Such panicky predictions were a response to Young's news about the activity of Professor Seton-Watson, who happened to arrive in Belgrade in April 1923 and who was associated with attempts to install a democratic government in Budapest which, in Young's opinion, could not stand on its legs.⁷⁴ Seton-Watson had already made his stance known when he had vehemently protested against the Foreign Office's decision to allow Count Bethlen's reception by King George V as tending to facilitate the floatation of the Hungarian loan.⁷⁵ The answer of Allen Leeper, formerly one of Seton-Watson's closest adherents, showed what a substantial change of mood the Foreign Office had undergone in the meantime: 'There is hardly a nation in the world for which I feel less affection than the Magyars. Moreover I dislike their present Govt. but I disagree with you in this that I strongly disapprove of any British interference in the internal affairs of other countries.'⁷⁶ Both Cadogan and Lampson deprecated the possibility that Seton-Watson's visit to Belgrade might have encouraged the resistance offered by the Little Entente. Young was hurriedly instructed to convey a warning to Seton-Watson to desist from any meddling, 'highly mischievous' as it was thought in

⁷³ TNA, Minutes by Le Rougetel, 26 April 1923, and Cadogan, 27 April 1923, C 7272/49/21, FO/371/8845.

⁷⁴ DBFP, XXIV, No. 340, Young to Curzon, 19 April 1923.

⁷⁵ SSEES, SEW/8/2/1, Seton-Watson to Leeper, private, 23 January 1924.

⁷⁶ SSEES, SEW/8/2/1, Leeper to Seton-Watson, private, 29 January 1924.

the Central Department, in Hungarian domestic politics. Such action, the Professor was warned, would be strongly resented by HMG.⁷⁷

British suspicions could have only been aggravated when Ninčić alluded to the connection that should be made between financial aid for the reconstruction of Hungary and a change of the Horthy regime.⁷⁸ Realising the line Hungary's adversaries were taking, Hohler emphatically denied the charges against the rule of 'feudal counts' as not corresponding to the actual complexion of the Hungarian government.⁷⁹ He was unduly concerned about the effect such an argument could produce in London. As far as the charge of an anachronistic form of government was concerned, it was actually considered that a 'modest' development of democracy in Hungary 'may be better proportioned to the present social and political phase of that country' and that it was, in any case, her own affair.⁸⁰ Reviewing again the question of the Little Entente's wish for the overthrow of regime in Budapest, Lampson was adamant: 'It is a policy with which we can have no truck.'⁸¹ A year later Arthur Ponsonby, the Parliamentary Under-Secretary of State for Foreign Affairs appointed under the Labour government of Ramsay MacDonald, submitted a memorandum drawing attention to the 'counter revolutionary methods' of the Bethlen government which had further curtailed the franchise and civil rights of its citizens.⁸² His suggestion of a forward British initiative in Budapest with a view to rectifying this state of affairs was frowned upon in the

⁷⁷ DBFP, XXIV, No. 352, Curzon to Young, 28 April 1923; The details of Seton-Watson's role in this episode remain unfamiliar but it is clear from the letter he wrote to his wife that it was quite prominent. He got in personal touch with Károlyi, Jászi and Linder and they put their 'heads together and devised a fairly concrete scheme for an alternative to Horthy'. All of them then went to Yugoslav Foreign Ministry and presented the 'scheme' to Ljubomir Nešić, 'the Serb Eyre Crowe' and later to Ninčić himself. It appears that this 'scheme' is the one laid out in the aide-memoiré Ninčić forwarded to Prague and Bucharest as mentioned above. At that point Seton-Watson was also adamant that '*our* people must know *as yet*.' See *R. W. Seton-Watson and the Yugoslavs: Correspondence 1906-1941*, ed. by Hugh Seton-Watson and others (London: British Academy; Zagreb: University of Zagreb, 1976), II, Doc. no. 100, R. W. Seton-Watson to May Seton-Watson, 22 April 1923.

⁷⁸ DBFP, XXIV, No. 359, Young to Curzon, 3 May 1923.

⁷⁹ BDFA, vol. 2, Doc. 22, Hohler to Curzon, 11 May 1923.

⁸⁰ TNA, 'Hungary and the League of Nation's scheme for a foreign loan', memorandum by Butler, 28 January 1924, C 1633/37/21, FO 371/9904.

⁸¹ TNA, Minute by Lampson, 3 July 1923, C 11034/49/21, FO 371/8846.

⁸² *British Policy on Hungary, 1918-1919*, ed. by Miklós Lojkó (London: School of Slavonic and European Studies, 1995), No. 236, Memorandum by A. Ponsonby, 16 February 1924.

Central Department which found that such a step would hopelessly entangle it in Hungarian internal matters for which there was no sufficient legal basis.⁸³ The matter was consequently allowed to drop.

Contrary to the Little Entente's hopes, London was taking an increasingly favourable view of the Horthy regime which approached almost a patron-like attitude. Nothing was more revealing in this respect than the French franc forgery scandal which took place in December 1925. A few Magyar nationals were arrested in Holland after counterfeit bank notes had been found in their possession. The fact that those arrested were prominent members of the irredentist Awakening Hungarians society and that the tentacles of the affair reached some persons belonging to Admiral Horthy's entourage caused a storm of protest, particularly at Prague. The initial reaction of the Foreign Office confirmed the unswerving trust vested in the Hungarian leadership. Lampson spoke his mind in a private letter to the Minister Plenipotentiary at Paris, Eric Phipps, in no uncertain terms:

Frankly, I remain completely sceptical as to there being any official backing by the Hungarian Government behind it. It is quite incredible that anyone outside a lunatic asylum should take up such a fantastic scheme. It is true, as we all know, that many Hungarians are not quite normal when it is a question of recovering Hungary's lost domains, or of re-establishing the Crown; but I repeat that I refuse to believe that, even allowing for this national lack of balance, either Bethlen or any other responsible Hungarian (I of course include Horthy) can have had anything whatever to do with this madness.⁸⁴

Chamberlain instructed Clerk and other Ministers accredited to the Little Entente countries to state British confidence in the correct attitude of the Hungarian authorities and in Bethlen's will to see the judicial procedure being carried out. In his defence of the British attitude he was emphatic that 'it is hardly open to question that Count Bethlen is the only statesman in Hungary with any breadth of outlook, and his fall might well be disastrous, not only to his country, but to the prospects of the re-

⁸³ Ibid., No. 236, Minute by Lampson, 22 February 1924 and excerpt from the Central Department memorandum of 22 February 1924; No. 237, Minute by Lampson, 2 April 1924 referring to Hohler to MacDonald, 26 March 1924.

⁸⁴ Churchill Archives Centre, The Papers of Sir Eric Phipps [hereafter PHPP], 2/20, Lampson to Phipps, private, 8 January 1926; also Lampson to Barclay, private, 8 January 1926.

establishment of good relations between Hungary and her neighbours.⁸⁵ Chamberlain's estimate was strongly supported by information supplied by the Legation at Budapest. Hohler's successor, Colville Barclay, credited Bethlen with a sincere desire to suppress the Awakening Hungarians and hoped that he might triumphantly emerge from the crisis, notwithstanding the earlier indulgence of the authorities towards the irredentist society which had been enjoying the support of the Regent himself.⁸⁶ The Minister made full allowance for the fact that the premier lacked the strength directly to attack the Awakening Hungarians who had intended, in his opinion, to bring about a coup d'état and put Albrecht Habsburg on the throne.⁸⁷ In the light of such a reading of Hungarian politics Barclay's appreciation of its central dilemma seems to have been somewhat contradictory:

Some say that as long as Horthy is Governor there will be constant trouble from the Awakening Hungarians, constant complaints from the Little Entente and consequently no peace in Central Europe. Personally I cannot agree with this view. Horthy with the aid of Awakening Hungarians restored order out of chaos and has kept it for over five years. If this combination were broken up the Awakening Hungarians would certainly be more troublesome than ever.⁸⁸

Barclay's views were wholeheartedly endorsed in the Central Department. The Prime Minister's decision to treat the forgery affair as a purely criminal incident without a political background was exonerated as the right one bearing in mind the strength of the irredentist organisation and its close connection with the Regent; after all, that was the only policy which would keep both Hungarian leading men in charge.⁸⁹ Consequently, the Little Entente's sharp reaction to the scandal and the peril it entailed for the maintenance of the current Hungarian regime was detested in Whitehall:

The Little Entente was undoubtedly out for Bethlen's blood (1) because as a general principle they fear Hungary and consequently don't want a strong man there, (2) because they want to promote chaos in Hungary & hence talk of "democratising" her – a perfectly mischievous proposal and not even genuinely meant. I hold our

⁸⁵ TNA, Chamberlain to Clerk, 15 January 1926, C 468/210/21, FO 371/11364.

⁸⁶ BDFA, vol. 2, Doc. 122, Barclay to Chamberlain, 8 January 1926.

⁸⁷ TNA, Barclay to Chamberlain, 13 January 1926, C 613/210/21, FO 371/11364.

⁸⁸ TNA, Barclay to Lampson, 18 January 1926, C 652/210/21, FO 371/11364.

⁸⁹ TNA, Minutes by Harvey, 19 January 1926, and Howard Smith, 20 January 1926, *ibid.*

proper policy to be discreet support of Bethlen and a deliberate announcement to all our foreign visitors of the categorical assurances he has given us.⁹⁰

Having heard of the stiff note being sent by the French government to Budapest, the Central Department was most anxious to forestall such an action and decided to urge Paris to 'go slowly over Hungary'.⁹¹ The British were worried lest the forgery business would arrest and prevent a speedy winding up of the remaining issues concerning Hungarian disarmament and the withdrawal of the Control Commission from that country. When the forgeries trial started in May 1926 the accumulated evidence pointed to connivance on the part of the government and went a long way to justify all the accusations coming from Prague and Paris. The occasion made the Permanent Under-Secretary, William Tyrell, lay bare the attitude of the Foreign Office towards the Hungarian regime: 'It is quite clear that Count Bethlen is sufficiently to blame, if there is in any quarter a desire to involve his responsibility. Our role should be to advise all and sundry that in the general interest of peace & settlement it would be wise not to upset him over this affair.'⁹²

Given the Foreign Office's perception of the Hungarian situation it was hardly surprising that the Little Entente's fears and admonitions were regarded as unfounded. The opinion of Lampson seems to have been illustrative of the British stance on the smouldering conflict between Hungary and the Little Entente:

My own opinion is that no Nation [*sic*] in its senses could, situated as Hungary is and disarmed as she is (as the War Office tell us), even contemplate any aggression against the Little Entente. It would be sheer suicide for Hungary, ringed in as she is by Serbia, Czecho-Slovakia and Roumania. I do not believe that Count Bethlen or any other responsible Hungarian statesman would be so mad as to launch his country on anything in the nature of an offensive against any of her very jealous (and frightened) neighbours. The idea is so inherently improbable that I cannot believe there is any truth in these stories. But this does not mean that, not only possibly but even probably, Hungary is endeavouring as far as she can to escape the effects of the treaties. I have no doubt she is: for that is the natural attitude of a high-spirited nation, reprehensible though it may be. So that we must watch her, and, when she throws difficulties in the way of our Military Control Officers (as

⁹⁰ TNA, Minute by Lampson, 21 January 1926, *ibid.* Emphasis in original.

⁹¹ TNA, Minute by Lampson, 21 January 1926, and Lampson to Phipps, private, 22 January 1926, C. 840/210/21; Phipps to Lampson, private, 24 January 1926, C 1049/210/21, FO 371/11364.

⁹² TNA, Minute by Tyrell, 1 June 1926, C 5985/210/21, FO 371/11367.

she has recently done) we must jump on her. But I deprecate our doing more. After all, the War Office, who must be our authority on military matters, are perfectly calm with regard to all these tales: and I think that we must be guided by what they tell us.⁹³

The War Office, to whose attitude Lampson referred, shared the opinion that Hungary was effectively disarmed notwithstanding some violations of the military clauses of the Trianon Treaty. Those were believed to be silly manifestations of national pride and not part of a deliberate and systematic policy on the part of Hungarian government.⁹⁴

As it was a basic assumption that the Magyars were not posing a genuine threat to their neighbours the logical conclusion was that the latter were to blame for existing tensions. There was ‘the general belief entertained by the surrounding states’ that Hungary was an implacable enemy whereas, in reality, such beliefs greatly exaggerated the real state of affairs and, moreover, ‘might at any moment provoke a rash act on the part of one of her neighbours either as a result of a particularly acute attack of nerves or as a means of distracting the attention of their own public from difficulties at home.’⁹⁵ To be sure, there was a very real problem of Hungarian irredentism. The War Office particularly drew attention to the lax attitude that the government was displaying towards irredentist organisations, the activities of which accounted for a justifiable apprehension among the Little Entente countries. Nevertheless, the existence of such societies was found to be ‘a grave danger to Hungary as they may form an excuse for military action by the Little Entente.’⁹⁶ The Foreign Office concurred with such views. As Cadogan put it, Hungarian irredentism could not disturb the peace as long as the Little Entente countries were not embroiled in troubles and Hungary remained unarmed

⁹³ TNA, Minute by Lampson, 11 January 1923, C 1212/54/21, FO 371/8854; the military control of Hungary came to an end on 15 May 1927.

⁹⁴ DBFP, XXIV, No. 362, Memorandum respecting the forthcoming Visit of the Hungarian Prime Minister and the Attitude of his Government towards the Inter-allied Military Commission of Control in Hungary, 7 May 1923.

⁹⁵ TNA, ‘Hungary and the League of Nation’s scheme for a foreign loan’, memorandum by Butler, 28 January 1924, C 1633/37/21, FO 371/9904.

⁹⁶ DBFP, XXIV, No. 362, Memorandum respecting the forthcoming Visit of the Hungarian Prime Minister and the Attitude of his Government towards the Inter-allied Military Commission of Control in Hungary, 7 May 1923.

and impotent. But he also warned against any lenient interpretation of the peace treaty which would amount to revision and might commit the British government to something that 'is for the moment presumably out of the question.'⁹⁷

2.3. Security and Money Diplomacy

Early in 1923 Hungary's economic situation was steadily deteriorating, closely resembling the plight of Austria in the previous year. Budapest invited Sir William Goode, ex-chairman of the Vienna section of the Reparation Commission and Director of Relief Missions in Hungary, to lend his expertise in an attempt to save the country from complete financial ruin. Having investigated the actual position, Goode came to the conclusion that Hungary simply could not pay reparations and had to receive external financial help if she were to stand any chance of recovery. In order to be able to float a loan in the first place, Goode advised the Hungarians to appeal to the Reparation Commission to waive their liens on certain assets mortgaged as a guarantee for the payment of reparations.⁹⁸ The Foreign Office approved of Goode's suggestions as it was deemed that 'it cannot be to British interest that yet one more State should go under financially.'⁹⁹ From that point on the Foreign Office and the Treasury embarked on a tedious process of consultation and hammered out an exact course of action that Budapest was to be advised to pursue.¹⁰⁰

⁹⁷ TNA, Minute by Cadogan, 18 January 1922, C 714/714/21, FO 371/7627.

⁹⁸ TNA, Humphreys to Balfour, 13 February 1923, enclosed in Balfour to Curzon, 16 February 1923, C 3081/942/21, FO 371/8861; for Goode's detailed recommendation see his two memorandums attached to Hohler to Curzon, 2 March 1923, C 4052/942/21, FO 371/8861.

⁹⁹ TNA, Minute by Lampson, 22 February 1923, C 3081/942/21, FO 371/8861.

¹⁰⁰ TNA, Minutes by Lampson, Lampson to Treasury, 9 February 1923, C 4052/942/21; Minutes by Butler, Cadogan and Lampson, Niemeyer to Lampson, 16 March 1923, C 4996/942/21; Minute by Lampson, 26 March 1923, C 5694/942/21; Treasury to Foreign Office, 28 March 1923, Foreign Office to Treasury, 6 April 1923, C 5820/942/21; Niemeyer to Under Secretary of State, 10 April 1923, Lampson to Niemeyer, 10 April 1923, Niemeyer to Lampson, 12 April 1923, C 6413/942/21; Note on Hungary by the Treasury, 26 April 1923, C 7514/942/21; all in FO 371/8861; BDFa, vol. 2, Doc. 17, Foreign Office to Treasury, 23 March 1923.

The decisive role of British diplomacy in the question of the Hungarian reconstruction loan has already been noted.¹⁰¹ But the episode also provides a striking example of how Foreign Office policy-making in relation to security problems such as the disarmament of Hungary was influenced by the Treasury and the Bank of England. The Foreign Office, together with the War Office which was naturally consulted in disarmament matters, bowed to the agenda of financial institutions.

The envisaged financial help to the Hungarians was made difficult to realise on account of their obstinate resistance to fully observing the limitations imposed by the military clauses of the Treaty of Trianon. Not surprisingly, the Little Entente countries were perturbed by such a persistent obstruction that foreboded future trouble with their intransigent neighbour. In his conversation with Young, Ninčić fulminated against Hungarian breaches and, in particular, the secret import of weapons from Italy.¹⁰² The British diplomat suspected that Yugoslav complaints were no more than a pretext to advance a request for the Little Entente's active participation in the disarmament control of Hungary, an opinion the Foreign Office shared.¹⁰³ Thus, from the outset the loan was perceived as a security concern as much as it was an issue of economic rehabilitation of Central Europe. There was also a cardinal difference of view between Britain and Hungary's neighbours in that respect. The Third Secretary of the Central Department, Neville Butler, plainly explained the divergence of views: 'the Little Entente decline to make any concession to Count Bethlen's alleged chauvinist government whereas we incline to regard it as the only alternative to chaos in Hungary.'¹⁰⁴ While compiling his yearly report for Yugoslavia at the time when the loan became a reality Young went even further in his hope that a successful denouement of the League of Nation's rehabilitation scheme might have the desirable effect of loosening 'the ties of the only

¹⁰¹ Ozer Carmi, pp. 89-114; Ádám, pp. 256-264.

¹⁰² TNA, Young to Curzon, 14 December 1922, C 17291/43/21, FO 371/7607.

¹⁰³ TNA, Minute by Butler, 22 December 1922, *ibid.*

¹⁰⁴ TNA, Minute by Butler, 26 May 1923, C 8990/942/21, FO 371/8862.

interest common to the ill-assorted trio of Jugoslavia, Czechoslovakia and Roumania.¹⁰⁵ Hence, in case of success it was to be hoped not just that a stabilisation of Hungary would be effected, but also that the Little Entente, with what the British viewed as its unhealthy fixation on Budapest, might disintegrate.

The Foreign Office was not sure what to make of the reports confirming a persistent obstruction of the Inter-Allied Military Commission of Control's activities by the Hungarians. As Cadogan put in, it was hard to ascertain 'whether this comes from the fact of their having anything to conceal or whether it is due simply to the natural stupidity of the Hungarians.'¹⁰⁶ Acting Military Attaché at the Budapest Legation, Lieutenant-Colonel Charles Selby, compiled a report on the military situation in Hungary in the light of accusations from her neighbours of violations of the military clauses of the Trianon Treaty and preparations to launch a revanchist war to reoccupy lost provinces. The investigations of the Commission of Control, the report stated, revealed steadfast obstruction on the part of the Hungarian authorities in complying with the treaty and providing facilities to control organs to execute their duties.¹⁰⁷ The list of offences comprised nurturing and subsidising irredentist organisations such as the Awakening Hungarians, applying compulsory methods of recruitment in the army, the earmarking for military service of men of military age, and preparing schemes for mobilisation. Still, it was 'the considered opinion of the Commission of Control that Hungary could not at present take the field with an organised and equipped force of strength much beyond that authorised by the treaty.' That was not to say that the prognosis for the foreseeable future was optimistic. Certified militarist tendencies of the country were sufficient 'to indicate that if the control is removed too soon and all surveillance by the Entente Powers over her armed forces raised, Hungary will rapidly revert to militarization of the country and the fears of the Little Entente as to the menace

¹⁰⁵ TNA, Annual Report on the Serb-Croat-Slovene Kingdom for 1923, C 9130/6010/92, FO 371/9964.

¹⁰⁶ TNA, Minute by Cadogan, 11 January 1923, C 1212/54/21, FO 371/8854.

¹⁰⁷ BDFa, vol. 1, Doc. 306, Selby to Hohler, 30 November 1922.

which Hungary constitutes for them will thenceforth be well-founded.’¹⁰⁸ The report was received in the Foreign Office with a great deal of equanimity. Lampson found it rather predictable: ‘You cannot permanently suppress a nation – certainly not of Hungarians’, he wrote.¹⁰⁹

Further news from Budapest was somewhat disquieting. Colonel Selby sent another report on clandestine arms imports and mobilisation preparations and admitted, although in guarded terms, that after all there might have been some substance to the accusations brought against Hungary.¹¹⁰ Hohler, characteristically, did not believe the reports and maintained his assessment of the Bethlen Government’s peaceful intentions; he was sure that the only impetus that might actually drive the Magyars into some military adventure could come out of their desperation over the reparation question.¹¹¹ The Foreign Office was not as single-minded as its envoy but the prevalent mood was not to allow unpleasant reports to interfere with economic plans for Hungary. Cadogan recalled how it had been suggested ‘on another file’ to use the Hungarian appeal for relief as a lever for inducing the Hungarian Government to be reasonable about military control. ‘But that would not necessarily be inconsistent with supporting the Hungarian point of view at this stage’, he quickly added, explaining that the matter was to be examined before the Reparation Commission from the purely economic point of view.¹¹²

In May 1923 the Little Entente managed to thwart the acceptance of the Hungarian loan through the unfavourable decision by the Reparation Commission. Though the latter did not decline a scheme in principle, a demand to use a part of loan proceeds for reparation payments effectively buried it. Such an epilogue would not have

¹⁰⁸ *Ibid.*

¹⁰⁹ TNA, Minute by Lampson, 5 December 1922, C 16514/43/21, FO 371/7607.

¹¹⁰ TNA, Selby to Hohler, 22 December 1922, enclosed in Hohler to Curzon, 27 December 1922, C 51/49/21, FO 371/8844.

¹¹¹ DBFP, XXIV, No. 240, Hohler to Curzon, 5 January 1923.

¹¹² TNA, Minute by Cadogan, 16 March 1923, C 8877/942/21, FO 371/8862.

been possible if it had not been for French support as opposed to Anglo-Italian backing for Budapest. France had her own motives. Posing as a champion of the Little Entente was in step with Poincaré's policy of rapprochement with the alliance. More importantly, the whole Hungarian loan business overlapped with the Ruhr crisis and France was anxious not to allow any precedent in relation to reparation matters which could be invoked against her in her dealings with German defaults. The Little Entente formulated conditions under which it was ready to support the floating of a Hungarian loan: (a) a part of loan to be appropriated for reparations, (b) Hungarian disarmament and observance of military clauses of peace treaty, (c) a loyal attitude to neighbouring states, and (d) Little Entente participation in control of a loan.¹¹³

The Foreign Office and the Treasury had hitherto acted in unison. After the rebuff at the hands of the Reparation Commission the latter wanted to press even harder to reverse the outcome and argued that strong diplomatic representations should be made to France and the Little Entente in support of the Hungarian appeal to the League of Nation's scheme for reconstruction on the pattern of the Austrian case.¹¹⁴ In addition, the Lords Commissioners recommended a tougher approach to the Little Entente countries which could be forced to comply by the financial pressure at British disposal.

Seton-Watson spoke of

the attitude of certain financial circles in the City, who in their desire to bolster up the present regime in Hungary, virtually tried to blackmail Benes when he was here in the summer. They even obtained the Treasury's approval for the suggestion that unless he agreed to the proposed scheme, the City would refuse to pay to Czechoslovakia the next instalment of the loan concluded with her two years ago in the ordinary way of business – in other words would repudiate its own obligations!!¹¹⁵

¹¹³ TNA, Declaration made to Reparation Commission by Little Entente delegate, 19 June 1923, C 10724/942/21, FO 371/8863.

¹¹⁴ TNA, Treasury to Foreign Office, 29 May 1923, C 9480/942/21, FO 371/8862.

¹¹⁵ SSEES, SEW/17/2/4, Seton-Watson to Brailsford, 7 January 1924; His hostility to the loan was borne out of conviction that it meant 'playing the game of the Hungarian reactionaries and driving the Little Entente into the arms of the French militarists.'

Diplomats in the Central Department adopted a cautious attitude. They preferred to wait for further steps by the Bethlen government and wished to dispel a ‘tendency to look upon us as the sponsors of Hungary.’¹¹⁶

Although the Treasury did not show signs of displeasure with such a stance, it seems to have disagreed with the Foreign Office’s political priorities. Instead of continuing polemics, the Controller of Finance, Otto Niemeyer, proceeded with a semi-official diplomatic initiative through the offices of William Goode in Budapest. He forwarded a letter from the latter that strenuously tried to play down the breaches of military control and emphasised Bethlen’s efforts in rectifying the misdeeds of other Hungarian officials.¹¹⁷ At the same time Goode underscored, in words that could have easily been said by Niemeyer, the errors of British policy:

Personally, as I have told Hohler, I think it is dangerous to make measures which are presumably for the economic good of the whole of Europe, and particularly for the British Empire, conditional upon Hungary agreeing to do something or other which has very little relation to the main issue. It seems to me to be mixing issues in a way which is likely to be taken advantage of by other Powers on far less reasonable grounds.¹¹⁸

Niemeyer himself expressed the hope that the Foreign Office would be satisfied with ‘something of this sort’. The urgings of Goode and Niemeyer provoked an immediate reaction. Only a week later Lord Curzon, acting as had been suggested by Treasury officials from the beginning, instructed his Minister at Paris to make strong representations to the French Government to accept a renewed Hungarian appeal to the Reparation Commission that should ultimately lead to the League of Nations taking up the question.¹¹⁹

The Treasury did not act alone in its endeavour to harness diplomats to achieve its aims. Montagu Norman, the influential Governor of the Bank of England, was also

¹¹⁶ TNA, Minute by Lampson, 4 June 1923, C 9480/942/21, FO 371/8862; B DFA, vol. 2, Doc. 27, Foreign Office to Treasury, 7 June 1923.

¹¹⁷ TNA, Goode to Niemeyer, 22 June 1923, attached to Niemeyer to Lampson, 25 June 1923, C 11182/942/21, FO/371/8863.

¹¹⁸ Ibid.

¹¹⁹ TNA, Curzon to Crewe, 29 June 1923, C 11336/942/21, FO/371/8863.

involved in this classic exercise of financial diplomacy. For Norman the issue of a Hungarian loan, following the success of the Austrian reconstruction scheme, was envisaged as a second stage of a larger enterprise to consolidate the whole of Central Europe. His ambitious plan was to ‘establish one by one the *new* parts of *old* Austria, and then perhaps the Balkan Countries’ so that at the end ‘the ultimate solution for Eastern Europe, viz. an Economic federation to include half a dozen countries on or near the Danube free of customs barriers, etc’ would be achieved.¹²⁰ He instructed the Baring Brothers Bank to let Prague know that the second tranche of the loan granted to Czechoslovakia in 1922 through that bank would not be issued unless her government changed its negative attitude towards the Hungarian loan.¹²¹ It was a measure of the relations between the Foreign Office and the Bank of England in the conduct of financial diplomacy that Norman did not find it necessary to inform and ask the former for their support before he exerted pressure on the government of a foreign state. Yet there was a complete harmony of views in this case. Sir Eyre Crowe, wholeheartedly welcomed the Governor’s initiative and, almost apologising, stated that a similar action would have been undertaken had it not been for ‘a tiresome case of obstruction by Hungary of the work of Military Control’.¹²²

The War Office still adhered to the opinion that there was not much to be worried about in the Hungarian matter and was consequently opposed to the Little Entente’s demand to obtain a permanent representative to the Military Mission of Control at Budapest.¹²³ In mid-August 1923 Selby recommended that the idea should be rejected since it would be impossible to implement due to implacable Hungarian hatred towards the Little Entente which would inevitably provoke an absolute obstruction of

¹²⁰ Federal Reserve Bank of New York, Benjamin Strong Papers, 1116.4(2), Norman to Strong, 9 April 1923, quoted in Anne Orde, ‘Baring Brothers, the Bank of England, the British Government and the Czechoslovak State Loan of 1922’, *The English Historical Review*, 106. 418 (Jan 1991), 27-40 (pp. 35-36).

¹²¹ TNA, Norman to Crowe, 27 June 1923, C 11337/942/21, FO 371/8863; DBFP, XXIV, No. 471, Foreign Office to Treasury, 6 July 1923.

¹²² TNA, Crowe to Norman, 29 June 1923, C 11337/942/21, FO 371/8863.

¹²³ TNA, Lampson to Treasury, 13 August 1923, C 13690/53/21, FO 371/8850.

the Commission's work.¹²⁴ In a broader political context the proposition was undesirable on the grounds that it would embarrass and further aggravate the position of the Hungarian government, grave as it already was on account of a rapidly depreciating currency and related economic difficulties.

However, only two weeks later Colonel Selby had rather different and disturbing news to report. He deplored the unsatisfactory progress of military control and particularly pointed out irrefutable evidence in his possession that the authorities were systematically compelling civilians to enlist in the army.¹²⁵ A report early in September was couched in yet more decided and assertive terms and went all the way to confirm the accusations brought against the Hungarian government. On the basis of personal investigations and representations made by the Military Attachés of the Little Entente, supported by strong evidence, Selby notified his superiors of the Military Operations and Intelligence that 'we have experienced a most unfortunate retardation and even a set-back.'¹²⁶ Compulsory recruitment and increased obstruction to control kept the IAMCC 'completely in the dark in respect of the strength of the Army'. Having admitted that the problem of compulsory recruiting had heretofore been considered secondary to the essential question of the actual strength of the army, the Military Attaché suggested that that approach would have to be rethought:

In the light of recent experience, however, I think that the question of compulsory recruiting is now just as important as the question of recruited strength, for on the former may directly depend the latter; and since it is unquestionable that the latter is the more difficult question on which to practice an effective control, we may, by bringing pressure to bear to suppress compulsory recruiting, go far to prevent the authorised limit of cadre strengths from being exceeded.¹²⁷

Selby went on to say that he had impressed on the senior Hungarian Liaison Officer 'the suicidal folly' of such behaviour that might put at risk the prospects of

¹²⁴ TNA, Selby to the Director of Military Operations & Intelligence, War Office, 10 August 1923, enclosed in War Office to Foreign Office, 15 August 1923, C 14088/53/21, FO 371/8851.

¹²⁵ TNA, Balfour to Curzon, 31 August 1923, C 15147/53/21, FO 371/8851 summarises Selby's weekly report but the report itself could not be found.

¹²⁶ TNA, Selby to the Director of Military Operations & Intelligence, War Office, 7 September 1923, enclosed in Balfour to Curzon, 31 August 1923, C 15147/53/21, FO 371/8851.

¹²⁷ Ibid.

desperately needed economic reconstruction for the sake of something as unsubstantial as ‘splitting hairs’ over military control. ‘But the Hungarian is a soldier first and a diplomat second and it seems difficult to make them see in which way their own best interests lie’, Selby despondently and somewhat condescendingly concluded.¹²⁸

The information transmitted to Whitehall produced a bad impression. The Foreign Office had for some time been uncomfortable with the Treasury’s insistence on championing the Hungarian cause in spite of an unsatisfactory position in regard to military control. The Central Department informed Hohler that it was disinclined to back Budapest in the matter of reparations and a loan unless the proof had been given of its loyal discharge of its military obligations under the Peace Treaty.¹²⁹ This stand was also made clear to the Treasury.¹³⁰ Though being in full sympathy with the Treasury’s objectives, the Foreign Office was more concerned about detrimental security implications lest something was done to coerce the Hungarians into line. Butler thought that, after all, it was more in British interests to uphold the fulfilment of the Treaty obligations by Hungary than to prevent inflation in that country.¹³¹ This message was emphasised in the letter Lampson sent to Hohler:

In any case, please be quite sure that in the case of the Hungarian loan it is the emphatic view of His Majesty’s Government that the only wise policy for Hungary is to conciliate the Little Entente in general and the Czecho-Slovak Government in particular. Anything you can do towards this is so much to the good. The Hungarian Government must face the fact that they fought on the wrong side and were beaten.¹³²

Three months later, after Selby’s latest report had been received, the situation seemed to be worse than ever. The Foreign Office decided to take resolute action. In a letter addressed to the War Office the suggestion was put forward to arraign the Hungarian government before the Conference of Ambassadors for its violation of the

¹²⁸ Ibid.

¹²⁹ TNA, FO to Hohler, 20 June 1923, 10379/942/21, FO 371/8863.

¹³⁰ BDF, vol. 2, Doc. 29, Foreign Office to Treasury, 21 June 1923.

¹³¹ TNA, Minute by Butler, 16 June 1923, C 10481/942/21, FO 371/8863.

¹³² TNA, Lampson to Hohler, private, 15 June 1923, C 10159/942/21, FO 371/8863. Emphasis in original.

military clauses of the Trianon Treaty and to threaten the Hungarians that they would not be afforded alleviation in the matter of reparations.¹³³

The War Office vigorously took up the suggestion. The Army Council thought it necessary to instruct Colonel Selby to request the IAMCC to prepare a formal complaint, backed with all available evidence, and forward it to the Allied Military Commission at Versailles.¹³⁴ It intended to order the British representative to the latter body to press energetically for the matter to be drawn to the attention of the Conference of Ambassadors. If the Allied Military Commission at Versailles showed itself reluctant to transfer the case for deliberation by the Conference, the War Office suggested that the British Ambassador in Paris should do so supported with a list of Hungarian defaults that the IAMCC was to compile. The forward action recommended by the military authorities left no doubt about the serious view they took of Hungary's violations of the Peace Treaty.

At this juncture the Treasury intervenened. Otto Niemeyer was concerned about the effect that a reference to the Conference of Ambassadors might have on the ongoing project of floating a Hungarian loan.¹³⁵ In order for a loan even to be contemplated it was necessary to obtain a temporary release from the shackles of reparations.¹³⁶ Since Hungary had been obliged to mortgage certain assets to guarantee an indemnification of her former enemies, the latter had to release liens on such assets. That meant that the goodwill and cooperation of the Little Entente countries were preconditions for any progress of the envisaged scheme. The conversations to that effect had already been underway at Geneva and, moreover, the British hoped that it would be possible to

¹³³ TNA, Cadogan to Crewe, 22 September 1922, C 16405/53/21, FO 371/8851; this document refers to the above-mentioned letter but the letter itself has not survived in the archives.

¹³⁴ TNA, War Office to the Under-Secretary of State, 25 September 1923, C 16630/53/21, FO 371/8851.

¹³⁵ TNA, Niemeyer to Cadogan, 20 September 1923, enclosed in Cadogan to Niemeyer, 22 September 1923, C 16405/53/21, FO 371/8851.

¹³⁶ Ibid.

‘induce the Little Entente to consent to such release, in principle, by the end of this month [September 1923].’¹³⁷

There lay the crux of the problem. British optimism aside, the relations between the Magyars and their neighbours had been severely strained since the war and did not offer too much hope for a swift and smooth understanding. Moreover, a generous stand was expected from the Little Entente at the very moment when their intransigence was running high due to the obvious and flagrant violation of the Peace Treaty on the part of Hungary. The Yugoslav Minister in Budapest, Milan Milojević, dismissed the prospect of establishing closer and more loyal relations with the Hungarians whose government, he was adamant, did not want any rapprochement as it was intent on the restoration of Great Hungary.¹³⁸ Therefore, the Minister found that Hungary remained a serious adversary and advised his government accordingly: ‘The weaker she is economically, the less [of an adversary] she would be.’¹³⁹ Milojević believed, along with his Romanian and Czechoslovak colleagues and the French Chargé d’ Affaires, that in the case of a Hungarian loan materialising full liberty of action should be demanded for the work of the Control Commission.¹⁴⁰ That done, he thought that the intelligence services of individual Legations would be enabled, to a certain extent, to perform their duties. Yugoslav exasperation was further augmented when the General Staff supplied a report on clandestine arms imported into Hungary by the Italians.¹⁴¹

Thus, the advanced stage of the Hungarian loan negotiations at Geneva coincided with the Little Entente’s furore in connexion with the substantial breaches of the military clauses of the Trianon Treaty. The success of a reconstruction scheme must

¹³⁷ DBFP, XXIV, No. 552, Curzon to Crewe (Paris), 22 September 1923.

¹³⁸ AJ, London Legation, Milojević to Ninčić, 26 August 1923, confidential number 1374; his experience of Hungary at that time the Yugoslav Minister has described in the autobiography Milan Milojević, *Balkanska ravnoteža* (Beograd: Signature, 1994), pp. 186-188, 192-206.

¹³⁹ AJ, London Legation, Milojević to Ninčić, 26 August 1923, confidential number 1374.

¹⁴⁰ AJ, London Legation, Milojević to Ninčić, 3 September 1923, confidential number 1414; the Yugoslavs and their allies bitterly resented that the Hungarians arrested and executed a number of persons accused of espionage, Yugoslav, Czechoslovak and Romanian citizens included, and in that way nearly disabled both the endeavours of the Control Commission and intelligence operations of the Little Entente.

¹⁴¹ AJ, London Legation, Ninčić to Milojević, 5 December 1923, without number.

have looked highly unlikely in the circumstances. At this critical point Niemeyer's interference, undertaken for the sole reasons of financial policy, had a decisive impact on the course that events regarding the loan would take. Niemeyer admonished Cadogan that any ventilation of the Hungarian case before the Conference of Ambassadors would be fatal at that moment.¹⁴² In his view, 'after the release en principe there will be ample opportunity for investigating these troubles before we are finally committed to anything.'¹⁴³ The Treasury had its own agenda but did not want to give an impression of acting in contravention of Foreign Office policy. On the contrary, Niemeyer presented his request as striving to achieve a common goal as 'the only real corrective is to encourage Hungary to turn her swords into ploughshares.'¹⁴⁴ The Treasury official had yet another entreaty: he proposed that Lord Robert Cecil, the British representative to the League of Nations, should use the occasion of a personal meeting with Bethlen in Geneva to impress upon the latter, whom Niemeyer trusted to be entirely against the devastating blunders of his compatriots, the absolute necessity of a change in attitude to the Control Commission. 'The thing [the violation and obstruction of military control] must stop immediately and once and for all or we must give up', Niemeyer declared, summarising the position in a way he knew would be pleasing to Cadogan and his colleagues.¹⁴⁵

At this crucial moment the Foreign Office fully deferred to Niemeyer's demands. Cadogan replied that he was 'writing to Paris [to Crewe, the British Minister, who communicated with the Conference of Ambassadors] to go easy and to take no initiative for the present in raising the military question' and also endeavouring to have Cecil talk to Bethlen along the lines proposed by Niemeyer.¹⁴⁶ The War Office was also asked to conform to Whitehall's new stance brought about by Niemeyer's intervention.

¹⁴² TNA, Niemeyer to Cadogan, 20 September 1923, C 16405/53/21, FO 371/8851.

¹⁴³ Ibid. Emphasis in original.

¹⁴⁴ Ibid.

¹⁴⁵ Ibid.

¹⁴⁶ TNA, Cadogan to Niemeyer, 22 September 1923, C 16405/53/21, FO 371/8851.

They were ‘not to instruct the British representative on the Allied Military Committee of Versailles to press for immediate consideration of the [Selby’s] report.’¹⁴⁷ The final decision concerning the appropriate time to raise the Hungarian case was to rest with Lord Curzon. The Foreign Office’s definite submission to Niemeyer’s perseverance marked a decisive moment in the development of British diplomacy and consequently the whole loan affair.

From this point on all energies were directed towards the attainment of the rehabilitation scheme for Hungary under the auspices of the League of Nations. British support was unconditional as the subject of Hungarian infringement of the military clauses was not to be brought up any more. As far as the Little Entente was concerned, the main effort of HMG had already been focused on Beneš and through him the other members of the alliance to force them into a more amenable frame of mind.¹⁴⁸ Britain had at her disposal a powerful lever of financial pressure. The Czechoslovaks were anxious lest they would be denied the second tranche of their loan floated the previous year. Likewise, the Romanians were given to understand that they could not count on the goodwill of the City of London to obtain money unless they stopped putting spokes into Hungarian wheels. The Little Entente had to cave in and the reconstruction loan was finally adopted at Geneva on 13 March 1924. For good measure, Bethlen’s government was made to pay lip service to a preservation of the *status quo*.

2.4. The Little Entente and France: a View from Whitehall

The Foreign Office appreciated the need to review the complicated relations existing among the states of Central Europe soon after the war, especially in the light of the formal agreements that had been concluded between some of them. An analysis in

¹⁴⁷ TNA, Cadogan to War Office, 2 October 1923, C 16630/53/21, FO 371/8851.

¹⁴⁸ BDF, vol. 2, Doc. 40, Memorandum on Hungary, 24 August 1923.

April 1922 exposed some outstanding features of the view of the Little Entente taken in Whitehall. The Czechoslovak-Polish, Romanian-Polish and Czechoslovak-Austrian treaties of 1921 were all erroneously viewed as closely related to the agreements binding on member states of the alliance and as constituting ‘a first step towards bringing Poland and Austria within the system.’¹⁴⁹ In fact, neither Poland nor Austria were never likely to join the Little Entente, the former because of her often troubled relations with Prague, the latter because of her resolve to stay outside any combination exclusive of Germany or even potentially inimical to her. As another illustration of vastly exaggerated notions, Central Department officials believed that Poland was prepared to provide military aid to Romania in the event of a Hungarian or Bulgarian attack. Even the exchange of notes between Beneš and Carlo Sforza, the Italian Foreign Minister, in February 1921 in the wake of the Rapallo Treaty signed by Italy and Yugoslavia was looked upon as a further extension of the Little Entente. Germany regarded the alliance as a part of the French system designed to enchain her, and her Foreign Minister, Walther Rathenau, handed over to the British Ambassador at Berlin, Lord Edgar D’Abernon, a diagram showing the political treaties, agreements, alliances and relations in Central, Eastern and South-Eastern Europe that was supposed to prove that point. However, D’Abernon found that it failed to do so as it could not display ‘any direct agreements or treaties which bind the Petite [Little] Entente to France.’¹⁵⁰ The Germans also suspected the existence of military conventions, although they lacked any positive knowledge; in fact, military conventions did not exist.

The same British unrealistic view in regard of the Little Entente’s scope and political objectives was steadfastly maintained nearly three years later when another comprehensive analysis of the security questions in Central and South-Eastern Europe was undertaken. The assessment of the three above mentioned treaties, though it was

¹⁴⁹ TNA, Memorandum respecting the Treaties and Alliances between the States of Central Europe [with diagram], 3 April 1922, C 5160/4454/62, FO 371/7444.

¹⁵⁰ TNA, D’Abernon to Curzon, 23 March 1922, C 4454/4454/62, FO 371/7444.

admitted that they were not couched on ‘the same lines as the Little Entente Agreements’, was repeated in almost identical terms.¹⁵¹ The reason for such misperception lay in the overwhelming tendency of the Foreign Office to view any grouping or formal understanding between countries of Central and South-Eastern Europe in the light of their connection, real or imaginary, with France. Thus, under the heading of ‘French connection with Little Entente’ the specialists of the Central Department included three countries: Czechoslovakia, which at the time had an anodyne political treaty with France without a military pact; Yugoslavia, which did not have any formal agreement with France; and Poland, which was not a member of the Little Entente at all but had a military pact with France.¹⁵² The third member of the Little Entente, Romania, was not as much as mentioned under the same heading, presumably because she was not suspected to have contracted a military agreement with Paris.

The Pact of Rome of 1924 between Yugoslavia and Italy and the Italo-Czechoslovak treaty of 5 July of the same year whereby Prague adhered to the former instrument were also considered as a sort of understanding between Italy and the Little Entente as a whole. This was even more surprising as Italian animosity towards the alliance was common knowledge in Europe. It was a mistaken belief that the pact of Rome was ‘supplemented by some secret agreement regarding “spheres of influence” in the Adriatic and the Balkans’ that accounted for such a blunder.¹⁵³

The reflections of Lord D’Abernon succinctly expressed the whole outlook of the Foreign Office on the position and role of the Little Entente in post-war Europe:

Russia and Austria have practically disappeared, and a new factor has grown up in the shape of the Petite Entente, which may have a decisive influence upon the future of European history. The French have laid themselves out to secure the Petite Entente as vassals or tied partners, and they have gone a long way to achieve

¹⁵¹ BDFA, vol. 2, Doc. 60, Memorandum on Political Treaties, Alliances and Relations at present in force in Central and South-East Europe affecting the Question of Security, 20 January 1925.

¹⁵² Ibid.

¹⁵³ Ibid.

success. It would be easy to criticise English policy as having been negligent in this matter, but I do not see that we could do much to counteract French influence.¹⁵⁴

Britain never seriously intended to compete with France for the favours of the three allied countries or other small countries in the region. D'Abernon himself made an ostensibly convincing case for abstention from pursuing a more ambitious policy which would involve challenging the alleged French preponderance. In the first place, the Ambassador contended, France was much better equipped to exert influence in those countries for a number of reasons. Her military missions in the countries concerned provided an overpowering position for French diplomatic representatives and could not be matched by a Britain unwilling to dispatch its own officers in similar missions.¹⁵⁵ A naval power such as Britain lacked the French military glamour which appealed to non-maritime states. There were also certain social affinities, and even racial ones in the case of Romania, drawing those countries to France. Finally, Paris had already been established as a centre to which the states of Central and South-Eastern Europe were accustomed to turn in order to replenish their finances. D'Abernon was against 'heavy expenditure or undue risk in the form of loans' that would have to be undertaken for the purpose of a forward policy. Therefore, the Ambassador concluded, Britain should concentrate her diplomatic attention upon countries with an extended sea-coast and a prosperous maritime commerce - and since the countries in question did not fit that description even the greatest effort would not produce a tangible result.¹⁵⁶ In short, D'Abernon asseverated that an absolute French control over the Little Entente states was a foregone conclusion and that there was no point in challenging it. Nicolson confirmed this rigid view when portraying the Little Entente system as being on the whole 'with Poland as its umbilical cord... linked and integrated under the Quai

¹⁵⁴ Edgar D'Abernon, *An Ambassador of Peace: Lord D'Abernon's Diary*, 3 vols (London: Hodder and Stoughton, 1929-30), II, entry on 25 December 1923, p. 288.

¹⁵⁵ Ibid. D'Abernon generalises when speaking of military missions and seems to have extended this notion to all the Little Entente countries and Poland which he treats as another member of the alliance. In fact, Czechoslovakia had a permanent French military mission but Romania and Yugoslavia did not.

¹⁵⁶ Ibid.

d'Orsay' and vividly recalled how Lord Curzon regarded it 'almost as a personal affront.'¹⁵⁷ Such excessive notions of relations between Paris and the three smaller countries led to the formulation of a sweeping and far-reaching strategic assessment that aggression was more likely to come from France and the Little Entente than from Germany, the former two being regarded as the strong side and the latter as the weak one and thus incapable of causing trouble.¹⁵⁸

The attitude of the Foreign Office and popular feeling in Britain were so unbending that they left a strong imprint on the historiography. It is no coincidence that Edward Carr, himself a high-ranking diplomat in the Southern Department of the Foreign Office during the thirties, set a tone with his contention that by 1924 the Little Entente and France had formed a 'modern counterpart of the Holy Alliance' which has been repeated time and again ever since.¹⁵⁹ The allegation rests on two assumptions. Firstly, it presumes that the Little Entente countries had attained a high level of coordination of their policies and were capable of presenting a common front in all major political questions, not only those pertaining to Hungary; and secondly, that with this being so, France was in a position to subordinate and direct their foreign relations to suit the policy makers at the Quai d'Orsay.

¹⁵⁷ Harold Nicolson, *Curzon: the Last Phase, 1919-1925: a study in post-war diplomacy* (London: Constable, 1937), pp. 212-213.

¹⁵⁸ Douglas Johnson, 'The Locarno Treaties', in *Troubled Neighbours: Franco-British Relations in the Twentieth Century*, ed. by Neville Waites (London: Weidenfeld & Nicolson, 1971), pp. 100-124 (p. 113).

¹⁵⁹ Edward Carr, *International relations between the two world wars, 1919-1939* (London: St. Martin's Press, 1947), pp. 43-44. Similar assessments of the French eastern alliances that imply a decided dependence of the Little Entente and Poland, usually described as client states, on France throughout the 1920s are disseminated in a number of works: Arnold Wolfers, *Britain and France Between Two Wars: Conflicting Strategies of Peace from Versailles to World War II* (New York: Harcourt, Brace and Company, c1940), pp. 101-102; Anthony Adamthwaite, *Grandeur and Misery: France's Bid for Power in Europe, 1914-1940* (London: E. Arnold, 1955), pp. 117-118; Robert Parker, *Europe 1919-1945* (London: Weidenfeld & Nicolson, 1969), p. 57; Sally Marks, *The Illusion of Peace: International Relations in Europe, 1918-1935* (Basingstoke: Palgrave Macmillan, 2003), p. 46; William Kleine-Ahlbrandt, *The Burden of Victory: France, Britain and the Enforcement of the Versailles Peace, 1919-1925* (London: University Press of America, 1995), p. 189; Alla Jazkova, *Malaja Antanta v evropejskej politike* (Moskva: Nauka, 1974), pp. 257-258. The studies of French foreign policy have disputed this simplistic view: William Shorrock, *From Ally to Enemy: the Enigma of Fascist Italy in French Diplomacy* (Ohio: Kent State University Press, 1988), p. 32 rightly observes that 'the treaties linking France with the Little Entente were concluded only between 1924 and 1927, that is, after the period of extremely tense Franco-German relations had run its course.'; Jacques Néré, *The Foreign Policy of France from 1914 to 1945* (London: Routledge & Kegan Paul, 1975), pp. 42-43.

On closer examination both premises prove to be untenable. In his parliamentary exposé Beneš was adamant, in order to convince his audience of perfect solidity and unanimity among the Little Entente states, that he had been informed in detail by his colleague Ninčić in respect of the preparations and intentions of the Yugoslav government in the matter of Italian treaty as early as September 1923 during the session of the League of Nations. Likewise he claimed to have taken Ninčić into his confidence concerning his own agreement with France.¹⁶⁰ There is, however, compelling evidence to the contrary. When President Masaryk met with the Yugoslav and Romanian envoys in London in the course of his state visit of October 1923, he signally failed to mention the main purpose of his journey, namely the ongoing talks with a view to the impending alliance with France; on the contrary, Masaryk insisted that his visit ‘as well as the visits to France and Belgium’ were ‘an act of courtesy to those countries and without any special political goal’.¹⁶¹ Ninčić actually heard of the Czechoslovak treaty for the first time from Beneš on the eve of its signature during the Little Entente conference at Belgrade and confessed to Young that it had come as a complete surprise to him.¹⁶²

There were other political issues over which Belgrade and Prague did not see eye to eye. As early as 1922 Živojin Balugdžić, Yugoslav Minister at Berlin and King Alexander’s favourite, professed the opinion that it was all very well for Beneš to centre the Little Entente activities around Prague, which incidentally accorded to French interests in Central Europe, but that the thrust of Yugoslav policy lay in the Balkans and that therefore it was imperative for Yugoslavia to facilitate a political organisation of the peninsula, perhaps some sort of extension of the Little Entente, in which she would naturally play a leading part.¹⁶³ Furthermore, Yugoslav and Czechoslovak foreign policies differed considerably in their attitude towards Germany, particularly over the

¹⁶⁰ Beneš, *Five Years of Czechoslovak Foreign Policy* (Praha: Orbis, 1924), p. 35.

¹⁶¹ AJ, London Legation, Gavrilović to FO, 25 October 1923, without number.

¹⁶² DBFP, XXVI, No. 15, Young to FO, 11 January 1924; No. 21, Young to Curzon, 15 January 1924.

¹⁶³ Živojin Balugdžić, ‘Balkanski savez u Maloj Antanti’, *Srpski književni glasnik*, 6 (1922), 369-375.

prospect of Anschluss, and over the advisability of establishing official relations with Moscow.¹⁶⁴ Nor were relations between Belgrade and Bucharest friendly and close enough to allow for concerted action, having been severely strained as a result of their conflicting standpoints in regard to the Bulgarian putsch of 9 June 1923 against the pro-Yugoslav Prime Minister Alexander Stambuliyski, instigated and carried through by IMRO and revanchist elements within the army, and the delimitation and minority issues that came to surface the following year.¹⁶⁵

As for the French dominance over the Little Entente countries, it was as far from coming into being in 1924 as ever. For Young, the transfer of the French Minister at Belgrade Clément-Simon shortly after the conclusion of the Pact of Rome was an unmistakable sign of the umbrage taken in Paris at the manner in which the treaty had been concealed from the French authorities.¹⁶⁶ Indeed, in April 1924 King Alexander had solemnly to assure the French that there were no plans between his country and Italy directed against Greece and that the sole object of the recent agreement, as far as he was concerned, was to keep the Italians at arm's length from the Balkans.¹⁶⁷ Both the Pact of Rome and the Czechoslovak-Italian treaty, which was deprived of any real content and only served Beneš to align his policy with that of Ninčić for the sake of appearances, were raising serious misgivings in Paris concerning the conduct of the Little Entente. The French government tried unsuccessfully to stop Beneš from signing a pact with Mussolini before France had come to an agreement with Italy, and particularly with Yugoslavia, so as not to give the impression that France was being

¹⁶⁴ Vuk Vinaver, 'Suprotnosti jugoslovenske i čehoslovačke spoljne politike-prilog istoriji Podunavlja 1919-1929. godine', *Zbornik Matice srpske za istoriju*, 31 (1985), 19-40.

¹⁶⁵ Gligor Popi, *Jugoslovensko-rumunski odnosi 1918-1941* (Novi Sad: Filozofski fakultet, 1984), pp. 50-56; Đorđe Vasiljević, 'Zemlje Male Antante i velike sile prema devetojunskom prevratu u Bugarskoj', *Zbornik za istoriju*, 13 (1976), 177-186.

¹⁶⁶ TNA, Annual Report on Serb-Croat-Slovene Kingdom for 1924, C 6696/6696/92, FO 371/10797.

¹⁶⁷ Vuk Vinaver, *Jugoslavija i Francuska između dva svetska rata: Da li je Jugoslavija bila francuski "satelit"* (Beograd: Institut za savremenu istoriju, 1985), p. 65; Antonina Kuzmanova, 'Sur la rivalité franco-italienne dans la Petite Entente en 1924', *Etudes balkaniques*, 29 (1993), 20-28 (p. 24).

ousted from Central Europe.¹⁶⁸ Another proposal emanating from Paris for the conclusion of a tripartite Franco-Yugoslav-Romanian treaty met with rebuff in Belgrade where there was an unwillingness to jeopardise the fruits of the pact with Rome and even more alarm at the prospect of getting drawn into an armed conflict with the Russians for the sake of Bessarabia.¹⁶⁹

To understand how the Foreign Office's view of the Little Entente states came to be inextricably interwoven with and almost solely judged by their perceived relations with Paris the conditions prevailing in 1923, when Raymond Poincaré's cabinet made a sustained effort to reach rapprochement with the alliance, have to be borne in mind. In the wake of the Ruhr crisis brought about by firm action to punish the Germans for their default in reparations, Poincaré was resolved to strengthen his position vis-à-vis a defiant Germany and an increasingly hostile Britain by aligning the smaller East-Central European states within the French security system. France had long endeavoured to take the posture of a sole defender of Yugoslav and Romanian interests in reparations matters.¹⁷⁰ During 1923 Poincaré had further recourse to economic levers and offered credits for the purchase of different goods and material in France, including military equipment, to Yugoslavia and Romania as well as to Poland, the monies amounting to 300, 100 and 400 million francs respectively.¹⁷¹ The British Treasury resented the French granting loans to Central European countries until the latter had met their

¹⁶⁸ Ádám, pp. 216-217; Shorrock, pp. 45-46.

¹⁶⁹ Carlile Macartney and Alan Palmer, *Independent Eastern Europe* (London: Macmillan, 1962), p. 261; Eugene Boia, *Romania's Diplomatic Relations with Yugoslavia in the Interwar Period, 1919-1941* (New York: Columbia University Press, 1993), p. 117.

¹⁷⁰ AJ, London Legation, Gavrilović to FO, 13 August 1922, confidential number 311; naturally, being a new state Czechoslovakia was not supposed to receive the reparations. The British had information that Poincaré stated in conversation with the Yugoslav and Romanian Ministers in London that France would not take part in any future conference on reparations if the Little Entente countries had also not been summoned. See TNA, Minute by Leeper, 18 August 1922, C 11636/99/18, FO 371/7482. The Yugoslav report on the conversation referred to above proves that Poincaré did not go that far.

¹⁷¹ The French Chamber of Deputies passed a bill granting advances to Poland on 15 February, to Romania on 29 May and to Yugoslavia on 12 July 1923. See TNA, Crewe to FO, 13 November 1923, C 19686/19686/62, FO 371/8624; French government loans to Poland, Roumania and Yugo Slavia, extract from the report of the French Finance Commission presented on 9 December 1922, C 19899/1/18, FO/371/8624; Memorandum respecting French Loans contracted since the Armistice enclosed in Knatchbull-Hugessen to Lampson, 21 November 1923, C 20475/19686/62, FO/371/8624; also Arnold Toynbee, *Survey of international affairs 1924* (Oxford University Press, 1928), pp. 443-444.

obligations in respect of their own debts to Britain.¹⁷² The Lords Commissioners were particularly annoyed with the fact that the money earmarked for warlike material was going to be spent for non-productive purposes. They suggested taking a strong line with the three borrowing countries and addressing a direct question to them as to the financial obligations about to be undertaken towards the French and the possible consequences they could have in regard to the prior claims due to the British government. The suggestion was taken up by the Foreign Office and notes to that effect were handed to the Romanian, Yugoslav and Polish representatives.¹⁷³ Nevertheless, following the vote by the French Senate, Yugoslavia and Poland accepted the offer in January and April respectively while Romania refused, apparently piqued at the greater enthusiasm displayed in Paris in granting the credits to the two other countries.¹⁷⁴

The fact that the French overtures to the Little Entente (and Poland) were instigated in order to gain support for a policy which met with resolute British opposition had a corollary effect of prejudicing the whole Foreign Office's outlook on the inherent merits of the Little Entente's policies. The tendency to exaggerate the pro-French leanings of the three allied states was manifest in the manner in which all the reports coming in from the most competent quarters – the British Legations at Prague, Belgrade and Bucharest – testifying to the contrary were invariably ignored. In Prague, Sir George Clerk had the distinct impression that the French hold on Czechoslovakia was waning, as witnessed by the marked hostility displayed towards the French military

¹⁷² TNA, Treasury to Foreign Office, 12 December 1923, C 21469/19686/62, FO/371/8624; for the obviously inspired article which criticised the loans along the same lines see the *Times*, 9 November 1923 the extract of which could be found in C 19709/19686/62, FO/371/8624 and AJ, London Legation, Gavrilović to Ninčić, 20 November 1923, confidential number 581 for the summary of several articles published in the *Times*. The response of the French press is summarised in TNA, Crewe to Curzon, 31 December 1923, C 22400/19686/62, FO/371/8624.

¹⁷³ TNA, Curzon to Mishu, Gavrilovic and Raczynski, 21 December 1923, C 21469/19686/62, FO/371/8624.

¹⁷⁴ Toynbee, *Survey of International Affairs 1924*, p. 444; France was nevertheless of paramount importance in supplying Romania with munitions and military equipment and was willing to provide more if situation required. See TNA, Report on the interview between the Third Secretary of Bucharest Legation Baggallay with Romanian Chief of the General Staff General Cristesco, 21 September 1922, enclosed in Dering to Curzon, 21 September 1922, C 9890/27/44, FO 371/7894.

mission, whose members were accused of financially exploiting the country, and the dissatisfaction of industrial and financial circles with the raising of the tariff on exporting goods in contravention of a recently concluded commercial treaty.¹⁷⁵ He pointed to Beneš's strong hints that he would like 'a definite understanding whereby our and his economic policies would run on the same lines' which would enable him to take a more independent course in dealing with France. The Minister believed it was in British interests to act and warned: 'Well, if we don't come in, we leave the Czechos no alternative but to go the whole hog with France.'¹⁷⁶ To prove how shaky were the ties that linked Czechoslovakia with her French ally, Clerk adduced the distrust of the latter in regard to Beneš's efforts to include Bohemian Germans in the government on account of the detrimental impact that such a move would have on the military role of the French mission in the Czechoslovak army and the general military cooperation between the two countries. Contrary to that contention, but instructive of the false impression of solidarity between France and the Little Entente, he discerned 'Yugoslav suspicion of Czechoslovak dependence on France' which had, in his opinion, brought about the Pact of Rome.¹⁷⁷

In Belgrade Young witnessed an even more determined Yugoslav desire not to be completely swayed by Gallic influence. Although in 1921 the Minister considered Yugoslavia as belonging 'within the French orbit', he found her no more willing to make any political or industrial sacrifice to her than to any other Power.¹⁷⁸ Three years later the impression of a Yugoslavian wish for full emancipation from France had grown stronger and the Yugoslavs appeared to the Central Department 'quite prepared to look to us for friendship.'¹⁷⁹ On the eve of the conclusion of the Pact of Rome Young

¹⁷⁵ TNA, Clerk to Balfour, 25 May 1922, C 7801/390/12, FO/371/7386.

¹⁷⁶ TNA, Clerk to Curzon, private, 20 June 1923, C 11114/49/21, FO 371/8846. Emphasis in original.

¹⁷⁷ TNA, Annual Report on Czechoslovakia for 1924, C 2285/2285/12, FO 371/10679.

¹⁷⁸ TNA, Annual Report on Serb-Croat-Slovene Kingdom for 1921, C 5308/5308/92, FO 371/7686.

¹⁷⁹ TNA, Foreign Office Memoranda 'Outstanding questions between His Majesty's Government and certain foreign countries', 7 November 1924, C 16914/16914/62, FO 371/9719.

received new confirmation of this political trend: ‘Both Roumania and Yugoslavia were loath to bind themselves prematurely to a French policy and I am told by various officials that M. Pasitch was particularly insistent that there should be as little appearance as possible of the policy of the Little Entente being directed against England.’¹⁸⁰ Similarly, Herbert Dering affirmed from Bucharest that the Romanian Foreign Minister, Ion Duca, ‘set even more store by the lead of Great Britain than by that of France’, despite the incomparably greater propagandist effort maintained by the French.¹⁸¹

The Little Entente’s professions of an independent policy and a balanced stance towards the two great Western Powers were not insincere. Although the unequivocal and persistent French championing of the integral maintenance of the *status quo* as established by the peace treaties was bound to appeal more to the countries whose very existence had been based on the peace settlement of 1919-1920 than a somewhat ambiguous and uncertain British attitude, they nevertheless understood that the endurance of the peace settlement itself depended on the prolonged entente between France and Britain. A rupture between Paris and London could shake the foundations of the European edifice and open once again the Pandora’s box of territorial and political arrangements on the continent. It was in this strain that Beneš described the general European situation to Clerk and insisted on Czechoslovakia’s inability to throw in her lot with one or the other great ally.¹⁸² Before the French army occupied the Ruhr, Ninčić had earnestly hoped that Paris would not impose sanctions on Germany on its own.¹⁸³ Once the crisis came to a head Young averred that both the government and the people were loath to have to take sides between Great Britain and France and regarded with alarm the growing divergence between those two countries in regard to the

¹⁸⁰ DBFP, XXVI, No. 19, Young to Curzon, 13 January 1924.

¹⁸¹ TNA, Annual Report on Roumania for 1924, C 3427/3427/37, FO 371/10806.

¹⁸² BDFA, vol. 1, Doc. 260, Clerk to Curzon, 23 May 1922; TNA, Clerk to Balfour, 25 May 1922, C 7801/390/12, FO 371/7386.

¹⁸³ TNA, Young to Curzon, 17 August 1922, C 11817/2791/62, FO 371/7442.

question of Germany.¹⁸⁴ But no report that put relations between France and the Little Entente states into a more realistic perspective seems to have made any impression whatsoever in the Foreign Office.

There was another aspect of security policy in which Britain was not directly involved. From the early days of the interwar period the Foreign Office clearly saw that Italy was bent on domination in the Danubian-Balkan region and was pitted against the Little Entente for that reason, always assuming that the latter was an instrument of French policy utilised in order to thwart her ambitions. The Central Department clerk John Troutbeck interpreted the whole Adriatic controversy as a manifestation of Italy's desire to turn that sea into an Italian lake for strategic purposes so that she could eliminate the possibility of being on guard against a future Yugoslav fleet and thus 'have all her naval forces available on the other side for use against France.'¹⁸⁵ In Central Europe Austria became a focal point of the Italo-Little Entente animosity, the more so as her precarious economic state rendered the prospects of her independence uncertain. In conversation with the British Ambassador in Rome, Sir Ronald Graham, the Italian Foreign Minister, Carlo Schanzer, underscored his government's sincere perturbation over the likelihood of the 'Czechs and Serbs' entering Austria in the event of her break-up, and made it plain that Italy would be bound to follow suit.¹⁸⁶ Schanzer was at pains to commit Britain to 'his policy of Austria for the Italians' to counter Beneš's efforts to establish Czechoslovak influence at Vienna.¹⁸⁷ However, the Yugoslav envoy in London, Mihailo Gavrilović, was relieved to inform Belgrade that although Italy had been striving for more than two months to convince London and

¹⁸⁴ TNA, Annual Report on Serb-Croat-Slovene Kingdom for 1923, C 9130/6010/92, FO 371/9964.

¹⁸⁵ TNA, Minute by Troutbeck, 8 March 1922, C 3767/82/92, FO 371/7676.

¹⁸⁶ TNA, Graham to Curzon, 24 August 1922, C 12152/74/3, FO 371/7339.

¹⁸⁷ TNA, Minute by Nicolson, 13 September 1922, C 12197/74/3, FO 371/7339.

Paris that the only solution to the problem was a customs union between her and Austria, her efforts were meeting with 'the utmost reserve' in Britain.¹⁸⁸

As the Austrian crisis overlapped with a renewal of the Czechoslovak-Yugoslav treaty on 31 August 1922 it had a profound impact on the further consolidation of the Little Entente. In the view of the Foreign Office the new treaty was chiefly designed to prevent the danger of Austria being taken over by Italy and was thus directed against Italian influence on the Danube.¹⁸⁹ The Yugoslav Minister at Rome, Vojislav Antonijević, believed that the Italian government, aided by the Vatican, had offered economic help to Austria in return for a pledge not to adhere to the Little Entente, as was envisaged by some influential French political circles, and had also endeavoured to promote an alliance consisting of Austria, Hungary and Bulgaria.¹⁹⁰ But the most disquieting feature of this manoeuvre, Antonijević reported, were Italian attempts to win Britain over to their policy. The Austrian crisis was, however, overcome by means of the League of Nations' loan largely due to British initiative, and Austrian independence was preserved and reaffirmed through the so-called Geneva protocols of 4 October 1922.

An episode that was symptomatic of the propaganda warfare waged between Rome and the three allies occurred when the news of Lloyd George's irritation with Beneš on account of the latter's alleged disloyal dealings with the Soviets during the Genoa Conference of 1922 reached the Central Department. Responding to that accusation of bad faith, an annoyed Second Secretary and assistant private secretary to Lord Curzon, Allen Leeper, assured Eyre Crowe that such stories were no doubt 'spread

¹⁸⁸ AJ, London Legation, Gavrilović to FO, 29 August 1922, confidential number 328; the envoy's impression as to the British attitude was that an international mandate was deemed desirable, and some 'business dictator' needed to 'run Austria like some sort of neglected and heavily indebted property'.

¹⁸⁹ TNA, Clerk to FO, 6 September 1922, C 12618/2791/62, FO 371/7442; The Chief of the Political Intelligence Department, William Tyrell, minuted on 9 September 1922: 'The antagonism between Czechs & Yugo-Slavs against Italy is becoming more acute.'

¹⁹⁰ AJ, London Legation, Antonijević to Ninčić, 2 August 1923, without number, copy of a despatch sent from the Rome Legation.

by the Italians & the Vatican both of whom are anxious to discredit Czechoslovakia & break up the Little Entente.’¹⁹¹

Thus, British diplomacy was faced with different aspects of the Italo-Little Entente conflict which was rendered more intractable as it formed part of the even more entangled and hostile Franco-Italian relationship. Dealing with such a problem presented a great challenge, and, as Nicolson’s review suggested, there were few feasible courses of action:

The Little Entente, and especially Czechoslovakia and Romania are at present within the French orbit. Their feelings towards Great Britain are a mixture of respect and regret that we do not intervene more persistently (or consistently) in continental affairs. They do not like France in the least, but cannot, in view of the hostility of Italy, reject her overtures. If we come to an agreement with Italy, I fear that, whatever we may feel or say in London, this agreement will be interpreted abroad as an abandonment of France in favour of Italy. We may be right in thinking the continent of Europe very silly so to misinterpret our policy, but the fact remains that they will think it: that both France and Italy, for different reasons, will encourage them to think it: and that when we take steps to disabuse them of the impression, we shall once again be hailed as “perfidie Albion”. Nor, in this case, would the continent of Europe be as wrong as we may wish to suppose... Nor would I advocate for a moment that we should enter into closer relations with the little entente. All that I would wish to suggest is that, in the present stage of international relations, (which is to say the least transitional) we should adopt a negative attitude of reserve, and not commit ourselves to any positive policy of foreign entanglements.¹⁹²

The problem persisted and was aggravated as the 1920s went on, constituting a danger to European peace as the Locarno agreements of 1925 seemingly pacified tension between Germany and France. Britain became increasingly involved with this dispute hoping against hope to bring about some sort of settlement that would stabilise Central and South Eastern Europe.

¹⁹¹ DBFP, XXIV, No. 72, Clerk to Vansittart, 4 June 1922, footnote 4 containing minute by Leeper, 6 June 1922; the letter sent from Sir Edward Grigg to Robert Vansittart on 15 June 1922 shows that Lloyd George had a grievance against Beneš because of the latter’s ‘constant communication’ with Wickham Steed, the editor of the *Times* and a fierce critic of the Prime Minister.

¹⁹² TNA, Minute by Nicolson, 16 June 1922, C 8573/2791/62, FO 371/7442.

2.5. The Franco-Czechoslovak Treaty

The most formidable French bid for associating the Little Entente countries with their policy was envisaged through the conclusion of formal treaties. French attention was first focused on Czechoslovakia as her adhesion, in addition to the iron-clad military agreement that had been reached with Poland in 1921, would consolidate the anti-German bloc in the east. France already had an unrivalled influence to build on, particularly in Prague's newly formed armed forces. French General Eugène Mittelhauser had been the Chief-of-Staff of the Czechoslovak army since the war and remained so until 1926, while other French officers occupied the higher command posts. Therefore, military cooperation between the two countries had already been established on the basis of a written technical agreement.

Marshal Ferdinand Foch was the first to broach the idea of a formal alliance during his stay in Prague in May 1923, on which occasion he invited President Masaryk to pay an official visit to Paris. Masaryk was disinclined to go on account of his deep reservations about aggressive French policy in the Ruhr, but the invitation could not be ignored.¹⁹³ To dispel any impression of exclusive support for Poincaré, it was decided in Prague to extend the scope of visit of the President and Foreign Minister so as to include London and Brussels.

French advances towards Czechoslovakia were viewed at the Foreign Office in the context of the potential Anglo-French rupture that might have ensued in connexion with the Ruhr crisis. The *Daily Express* correspondent in Paris, Pollock, who was considered 'highly reliable' by Sir Eric Phipps, had a conversation with Beneš which he understood, though the Czech did not actually say so, as meaning that his country 'if driven to choose between England and France, would, although it would be with bitter

¹⁹³ DBFP, XXIV, No. 391, Clerk to Curzon, 25 May 1923; Piotr Wandycz, *France and her Eastern Allies: French-Czechoslovak-Polish relations from the Paris Peace Conference to Locarno* (Minneapolis: University of Minnesota Press, 1962), p. 297.

regret, in the last resort remain faithful to France.’¹⁹⁴ The same point was made to Pollock in regard to the whole Little Entente by another unidentified individual from ‘another state of that group’. When the information was relayed to Whitehall the Central Department’s officials were not taken by surprise. For both Nevile Butler and Lampson the news only confirmed what had hitherto been believed.¹⁹⁵ Lampson found that Czechoslovak subordination to the French, despite a slight restiveness, was inevitable as the latter were in complete control of the Czechoslovak army. The Chief of the Central Department was convinced that the other Little Entente allies would also side with France, which made that alignment a trend of her policy in Central Europe. For the time being Clerk reported from Prague that there was no reason to suspect that the government intended ‘to commit themselves to a hard and fast Military Convention with France.’¹⁹⁶ On further enquiry the Minister learned that Masaryk and Beneš would seek a guarantee in Paris against any German attack, undertaking on their part to maintain the Czechoslovak army at full strength but without accepting any further obligations.¹⁹⁷ According to Clerk, Czechoslovak leaders were to ask for the same kind of guarantee in London. Sir Alexander Cadogan, the First Secretary of the Foreign Office, dismissed the suggestion out of hand observing that it would not be possible to accommodate Masaryk.¹⁹⁸

Cadogan expatiated upon his views in a memorandum written in preparation for the pending visit of the Czechoslovak statesmen covering all aspects of Prague’s home and foreign politics.¹⁹⁹ A tribute was paid to Beneš’s able guidance of Czechoslovak foreign policy and that of the whole Little Entente, which stood for peace and stability,

¹⁹⁴ TNA, Phipps to Crowe, 20 July 1923, C 12709/437/12, FO 371/8575.

¹⁹⁵ TNA, Minutes by Butler and Lampson, 26 July 1923, *ibid.*

¹⁹⁶ TNA, Clerk to Curzon, 28 September 1923, C 16953/437/12, FO 371/8575; in relation to a military agreement Clerk referred to the Secret Despatch No. 129 of 26 June of the same year that could not be traced in the archives.

¹⁹⁷ TNA, Clerk to FO, 2 October 1923, C 17189/437/12, FO 371/8575; Masaryk was also expected to try and enlist British support in the territorial dispute with Poland over a tiny area of Jaworzina.

¹⁹⁸ TNA, Memorandum by Cadogan, 18 October 1923, C 18727/437/12, FO 371/8575.

¹⁹⁹ *Ibid.*

and his appreciation of the mutual interdependence of all the states of Central Europe. The praise for the Little Entente's constructive role in the region was by no means a mere personal view of Cadogan. In March 1923 Curzon strongly advised the Polish Foreign Minister, Count Alexander Skrzynski, to establish friendly relations with Czechoslovakia without delay and stated that the Little Entente, 'of which Poland ought to be a prominent member, was an element of stability in Central Europe to which His Majesty's Government attached the greatest significance.'²⁰⁰ No doubt Curzon preferred to see Poland associated with the Little Entente rather than left on her own and exposed to French influence alone. Yet this favourable view of Prague's role in the region did not affect in the slightest the attitude towards the prospect of undertaking any concrete pledge of military assistance from Britain: 'What we have so far refused to do for France, we cannot do for Czechoslovakia.'²⁰¹ Having stressed again Czechoslovak dependence on France in defence matters, Cadogan pointed out Masaryk's and Beneš's different point of view pertaining to some aspects of European policy, particularly the Ruhr affair, and their desire 'to be freed from French leading strings'. What did they then expect from the talks in London?

They may think they can obtain something from us that would put them in a position of greater independence: they probably wish, if that is impossible, to justify their subservience by explaining their dependence on French support... But if he [Masaryk] thinks the time is coming when he may have to declare openly for one side or the other, he may wish to explain to us that he is not at liberty to follow his own inclinations. That, rather than the hope of really obtaining any "guarantee" from us, is probably the explanation of his raising this point with us.²⁰²

While Cadogan was writing his memorandum the Czechoslovak statesmen were already in Paris. They proved to be reserved as to the terms of a political agreement, and most resistant to the conclusion of a clearly defined military convention: French proposals were met with rather general and platitudinous drafts of Czechoslovak

²⁰⁰ TNA, Curzon to Muller, 19 March 1923, N 2655/306/55, FO 371/8575; see also the Central Department's memorandum 'Poland and the Little Entente', 17 March 1923, C 9378/627/12, FO 371/8576.

²⁰¹ TNA, Memorandum by Cadogan, 18 October 1923, C 18727/437/12, FO 371/8575.

²⁰² Ibid.

provenance.²⁰³ A military alliance was distrusted for a number of reasons: Beneš did not like the idea of being dominated by France in the way he thought Poland was; he was apprehensive at the prospect of Czechoslovakia being dragged into an armed adventure by French jingoism; and finally, the alliance would have been seen as designed to encircle Germany and would appear to reinforce Poincaré's hard line approach in Ruhr, which was precisely what Beneš wanted to shun.²⁰⁴ The French played an economic card by promising their help to get the Czechoslovaks out of their troubles stemming from the forthcoming payment of the 'costs of liberation', a form of reparation that burdened the successor states.²⁰⁵ The Czechs stood their ground and left Paris without signing any document.

The negotiations lingered on throughout the winter until a compromise formula had been found. That was facilitated, from what the Czechoslovak Minister at Berlin told his British colleague, by the change of heart on the part of Marshal Foch who was 'not too well pleased with the results of the Military Agreement with Poland.'²⁰⁶ Instead of having a proper military convention the Foreign Ministers of the two countries decided to exchange interpretative letters that provided for permanent contacts between the general staffs.²⁰⁷ On 25 January 1924 Beneš and Poincaré signed the treaty of friendship in Paris which was soon followed by the exchange of the secret letters.²⁰⁸ The signatories evoked their will to maintain the peace and international order as established on the basis of the peace treaties and for that purpose declared that they

²⁰³ DBFP, XXIV, No. 563, Curzon to Peterson (Prague), 22 October 1923; Wandycz, *France and her Eastern Allies*, pp. 297-98; Beneš later told Curzon how Masaryk and he had refused the text drafted by Poincaré which was actually 'an adulterated form' of the first draft that Foch had already tried to impose in Prague. See DBFP, XXVI, No. 23, Curzon to Clerk, 16 January 1924.

²⁰⁴ Wandycz, *France and her Eastern Allies*, p. 298; In fact, Prague did not want to see the disintegration of Germany on the account of devastating economic consequences and lest Bavarian separatists should enter some combination with Austria and Hungary closing the ring around Czechoslovakia.

²⁰⁵ TNA, Extract from Lord D'Abernon private diary showing observation of Czechoslovak Minister at Berlin, entry on 14 January 1924, C 1122/G, FO 371 9673.

²⁰⁶ *Ibid.*

²⁰⁷ Wandycz, *France and her Eastern Allies*, pp. 299-300.

²⁰⁸ The text of the treaty is published in Toynbee, *Survey of international affairs 1924*, Appendix XI, pp. 504-505.

would act in unison whenever their security and common interests were at stake. More to the point, three specific instances of infringement of the existing order were clearly defined by terms of the agreement (articles 3-5) - Anschluss, and Habsburg or Hohenzollern restoration. The two countries undertook to submit their mutual disputes to the Permanent Court of International Justice for arbitration. They also agreed to communicate to each other all treaties previously concluded concerning Central Europe and to consult before signing any new agreement.

The last provision demonstrated a measure of Czechoslovak diplomatic success. Prague not only avoided anything of a military character to which exception had been taken during the prolonged negotiations, but also prevailed in terms of shaping the treaty to its own liking. Beneš asserted to Clerk that the agreement was the best means to obtain final security in regard to Hungary and Poland which was vital to the peaceful development of his country, and the Minister found these assurances perfectly genuine: 'After all, there is little doubt that the Hungarians had good grounds for believing in French sympathy, or at least a benevolent neutrality that success would have turned into active sympathy, at the time of the Karl "Putsch", and Dr. Benes quite naturally wishes to eliminate any such possibility in the future.'²⁰⁹ Indeed, in return for mere consultation among the army commanders the Czechoslovaks exacted a high price in the realm of Central European policy which had been their chief concern. France practically denied herself the right to pursue her own policy in the Danube valley and subscribed to playing second fiddle to Prague. Moreover, the Czechs could plausibly argue that they now had a legal basis from which to influence French policy towards Germany along more moderate paths.²¹⁰

The reception that was meted out to the treaty abroad was in stark contrast to its actual provisions. Before the signing took place a wave of rumours had been put in

²⁰⁹ TNA, Clerk to Curzon, 10 January 1924, C 636/41/12, FO 371/9673.

²¹⁰ Wandycz, *France and her Eastern Allies*, pp. 300-301.

motion. As Clerk pointed out, it was all too easy for his colleagues to argue ‘that there was no crying need to regularise a perfectly patent situation, namely, the common interests of France and Czechoslovakia against Germany, by a formal treaty, and that therefore there must be some far-reaching ulterior motive.’²¹¹ The Italian Chargé d’Affaires in Prague, Francesco Barbaro, contended that the real reason was to present a common front of France and the Little Entente against Italy and prevent the latter from aspiring to preponderance in the Mediterranean.²¹² He also suspected that Beneš would offer his mediating services to bring about a rapprochement between France and Russia, and thus ‘earn a handsome commission from both.’ The Italian was adamant that he knew from reliable sources, the origin of which Clerk put down to the Polish Military Attaché, about the existence of a clandestine military agreement between France and Czechoslovakia.²¹³ There was nothing else left for Italy, Barbaro continued, but to work for a counterweight grouping consisting of Poland, Hungary and Romania under Italy’s wing.

The Czechoslovak Minister at Rome, Vlastimil Kybal, always an ardent supporter of good relations with Italy, did his best to dissipate the belief regarding an alleged military treaty, but to no avail. Having heard his solemn assurances to the contrary, Mussolini plainly retorted that no one would ever believe that there were no hidden military provisions.²¹⁴ In his conversation with the British Minister, Sir Ronald Graham, the Duce declared that, according to his information, one of the military

²¹¹ BDFa, vol. 2, Doc. 51, Clerk to Curzon, 10 January 1924.

²¹² Ibid.

²¹³ A rumour was circulated from the Italian quarters to the effect that Czechoslovaks had agreed on mobilising five divisions if and when required. See TNA, Clerk to FO, 8 January 1924, C 437/41/12, FO 371/9673.

²¹⁴ Vlastimil Kybal, ‘Czechoslovakia and Italy: My Negotiations with Mussolini, Part II: 1923-1924’, *Journal of Central European Affairs*, 14 (April 1954), 65-76 (pp. 66-67); Kybal described an impression that the news of the Franco-Czechoslovak treaty produced in Rome as a thunderbolt from a clear sky. He stressed the adverse criticism and distrust displayed by the press, and recalled how ‘the Italians acted as if they didn’t care even to talk to us, and as if we were traitors and vassals of France.’

clauses provided for the secondment of the French military advisers to the Czechoslovak army.²¹⁵

The Germans also believed in the myth of a military convention and their Foreign Minister, Gustav Stresemann, circulated that information to the principal missions abroad.²¹⁶ At the end of February the Austrian Social Democratic politician Fritz Adler handed over to the British what purported to be a summary of the alleged secret Franco-Czechoslovak military agreement.²¹⁷ Neither Nicolson nor Cadogan took it seriously. Another version of the convention, somewhat different and 'less impossible' than that supplied from Vienna, was forwarded to D'Abernon by the German military authorities.²¹⁸ It did not fare any better among the Foreign Office staff than the Adler's document, but it was nevertheless decided to ask the War Office for its opinion of both versions. Before those views could be received the whole controversy became a public matter. On 18 March 1924 the *Berliner Tageblatt*, evidently supplied with documents by the government, published the full text of the alleged military agreement, causing a great sensation in the diplomatic world. When the expected analysis from the military finally reached the Foreign Office it did not help to lay to rest the lingering suspicions. Having carefully investigated the content of the documents, and having admitted that 'they should be viewed with considerable suspicion', the War Office could only 'regret that so far they have not been enabled to come to any definite conclusion.'²¹⁹ The Army Council believed that the papers truthfully presented what

²¹⁵ TNA, Graham to FO, 14 January 1924, C 709/41/12, FO 371/9673; Butler was not impressed with that piece of information given the fact that the Commander-in-Chief of the Czechoslovak army was already a Frenchman.

²¹⁶ Wandycz, *France and her Eastern Allies*, p. 303.

²¹⁷ TNA, Brailsford to Ponsonby, 29 February 1924, C 3885/41/12, FO 371/9673; the Austrian Socialists got the document from the police President of Vienna who presumably had it through some ordinary espionage channel. The War Office had information that it emanated from a Hungarian source but it actually originated with the Poles. See War Office report, 15 April 1924, C 6304/41/12, FO 371/9673.

²¹⁸ TNA, D'Abernon to FO, 8 March 1924, C 4203/41/12, FO 371/9673; D'Abernon underlined that the German government was sure of its authenticity and would shape its policy on the basis of such belief unless the documents had been proved to be false.

²¹⁹ TNA, War Office report, 15 April 1924, C 6304/41/12, FO 371/9673.

was in the French military mind but was doubtful as to whether the Czechoslovaks would be willing to commit themselves so heavily.

Amidst all negative reactions to the Franco-Czechoslovak treaty it was the asperity of the British response that most perturbed the government in Prague. The bad press that the agreement received in Britain was initiated by an article published in *The Times* on 1 January 1924 in which Czechoslovakia was accused of adhering to what 'seems to belong to dispensation wholly unconnected with the League of Nations and with that ideal of European unity which Czechoslovakia has hitherto professed to serve.'²²⁰ The accusation relating to the League concerned the spirit of its Covenant rather than the actual terms as the treaty in question was to be duly registered at Geneva. In his significant parliamentary speech on 6 February 1924 Beneš reverted to this point and went out of his way to prove that what had happened merely a fortnight before was not 'again the old pre-War policy of forming groups and blocs, the policy of provocations, the old policy of secret diplomacy'.²²¹ As for the claim that fending for security should take place exclusively within the machinery of the League, which had been 'of late the main argument of several English critics', Beneš adduced a number of arguments that went a long way to demonstrate that the institution at Geneva, despite its considerable moral force, could not be entrusted with the effective protection of the Republic. This sort of criticism was later to be levelled again in Britain against the other agreements concluded between France and other members of the Little Entente.

The Czechoslovaks did their best to dispel the misinterpretation of their policy. Their envoy at London, Vojtech Mastný, conveyed a message from his government to the Permanent Under-Secretary Crowe explaining that the treaty was exactly on the

²²⁰ *Times*, 1 January 1924 attached to C 145/41/12, FO 371/9673; for a survey of the press reports concerning Beneš's visit to London in January 1924 see AJ, London Legation, Gavrilović to Ninčić, 24 January 1924, confidential number 24.

²²¹ Beneš, *Five Years of Czechoslovak Foreign Policy*, pp. 30-33.

lines expounded by Masaryk and Beneš in their recent interview with Lord Curzon.²²² As if that was not enough, the Czechoslovak Foreign Minister himself arrived in London and had a long interview with Curzon, who availed himself of the opportunity to impress upon Beneš ‘a good deal of suspicion about the treaty, which was looked upon in some quarters as a still further illustration of the militaristic policy of France, seeking to encircle Germany by a chain of States committed to her interests.’²²³ Having been asked if there was ‘any sort of undertaking, understanding, pledge, or promise, with regard to military matters’ or any stipulation for ‘joint consultations between the military staffs of the two Powers’, Beneš emphatically denied that this was so. Furthermore, he assured Curzon that he was bent on dissolving the French Military Mission in Prague by withdrawing one half of it next year and the rest gradually later on.²²⁴ In that way the extent of military cooperation would be reduced in the course of time to the level of military attachés. However, all the solemn assurances given by Beneš, the Foreign Secretary admitted to Clerk, ‘did not quite remove every trace of suspicion’ from his mind.

Although Beneš realistically explained the Czechoslovak point of view, his mission was a distinct failure as he did not manage to justify his policy in British eyes. The Franco-Czechoslovak treaty was above all seen in London as an unqualified success for Poincaré, and the annoyance with the Czechoslovaks was conspicuous. Even Clerk, usually the one to be most sympathetic to the Czechs, was palpably irritated when commenting that the bad British press extended to them ‘merely increases the feeling of self-importance of this conceited and provincial-minded people, while their sensitiveness to criticism drives them closer to their French allies.’²²⁵ Nothing appears

²²² TNA, Note by Sir Eyre Crowe, 3 January 1924, C 364/41/12, FO 371/9673.

²²³ TNA, Curzon to Clerk, 16 January 1924, C 882/41/12, FO 371/9673.

²²⁴ Ten days later Clerk reported from Prague about the appointment of Czech General Jan Syrový as the Deputy Chief of the Czechoslovak General Staff which he considered ‘to bear out the assurances given to Lord Curzon’. See TNA, Clerk to MacDonald, 25 January 1924, C 1551/41/12, FO 371/9673.

²²⁵ BDFa, vol. 2, Doc. 51, Clerk to Curzon, 10 January 1924.

to have suffered more than the reputation of Beneš and nobody at the Foreign Office was more annoyed than the Chief of the Central Department. To Lampson, Beneš was ‘far too specious and plausible’ and ‘too much of a busy-body’.²²⁶ The Yugoslav envoy in London Gavrilović drew the attention of his government to this pronounced dissatisfaction in Britain where a feeling that France had become the unrestricted master on the Continent gained ground and a very few people, personal friends of Masaryk, belittled the significance of the agreement, maintaining that it was in keeping with the requirements of the League and that it had merely served Poincaré for election purposes.²²⁷

Conclusion

After a turbulent year when Hungary and her neighbours had been in turmoil over the Habsburg restoration, Central Europe from 1922 was in dire need of pacification and stability. In its appreciation of the most suitable ways to contribute to peace and order in the region British diplomacy worked on certain basic assumptions. These were formed as a result of an overall perception of the foreign policies pursued by the individual member-states of the Little Entente and their adversary – Hungary. It was the former rather than the latter that caused considerable disquiet in London. Among the three states Czechoslovakia was seen as sound and reasonable in her conduct of foreign affairs. To a large extent this impression was derived from a trust placed in her statesmen, Masaryk and Beneš. They inspired confidence and were counted on to do their best in order to preserve a fragile peace along the Danube. On the other side, Romania, and particularly Yugoslavia, were decried as unsettled countries riddled with internal frictions which, in turn, created an environment conducive to

²²⁶ TNA, Minutes by Lampson, 12 January 1925, C 256/256/12 and 5 March 1925, C 3050/256/12, FO 371/10674.

²²⁷ AJ, London Legation, Gavrilović to Ninčić, 1 January 1924, without number.

foreign adventure. For the most part the British blamed the current regimes in two countries, embodied in the Prime Ministers Pašić and Brătianu, for their unpredictable behaviour in relations with their neighbours who might have even felt menaced. The charge was quite harsh and unfairly rooted in an intense dislike of the two men rather than justified by their actual policies. By contrast, the Hungarian regime headed by Horthy and Bethlen was deemed a stable and solid creation, despite its anti-democratic measures. As such, the Foreign Office was convinced, it accounted for peace and stability and deserved support. That was the thinking behind Britain's staunch refusal to have anything to do with attempts to precipitate a change of government in Budapest and her willingness to extend a helping hand in the matter of the Hungarian reconstruction loan. In a word, in the continuous wrangle between the Little Entente and Hungary the Foreign Office believed that the fault lay mostly with the former. Still, diplomats from Whitehall were aware of security risks related to the observance of the Trianon Treaty obligations and were ready to take action in order to coerce Hungary into compliance. But there were other forces at work. The Treasury and the Bank of England pursued their own ambitions in a comprehensive plan to restore the economic health of Central Europe. The Hungarian reconstruction loan was held to be a crucial step in that direction. For that purpose financial institutions, especially the Treasury, brought pressure to bear on the Foreign Office such as to make it brush aside the security concerns in regard to Hungary and overpower the Little Entente's resistance. In the ensuing assessment of priorities between the conflicting agendas the Foreign Office climbed down and recognised the primacy of Niemeyer's and Norman's plans. In doing so it overlooked its own concerns and discarded recommendations from the War Office.

A close understanding between France and the Little Entente was dimly viewed in the Foreign Office because it appeared to have perpetuated the gap between the victors and the vanquished of the late war and was thus detrimental for European

pacification. This impression was further amplified by the distorted perception in Whitehall as to relations existing between Paris and the alliance. The forward policy adopted on the part of Poincaré's government at the time of the Ruhr crisis and his effort to associate the Little Entente countries with France heavily prejudiced the outlook of the Foreign Office towards the former. This tendency was so overwhelming that a flow of British Ministers' reports from Belgrade, Prague and Bucharest which ran contrary to the preconceived opinions held in London made not the slightest difference. The Central Department was imbued with prejudices to such an extent that it did not simply ignore the reports dispelling notions of a full-scale commitment of the Little Entente to Paris but indeed exaggerated the real scope of relations between the two.

Naturally, in such a frame of mind nothing was more unpalatable to Curzon and his subordinates than a further strengthening of ties between France and her three 'vassals'. The attitude adopted towards conclusion of the Franco-Czechoslovak treaty of 1924 clearly demonstrated British feeling on the matter and revealed a discrepancy between the British perception and the true situation. While Beneš did his best - with considerable success - to reduce Czechoslovak dependence on France trying to follow the middle course between Paris and London in a manner which could be nothing but pleasing to Britain, he was met in the Foreign Office with suspicion that he was becoming completely subservient to Paris.

CHAPTER 3

MANAGING PERPETUAL CRISIS, 1925-1927

Introduction

The mid-1920s seems to have been the most tranquil time during the interwar period. The Locarno agreement appeared to its contemporaries as a milestone which truly ushered in a new era of peace and international cooperation. Although it was limited to Western Europe, it was expected that it would provide a solution for the permanent pacification of Central and South-Eastern Europe as well by emulating the pattern of reconciliation. This chapter looks at Britain's endeavours to promote a Locarno-style policy and its reaction to the increasing confrontation between Italy and the Little Entente, particularly Yugoslavia, as a function of Franco-Italian rivalry. British foreign policy struggled to smooth away this conflict and bring about a comprehensive appeasement in the region.

The first section of the chapter outlines the abortive British attempts to initiate some sort of Locarno-like agreement which would cover the Danubian basin and the Balkans, with each region being dealt with in a separate settlement. It is suggested that failure was the inevitable result of a policy based on misperceptions and failed expectations. Since the Foreign Office was circumspect in the manner it acted and took pains not to appear too forward in its mediation role, it could only follow and respond to the successive stages of crisis in South Eastern Europe: the first stage of crisis, analysed in the second section of the chapter, was caused by the forward Italian policy in Albania that effectively destroyed any prospect of a stabilisation on the Locarno pattern; the third section examines another failed attempt at a tripartite arrangement between France, Italy and Yugoslavia; Franco-Italian rivalry in Romania constitutes the fourth section;

finally, the conclusion of the Franco-Yugoslav agreement and the second Tirana Pact between Italy and Albania at the end of 1927, which consecrated a new and perilous situation whereby two hostile blocs were pitted against each other, are the subject of the fifth section. The following sections describe and analyse the responses of Whitehall to those successive stages and reveal the underlying premises which were common strands throughout.

3.1. The Locarno Remedy

When the Locarno agreement was initialled on 16 October 1925 it raised great hopes and expectations across Europe that it ushered in a new era in international relations relieved of the anxieties and conflicts left over from the war. The exuberance of optimism was especially manifest in Britain and the role of Curzon's successor, Sir Austen Chamberlain, in bringing it about was extolled. Ever since the war a doctrine had been gaining ground that the root of the evil that had caused the world catastrophe had been the secret diplomacy of the pre-war era whereby a few policy-makers had concluded clandestine military pacts which had divided Europe into hostile blocs. The ensuing conflagration had been but a natural progression of such a sinister situation; a new era of post-war open diplomacy under the aegis of the fledgling League of Nations was meant to ensure that the continent would not revert to the old bad ways.¹ The formula of a voluntarily contracted agreement between former enemies seemed an obvious solution for the rest of the continent as well and talk was rife in the House of Commons about the extension of the Locarno principles to the Balkans.²

¹ Gordon Craig, 'The British Foreign Office from Grey to Austen Chamberlain', in *The Diplomats, 1919-1939*, ed. by Gordon Craig and Felix Gilbert, 2 vols (Princeton: Princeton University Press, 1953), I, pp. 15-48 (pp. 22-24); Paul Kennedy, *The Realities behind Diplomacy: Background Influences on British external policy, 1865-1980* (London: Allen & Unwin, 1981), pp. 243-244.

² Frederic Northedge, *The Troubled Giant: Britain among the Great Powers, 1916-1939* (London: Bell, 1966), pp. 269-270.

While preparing his memorandum on the Locarno settlement, the Historical Adviser of the Foreign Office, James Headlam-Morley, did not neglect the necessity to provide for the security of Central and Eastern Europe or overlook the grave dangers of a failure to meet this requirement:

Has anyone attempted to realise what would happen if there were to be a new partition of Poland, or if the Czechoslovak State were to be so curtailed and dismembered that in fact it disappeared from the map of Europe? The whole of Europe would at once be in chaos. There would no longer be any principle, meaning or sense in the territorial arrangements of the continent. Imagine, for instance, that under some improbable condition, Austria rejoined Germany; that Germany, using the discontented minority in Bohemia, demanded a new frontier far over the mountains, including Carlsbad and Pilsen, and that at the same time, in alliance with Germany, the Hungarians recovered the southern slope of the Carpathians. This would be catastrophic, and, even if we neglected to interfere in time to prevent it, we should afterwards be driven to interfere, probably too late.³

For Headlam-Morley, a fervent advocate of the maintenance of the settlement of 1919, notwithstanding any necessary and even desirable minor rectifications, a clear and official British statement of policy in regard to Central and Eastern Europe was required not only to accommodate the uncertainties and vagueness of the League of Nation's mechanism, but also to assure the smaller states of the region of their existence and peaceful development. The goal to pursue, he proposed, was a rapprochement between the Little Entente countries and Hungary in such a way as to lead to a conversion of the treaties binding the former into a mutual treaty of guarantee.⁴ Thus, the system of separate alliances, 'fundamentally inconsistent with the Covenant of the League', would be transformed into a more general agreement, eventually European in scope. Headlam-Morley's suggestion of a clear-cut guarantee for the smaller states was never going to be seriously contemplated, but the Foreign Office did try to promote a Locarno-model settlement for Central Europe and the Balkans.

³ James Headlam-Morley, *Studies in Diplomatic History* (London: Methuen, 1930), p. 170.

⁴ *Ibid.*, p. 184.

3.1.1. A Central European Locarno

Chamberlain was quick to seize the momentum and used the occasion of the Locarno gathering to advance a suggestion to Beneš that a similar arrangement might be reached between the Little Entente countries and Hungary and Austria.⁵ The Czech was responsive and promised that he would work to that end. Indeed, Beneš did discuss the subject with Ninčić, but the report of the new British Minister at Belgrade, Howard Kennard, was not too encouraging - the two Ministers of Foreign Affairs thought that the initiative should come from either Britain or France and they believed that Italy would make trouble as regards Austria while Hungary would put forward impossible demands.⁶

When Kennard reported that Ninčić was sceptical about the prospects of the Balkan pact and more hopeful of a Central European variant, the Foreign Office concurred with his estimation.⁷ Chamberlain cleared his mind on the subject as well and his views were expressed in circular instructions to Prague, Vienna, Budapest, Belgrade and Bucharest. The Foreign Secretary took a high moral ground:

For their part His Majesty's Government would most cordially welcome and give their fullest support to any proposal having for its object the extension to Central Europe of the principles established at Locarno. Salvation, however, must come from within, and there can be no real peace but by consent. If the Great Powers were to impose peace, such peace would remain an outer garment, which could be thrown off at any moment. The Governments directly concerned must will peace. When they do, and then only, will peace be a reality.⁸

On the more practical side, Chamberlain pointed out two preliminary conditions to be preached to all and sundry: a policy of conciliation towards the minorities in the successor states and the cooperation and goodwill of the Italians.⁹ The latter provision

⁵ TNA, Chamberlain to Tyrell, 19 October 1925, C 13131/13131/62, FO 371/10701.

⁶ BDFa, vol. 6, Doc. 159, Kennard to Chamberlain, 22 October 1925.

⁷ TNA, Minutes by Bateman, 23 October 1925, Howard Smith and Lampson, 24 October 1925, C 13386/13131/62, FO 371/10701; Lampson was a pessimist in regard to possibility of an agreement which he believed would founder on the Hungarian intransigence. Romanian Foreign Minister Duca in contrast to his Little Entente colleagues regarded the Balkans as better field for the conclusion of mutual security pacts than Central Europe. See BDFa, vol. 2, Doc. 109, Dering to Chamberlain, 7 November 1925.

⁸ DBFP, ser. IA, vol. I, No. 39, Chamberlain to Clerk, 30 October 1925.

⁹ Ibid.; also No. 40, Chamberlain to Graham, 30 October 1925.

showed that he pragmatically appreciated that insuperable obstacles were more likely to come from a Great Power than from the smaller successor states.

The British Minister at Budapest, Colville Barclay, sounded the Hungarian Foreign Minister, Lajos Walko, about the idea and concluded that the country at large was far from sharing the spirit of Locarno.¹⁰ His pessimism was shared by Lampson and the Permanent Under-Secretary, William Tyrell, who maintained that the minority grievances were not a genuine concern of the Hungarian government but rather a means of keeping an irredentism alive until a favourable occasion had arisen to restore direct rule from Budapest over those minorities and the lost territory.¹¹ Barclay's impression was confirmed in a conversation between Lampson and the Hungarian Minister in London when the latter resolutely refused even the suggestion of concluding general arbitration treaties with the neighbouring states.¹² Chamberlain was also disillusioned about the true Hungarian motives in the matter.

In terms of practical politics, then, how could a Locarno-modelled agreement realistically be promoted? The invidious task of conjuring up a concrete plan was undertaken by Howard Smith.¹³ His basic assumption was that Hungary, unlike Germany with her occupied Rhineland and trading interests, lacked any special inducement to seek a rapprochement with her neighbours. On the other hand, the Little Entente states needed a spell of settled peace in order to consolidate their administration and their hold on the new provinces peopled by different nations. Hence, it was the Little Entente that had to initiate reconciliation by offering reasonable and sufficiently attractive concessions to its adversary:

The agreement might be something on the following lines. Hungary would agree to accept the frontiers as laid down by the Treaty of Trianon. Any revision of the

¹⁰ BDFA, vol. 2, Doc. 106, Barclay to Chamberlain, 6 November 1925.

¹¹ TNA, Minutes by Lampson, 12 November 1925, and Tyrell, 13 November 1925, C 14270/13131, FO 371/10701; Contrary to the official policy Hungarophile Lampson personally felt 'that a restoration of at least Transylvania would be in the ultimate interest of European civilisation.' Emphasis in original.

¹² TNA, Minute by Lampson, 11 November 1925, C 14474/13131/62, FO 371/10701.

¹³ BDFA, vol. 2, Doc.108, Memorandum respecting the Situation in Central Europe [written by Howard Smith], 11 November 1925.

frontiers is impossible now. Certain areas might be declared demilitarised zones of a certain depth on each side of the frontier, and each of the States concerned – Hungary, Czechoslovakia, Roumania, Jugoslavia and, if necessary, Austria – would undertake to resist any other State which violated the demilitarised zones. In this way the Little Entente would still exist and operate in the case of Hungarian aggression, while Hungary would herself have the assistance of all the other Powers in the contrary case. This would meet Hungary's present objection that she, who is disarmed, is surrounded by enemies armed to the teeth; and would tend towards general disarmament in this part of Europe.¹⁴

Nothing could, however, be accomplished without addressing the minority issue.

In this respect Howard Smith proposed an entirely new approach. Hitherto all the minority grievances had been dealt with in accordance with the terms of the minority treaties through the medium of the League of Nations. The experience was, Howard Smith's memorandum claimed, deeply unsatisfactory as the procedure had been giving undue importance to insignificant complaints and affording the Hungarians a valid and perpetual excuse to foment irredentism and allege afterwards that the League had not given a fair hearing to minority petitions; moreover, it had been producing nothing but interminable and unsolvable bickering which, in turn, could only further exacerbate the relations between the parties concerned. By mutual agreement such a procedure should be abandoned and replaced by 'conciliation boards, which would be called on to settle any question affecting the treatment of the Hungarian minority which the Hungarian Government should see fit to bring up.'¹⁵ The concept of conciliation boards would be borrowed from the Locarno treaties. Though the appeals would no doubt be abundant in the beginning, they could reasonably be expected to diminish in time. If accepted, this would be a major concession on the part of the Little Entente as it would effectively allow the Hungarian government to interfere in their internal affairs.

The memorandum envisaged a further concession by the Little Entente which consisted of revoking the ban upon a Habsburg restoration.¹⁶ The suggestion was justified on the grounds that the peace treaties did not even mention the House of

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

Habsburg and its dethronement as opposed to the German dynasty and that the law passed in the Hungarian parliament had come into being under direct pressure from both the Little Entente and the Great Powers. The gesture of the former in this sense would alleviate tension and bring closer a general appeasement.

The suggestions advanced tended somewhat to underrate the main problem – Hungary’s utter refusal to acquiesce in the *status quo* concerning the frontiers – an attitude of mind which was clearly recognised in the Central Department. That in itself rendered pointless any effort to treat the minority issue as the crux of the problem. Yet, the memorandum represented a fairly elaborate and skilful attempt to tackle the obstacles which stood in the way of a Central European Locarno and, given the circumstances, it could have hardly made more far-reaching proposals.

A more precise indication of the practical lines on which the thoughts of the Foreign Office were running was outlined in reply to Kennard’s suggestion unobtrusively to encourage the Yugoslavs in the direction of a Balkan Locarno. The Chief of the Central Department underlined that the scheme for Central Europe and the Balkans fell into two distinct headings, although they might under favourable conditions ‘ultimately interlock to some extent.’¹⁷ As regards the former he was hopeful that something would come to pass following the forthcoming conversations with Bethlen at Geneva and he believed that ‘we must look to Benes to keep things going in that particular sphere rather than to Nincic.’¹⁸ Hungary was to be treated with the utmost patience so as not to add to her Prime Minister’s domestic difficulties and in general the process of Central European pacification should be left to run its course.

A chance to instil the idea of a Central European agreement among the states concerned offered itself during the usual *pourparlers* during the League sessions in Geneva. Chamberlain, accompanied by Lampson, met with Count Bethlen and urged

¹⁷ TNA, Lampson to Kennard, private, 28 December 1925, C 16693/13131/62, FO 371/10701; A copy of this letter was privately sent to Budapest, Prague, Bucharest, Sofia, Athens, Paris and Rome.

¹⁸ *Ibid.*

him to come to terms with the Little Entente states.¹⁹ Having frankly admitted that no Hungarian government could ever recognise the territorial settlement under the peace treaty as final and pointed out all the difficulties standing in the way of any Danubian Locarno, the Prime Minister still intimated that he would take the opportunity of the proceedings of the Hungarian Committee of the League in March 1926 to discuss the question personally with Beneš and propose some sort of arbitration agreement.

At the time when progress in the negotiations was expected, however, the franc forgery scandal clouded the prospect of a successful issue.²⁰ Lampson insisted that it was necessary to spare no effort to scotch the affair lest it should prejudice an attempt to achieve conciliation between Hungary and her neighbours.²¹ Howard Smith was more pessimistic in his prediction that hopes of any settlement were being delayed for many months and perhaps years.²² This prognostication proved very accurate. On the occasion of a personal meeting with Lampson at Geneva on 8 March 1926 Bethlen admitted that nothing could be done in the matter of an arbitration treaty with Czechoslovakia due to the bitterness aroused in Hungary by Beneš's part in the agitation over the forgeries scandal.²³ The Hungarian suggested that conciliation might be initiated with Yugoslavia instead and his new proposal was well received at the Foreign Office.²⁴ Indeed, it had long been obvious that certain factors rendered an understanding between Hungary and Yugoslavia much easier to realise than a rapprochement between Hungary and the other two Little Entente members. The smallest tract of former Hungarian territory with comparatively few Hungarians had been ceded to Belgrade as compared with the large Magyar minorities in Romania and Czechoslovakia. Finally, there was an important psychological proclivity, noted by all

¹⁹ DBFP, ser. IA, vol. I, No. 137, Record of a Discussion between Sir Austen Chamberlain, Mr. Lampson and Count Bethlen, Geneva, 8 December 1925.

²⁰ See pp. 75-77.

²¹ TNA, Lampson to Phipps, 14 January 1926, C 417/210/21, FO 371/11364.

²² TNA, Minute by Howard Smith, 20 January 1926, C 652/210/21, FO 371/11364.

²³ BDFA, vol. 2, Doc. 139, Memorandum by Mr. Lampson, 8 March 1926.

²⁴ TNA, Minute by Aveling, 8 April 1926, C 4319/1618/62, FO 371/11243.

British observers, to come to terms with Yugoslavia: whereas the Magyars, proud of their military tradition, were contemptuous of the Czechs and Romanians in terms of their war record, they had a wholesome respect for Serb military virtues. The British were aware of how formidable a difficulty this intolerance and the reactions it caused on the other side presented:

If the issues involved were not so serious the attitude of Hungary towards the Little Entente would be amusing. It is stupid of the Hungarians to talk as they do, and they despise the Czechs and Roumanians and do not seem to be able to resist telling them so with consequent fury and fear from Prague and Bucharest. As a matter of fact Hungary is powerless and if only Prague and Bucharest could take no notice the Hungarians would probably desist.²⁵

For that reason it seemed very opportune to start the process of reconciliation from the quarter where the chances appeared to have been most favourable.

Furthermore, as a result of the forgery scandal Beneš was suspected of being primarily interested in getting rid of Count Bethlen. When Beneš's overtures to Hungary for the conclusion of an arbitration treaty were rejected the Foreign Office was full of understanding for the intricacies of Bethlen's internal position; by contrast, the Czech was generally credited with insincerity and an eagerness to score a point at the expense of his adversary.²⁶ The negotiations between Hungary and Yugoslavia proceeded well for a while and Walko told Chamberlain in September 1926 that an arbitration agreement might be signed by the following month as a first step towards something in the nature of a Locarno settlement.²⁷

This was not to be, however, as Mussolini made sure that Hungary would not come to terms with Belgrade at the same time as Italian relations with Yugoslavia reached a breaking point in connexion with the Albanian crisis. The Duce had attempted to turn the Locarno formula to his own benefit and organise a grandiose Danubian-

²⁵ TNA, Minute by Howard Smith, 22 May 1925, C 6761/3066/62, FO 371/10699; also minute by Howard Smith, 7 April 1925, C 4851/4851/21, FO 371/10778.

²⁶ TNA, Minute by Howard Smith, 3 March 1926 referring to Dodd to Chamberlain, 25 February 1926, C 2591/1618/62, FO 371/11242; Barclay to Chamberlain, 1 March 1926, and minute by Sargent, 12 March 1926, C 2841/1618/62, FO 371/11242.

²⁷ TNA, Chamberlain to Parr, 14 September 1926, C 10169/3641/21, FO 371/11372.

Balkan pact in which Italy would be the sole arbiter and from which France would be absolutely excluded.²⁸ His plan had failed as he was unable to pressure the Yugoslavs into complete abandonment of France and he now embarked on courting revisionist states, the neighbours of Yugoslavia, in order to encircle that country and bring her to heel. Hungary had a crucial role to play in the encirclement of Yugoslavia and Mussolini went out of his way to gain her as an ally. He succeeded in signing a pact of friendship with Hungary during Bethlen's official visit to Rome on 5 April 1927 which was accompanied by a secret agreement on the illicit arming of the Hungarian army; the details of this arms smuggling into Hungary as well as the training of Hungarian pilots in Italy and the purchase of three hundred aircraft in contravention of the Trianon Treaty were worked out during the visit to Rome of Bethlen's personal emissaries in July.²⁹

The British had no idea of what actually transpired at Rome nor did they suspect any sinister development. Not even the Little Entente officials suspected the conclusion of any kind of military understanding and their diplomats calmly commented on Bethlen's visit during their interviews at Whitehall. But it became apparent that arbitration treaties between Hungary and Yugoslavia or – still less likely - the other Little Entente states were not to be expected. After the Little Entente conference at Jáchimov in May 1927 the Yugoslav Foreign Minister, Vojislav Marinković, informed Kennard that the negotiations for an arbitration treaty with Hungary would not be continued.³⁰

The reaction of the Foreign Office was a manifestation of all its essential illusions and misconceptions in regard to Hungarian foreign policy. Barclay asseverated from Budapest, his views being unreservedly accepted in London, that although the outstanding feature of Hungary's foreign relations throughout 1927 had been a

²⁸ James Burgwyn, *Italian Foreign Policy in the Interwar Period, 1918-1941* (Westport, Conn.: Praeger, 1997), pp. 36-40.

²⁹ Vera Jelinek, 'The Hungarian Factor in Italian Foreign Policy, 1918-1927' (unpublished doctoral thesis, New York University, 1977), pp. 319-320.

³⁰ TNA, Kennard to Chamberlain, 18 May 1927, C 4529/532/62, FO 371/12111.

continued rapprochement with Italy, the overtures had been invariably coming from Rome. This situation could not have failed adversely to affect relations with the Little Entente, particularly with Yugoslavia, but the Minister was sure that Hungary had no desire to be a mere satellite of Italy and was not likely to side with her in the case of Italo-Yugoslav hostilities. Predictably, Count Bethlen's remaining in office was deemed the surest guarantee of the Magyars not adopting any adventurous course, in addition to a common sense assumption that given Hungary's geostrategic position 'she may be absolved of the folly of entertaining dreams of aggressive action'.³¹

The situation in Central Europe was rendered even more tense by the newspaper campaign that was soon to follow. On 21 June 1927 Lord Rothemere published the article 'Hungary's Place in the Sun' in the *Daily Mail* taking up the Hungarian case for revising the Treaty of Trianon.³² From the intercepted telegrams passing between the Hungarian Legations at London and Paris and the Ministry for Foreign Affairs in Budapest, the Hungarian government appeared to have been taken somewhat by surprise and the Minister at London tried to keep out of the whole business.³³ Nevertheless, the uproar that ensued across Central Europe, including a public dispute between Beneš and Lord Rothemere, stamped out any prospect, if ever there was one, of friendly discussions between the Magyars and their neighbours.

3.1.2. A Balkan Locarno

The attempt to come to some sort of a Balkan Locarno followed the review of British policy in the Balkans in mid-1925 which had been provoked by Kennard's enquires from Belgrade as to the main lines of such policy. The discussion clearly

³¹ BDFA, vol. 2, Doc. 199, Barclay to Chamberlain, 4 January 1928; TNA, Minutes by Bateman, 10 January 1928, and Howard Smith, 11 January 1928, C 186/186/21, FO 371/12937; Annual Report on Hungary for 1927, C 2769/2632/21, FO 371/12939.

³² Carmi, ch. 4.

³³ TNA, Memorandum by Howard Smith with a summary of intercepted messages, 17 October 1927, C 8535/5327/21, FO 371/12186.

demonstrated the Central Department's frame of mind. Lampson cold shouldered any inference that Britain should have an active policy in the region, the state of which he did not on the whole find too disturbing:

Now that Russia & Austria have been eliminated, the Balkans are far less dangerous to us than they were before 1914. Heaven forbid that we should start interfering with unwanted advice or trying to mould the course of events down there. Let us carefully observe; let us look to our representatives to keep us fully informed; let us try to increase trade etc between this country & Serbia. But do not let us go further than that.³⁴

Chamberlain expounded the view that the lack of immediate British interests in the region precluded a necessity to plump for 'any particular solution of any of its many problems.'³⁵ He recapitulated a dictum that the internal and external peace among the Balkan nations would in due course bring about their prosperity and economic development 'from which we should desire the natural advantage of a great trading nation which is the only thing we desire for ourselves.'³⁶

Kennard, who took a much graver view of the Balkan situation as seen from Belgrade, did not subscribe to the Foreign Office's 'present policy... to have no policy'.³⁷ He was convinced that any thought of bringing Italy and France together was doomed to failure given their conflicting policies and was in favour of a more far-reaching and bolder approach centred on his current post:

In my own humble opinion we should aim at the encouragement of a Balkan federation, however remote. It is our best chance of resisting the ultimate pressure from Germany and Russia which may otherwise be prolonged indefinitely. Romania is, of course rotten; Greece is wobbly and Bulgaria will require time to get on her feet again. The Yugs are certainly the soundest and while they may be suffering from swollenheadedness and ultranationalism, they have all the elements of a strong nation and if they can only settle their internal differences, should play the major role in the Balkans in the future.³⁸

³⁴ TNA, Minute by Lampson, 17 May 1925, C 6952/251/62, FO 371/10695.

³⁵ TNA, Minute by Chamberlain, 21 May 1925, *ibid*.

³⁶ *Ibid*. Emphasis in original.

³⁷ TNA, Kennard to Nicolson, private, 22 June 1925, C 8682/251/62, FO 371/10695.

³⁸ TNA, Kennard to Nicolson, private, 19 June 1925, C 8497/251/62, FO 371/10695.

Kennard's proposal for the encouragement of a Balkan federation did not meet with approval in Whitehall,³⁹ while his suggestion in regard to the leading part that should be bestowed on Yugoslavia found some favourable reception subject to reservation that 'we could be certain that the SCS Kingdom would never effect a junction with Slav Russia & form a channel for the diversion [*sic*] of Russian ambitions in Constantinople to one of the more important Greek ports'.⁴⁰ After careful consideration it was decided 'that the best line for HMG to follow in the Balkans was to strengthen the League's influence (through Serbia), but to curb the more truculent moods of Belgrade.'⁴¹

Besides strictly local conditions the Foreign Secretary's doctrine required enlisting the support of Rome, all the more so as Italian policy in the Balkans was hitherto deemed 'obscure and vacillating.'⁴² On 10 June 1925, assuming that he could muster up loyal Italian cooperation in the Balkans, Chamberlain, together with Briand, addressed a personal appeal to the Duce for his continued support and collaboration in the preservation of peace there.⁴³ The idea originated with Nicolson and it disclosed all the fundamental fallacies of the British estimation of the situation. It was founded on two premises: 1) that 'the prime offender is the S.C.S. State egged on by Italy' and 2) that based on the first assumption the only way of pacifying the region was to 'rope in Italy' into joint action with France and Britain which should be attained by 'playing up directly to Mussolini's vanity.'⁴⁴ The scheme was at the same time riddled with incompatible suspicions about Italian conduct that had been entertained at the Foreign Office for a long time. When the message of the British and French Foreign Ministers to

³⁹ 'I am quite a little perturbed at Mr. Kennard's zeal to get all the loose ends in the Balkans tidied up.' - Lampson minuted on 30 June 1925, C 8682/251/62, FO 371/10695.

⁴⁰ TNA, Minute by Bateman, 26 June 1925, C 8497/251/62, FO 371/10695.

⁴¹ TNA, Minute by Bateman, 10 August 1926, C 8806/626/7, FO 371/11220.

⁴² DBFP, ser. IA, vol. I, No. 129, Memorandum respecting the Balkan Problem and British Policy in the Balkans, 4 December 1925.

⁴³ DBFP, ser. I, vol. XXVII, No. 137, London (Geneva) to Chamberlain, 10 June 1925 containing the translation of telegram to Mussolini of the same date.

⁴⁴ TNA, Minutes by Nicolson [quoted] and Tyrell, 4 June 1925, C 8327/251/62, FO 371/10695; For Nicolson's memorandum on the subject see DBFP, ser. I, vol. XXVII, No. 137, London (Geneva) to Chamberlain, 10 June 1925, footnote 2.

Rome failed to produce any impact this was not a cause for concern in Whitehall. Quite the contrary, Lampson was much relieved that ‘Mussolini appears to have put our recent letter to him in a pigeon-hole!’ as he believed that the Italians would never loyally cooperate over the Salonica issue on account of their encouragement of Yugoslavian aspirations in the port’s direction.⁴⁵ In fact, Chamberlain was told that the telegram had reached Mussolini shortly before the two of them met on the occasion of the initialling of the Locarno treaty in mid-October 1925. The Secretary of State repeated his suggestion to the Duce but received ‘a rather non-committal answer.’⁴⁶ Mussolini’s reticence did not augur well for the future and was moreover found to have given ‘colour to the recent secret reports we have had as to the doings of Italy in the Balkans.’⁴⁷ Despite unfavourable signs regarding Italian policy, the British remained unshaken in their conviction that the only way of proceeding with a Balkan Locarno was in cooperation with Rome. It seems that the Foreign Office maintained that Mussolini had not adopted any definite, and still less a definitely destructive, course in the Balkans (or Central Europe) and therefore steadfastly persevered in cultivating his good will.

This was amply demonstrated in dealing with ever louder and more frequent Yugoslav warnings pertaining to Italian intentions. When Ninčić communicated to Kennard the Yugoslav General Staff’s fear of an Italian military coup the Foreign Office discounted such utterances as unfounded. Lampson made full allowance for rampant Italian intrigue but doubted whether it would ‘materialise into definite dangers’, while the Third Secretary, John McEwen, thought that the fear might have the

⁴⁵ TNA, Minute by Lampson, 30 June 1925, C 8682/251/62, FO 371/10695.

⁴⁶ BDFA, vol. 6, Doc. 155, Record of Conversation between Mr. Austen Chamberlain and M. Mussolini, 15 October 1925; The official and platitudinous reply was handed in at the Foreign Office ten days after the Chamberlain-Mussolini talk at Locarno. The text is enclosed in Doc. 156, Della Torretta to Lampson, 24 October 1925.

⁴⁷ TNA, Minute by Howard Smith, 20 October 1925, C 13129/251/62, FO 371/10695; It is not clear from Howard Smith’s words what was the content of those secret reports but they probably referred to Italian penetration into Albania.

wholesome effect of making Belgrade more tractable over the Salonica railway.⁴⁸ On receipt of a report from the Rome Embassy denying military preparations in Italy Nicolson was much harsher on Ninčić, 'a stupid & unscrupulous man & therefore dangerous' and dismissed the whole story as the latter's 'scare-crow'.⁴⁹

The rift between Yugoslavia and Italy became apparent in Albanian matters after the swift succession of two revolutions in that country. The first one saw pro-Italian bishop Fan-Noli overthrowing the President Ahmed Bey Zogu in June 1924. With covert Yugoslav military support Ahmed Zogu then re-established himself at Tirana in December the same year. What at first appeared to have been a clear victory for Yugoslav foreign policy soon proved to be a false hope. Rome provided desperately needed funds for Ahmed Zogu's administration and gradually attained an undisputed hold on Albanian economic life which rendered the independence of the country a mere chimera.⁵⁰ It was not long before the Yugoslav military envoy at Tirana, Lieutenant-Colonel Tanasije Dinić, reported to the Great General Staff that Ahmed Zogu had definitely transferred his and his country's allegiance to Italy in return for generous financial support.⁵¹

In fact, Yugoslavia's attitude towards Italy was far from being exaggerated and unreasonable. The Italian General Staff had been preparing plans for attack on Yugoslavia since May 1925 and on 2 October 1926 the Duce ordered his Chief of General Staff to have 20 divisions ready to teach Yugoslavia a lesson. An anti-Yugoslav press campaign and overt statements by Fascist jingoists declaring their pretensions on the Dalmatian coast left no doubt in Belgrade about the true nature of Italian intentions. On 12 March 1925 King Alexander, Ninčić and the military authorities requested from

⁴⁸ TNA, Minutes by McEwen and Lampson, 20 July 1925, C 9523/251/62, FO 371/10695.

⁴⁹ TNA, Minute by Nicolson, 21 July 1921, C 9582/251/62, FO 371/10695; on further reflection Nicolson stated that Ninčić invented the Italian bogey 'to scare us into accepting the Serb point of view regarding Salonica and the Albanian frontier [minor rectification in the area of the monastery of St. Naum]'. See Minute by Nicolson, 29 July 1925, C 9923/251/62, FO 371/10695.

⁵⁰ Živko Avramovski, 'Italijanska ekonomska penetracija u Albaniju 1925. do 1939. godine', *Istorija 20. veka*, 5 (1963), 137-224.

⁵¹ VA, registry 17, box 95b, fascicle 1, 4/1, Dinić to Great General Staff, 25 May 1926.

the Czechoslovak Minister an urgent delivery of 100,000 rifles, 100,000,000 rounds of ammunition and 100,000 grenades for the purpose of a defensive war.⁵² Beneš fully shared Belgrade's suspicions and on 26 November promised the Yugoslav military attaché covert and active military help.⁵³ A month later the two men had another conversation and the Yugoslav relayed to Beneš a personal plea from his sovereign enumerating the direst necessities of the Yugoslav Army, namely aircraft and pilots who should be dispatched as volunteers.⁵⁴ The Czechoslovak Foreign Minister gave positive assurances in respect of all necessary military material. Having discussed the possibility of an Italo-Yugoslav conflict in his recent visit to Paris and London, he also stated that France was unreservedly behind Belgrade, while Chamberlain was convinced that Italy would not dare to attack Yugoslavia as she was currently contemplating aggression against Turkey.⁵⁵

Since Yugoslav professions concerning the Italian menace were disbelieved, Oliver Harvey, fresh from the Rome Embassy, suspected that Ninčić was trying to delay or avoid any negotiations for a Balkan pact.⁵⁶ As the Foreign Minister grew more nervous about Italian aggressive intentions and vented his concerns to Kennard, the latter was more inclined to scoff at his 'somewhat puerile apprehensions' and administer a warning that the contempt often felt in Yugoslavia for Italian military strength might be disastrous for the country.⁵⁷ Still, in time Kennard was increasingly

⁵² Vuk Vinaver, 'Ugrožavanje Jugoslavije', *Vojnoistorijski glasnik*, 1 (1968), 127-147 (p. 138).

⁵³ VA, registry 17, box 95e, fascicle 3, 4/1, Military Attache (Prague) to King Alexander, 26 November 1925.

⁵⁴ VA, registry 17, box 95e, fascicle 3, 5/1, Military Attache (Prague) to King Alexander, 23 December 1925; since this military help was supposed to remain an undercover operation Beneš planned to repaint the emblems on Czechoslovak planes before sending them to Yugoslavia. The Central Department official was shown what purported to be a report of a Czechoslovak general in which allusions were made to a certain understanding between Czechoslovakia and Yugoslavia stipulating the amount of technical assistance the former was to provide to the latter in the case of a war with Italy. See TNA, Minute by Bateman, 19 January 1927, C 532/532/62, FO 371/12111.

⁵⁵ Chamberlain had no qualms about admitting to the French Ambassador that the Italian threat to Asia Minor was beneficial to Britain as it made Turkey more yielding in the ongoing dispute with Britain over the oil-rich fields of Mosul in Iraq. See TNA, Chamberlain to Crewe, 22 April 1926, N 1871/718/38, FO 371/11533.

⁵⁶ TNA, Minute by Harvey, 23 November 1925, C 14936/798/19, FO 371/10768.

⁵⁷ TNA, Kennard to Chamberlain, 16 December 1925, C 16338/276/92, FO 371/10794.

struck with the genuineness of Yugoslav perturbation as regards Rome's designs but his renewed reports to that effect did not change the opinion held in the Foreign Office that it was 'so much moon-shine - a mere rehash of the usual Balkan talk to which we are accustomed', a reference to Ninčić's repeated outpourings on the subject.⁵⁸ The Ambassador at Rome vehemently confirmed the views of his superiors as to the perfectly pacific policy of the Italian Duce.⁵⁹ The Central Department officials argued that the Balkans could not provide the room needed for Italian colonisation and thus could not be a suitable victim of Mussolini's aggression.⁶⁰

Kennard was eager to get the ball rolling and egged on Ninčić towards taking the initiative in the matter of a Balkan Locarno. As a beginning he recommended a rapprochement with Bulgaria to which, he optimistically professed, the Macedonian problem would not be an insuperable obstacle.⁶¹ The Minister's zeal and general course of action were approved by the Central Department. Yugoslavia and her Foreign Minister, Lampson confirmed, were marked out for the leading part in the Balkans.⁶² Belgrade should be encouraged to conclude arbitration treaties of the type signed between Germany and Poland and Germany and Czechoslovakia at Locarno as the sort of treaties concluded between Germany and France and Germany and Belgium were applicable to neither Central Europe nor to the Balkans since there was no question of anyone guaranteeing agreement in the way Britain and Italy had done in Western Europe. The Yugoslavs should be tempted to proceed in the desired direction by the prospect of soaring international standing and prestige. In the meanwhile Kennard was instructed to preach the desirability of conciliatory methods in dealing with individual points of friction such as the Ghevgheli-Salonica railway as the best way of preparing

⁵⁸ TNA, Lampson to Graham, private, 30 December 1925, C 16372/276.92, FO 371/10794; when enquiring in a private letter as to Graham's views on the subject Lampson stressed that 'I have chosen this method of private correspondence in order to avoid "panic" despatches being circulated and thus starting what I trust are groundless apprehensions all round.'

⁵⁹ DBFP, ser. IA, vol. I, No. 166, Graham to Chamberlain, 1 January 1926.

⁶⁰ TNA, Minutes by Harvey, 13 January 1926, and Tyrell, 14 January 1926, C 415/77/22, FO 371/11383

⁶¹ BDFA, vol. 6, Doc. 178, Kennard to Chamberlain, 23 December 1925.

⁶² TNA, Lampson to Kennard, private, 28 December 1925, C 16693/13131/62, FO 371/10701.

the ground for a comprehensive settlement. Lampson thought that the suggestion should be put to Belgrade to approach Bulgaria and Greece simultaneously in order to avoid the impression in both countries that a rapprochement with one of them was aimed against the other.⁶³ Lampson's recommendation was that whereas Central European pacification should be encouraged as unobtrusively as possible Yugoslavia should adopt a more forward policy in the Balkans subject to avoiding the impression '(a) that we are thrusting the thing down the throats of anyone, or (b) that Serbia is trying to do so.'⁶⁴

Before the British got involved in promoting a Balkan Locarno the idea had already been mooted by Greece. On 3 November 1925 the Secretary-General of the League of Nations, Sir Eric Drummond, was handed a note on behalf of the Greek government which set forth a suggestion that the League should take the initiative in promoting a security pact in the Balkans. The rationale behind this proposal was the Greek wish to overcome the outstanding questions with their neighbours and step out of their political isolation by dint of a general security arrangement. However, there was no prospect that the League would undertake such a task and in addition the initiative was resented in Yugoslavia.⁶⁵

At the beginning of 1926 the British closely watched what they hoped to be a development in the right direction. The Yugoslav government embarked on fresh negotiations with Greece and Bulgaria with a view to concluding a Balkan Locarno. The Yugoslav approach was to resolve all the outstanding questions with Athens as a prerequisite for the successful conclusion of an arbitration treaty.⁶⁶ On 17 August 1926 the agreement between Greece and Yugoslavia was finally reached, comprising of a political treaty of understanding and friendship and a set of conventions covering railway and transit questions, including the administration of the Ghevgheli-Salonica

⁶³ Ibid.

⁶⁴ Ibid. Emphasis in original.

⁶⁵ TNA, Kennard to Chamberlain, 11 November 1925, C 14595/14170/62, FO 371/10701.

⁶⁶ AJ, Ministry of Foreign Affairs of the Kingdom of Yugoslavia, 334-9-29, Gavrilović to Ninčić, 9 January 1926, confidential no. 20.

Railway, the Yugoslav free zone in Salonica and a minority convention. However, when a revolution broke out in Greece just a few days after the signature of these conventions, the dictatorship of General Pangalos was deposed and the new Greek government never ratified the agreement.

Nor was the position as regards Bulgaro-Yugoslav relations any better. The arbitration treaty offered by Belgrade at the end of April 1926 was refused by the Bulgarian government as it contained articles aimed at the suppression of IMRO which were found impossible to undertake in Sofia and which raised fears that they would give a legal ground for interference in Bulgarian internal affairs. The Foreign Office could not comprehend the Yugoslav attitude towards Bulgaria – the insistence on the suppression of the IMRO, besides being difficult to fulfil, was bound, in its view, to prevent any chance of coming to terms with the government at Sofia.⁶⁷ The long-standing British view was that ‘given time a fairly representative Bulg[arian]. Govt will be able to deal with them without outside interference – just as, in the course of time, the SCS Govt will be able to deal with the [I]MRO’s activities in S[outh]. Serbia.’⁶⁸ Opinion was unanimous in the Central Department that it was once more Ninčić’s profound ignorance, whether real or contrived, that was ‘becoming increasingly dangerous as a factor in European relations.’⁶⁹

The firm belief that salvation from the Macedonian imbroglio was to ‘come from within Bulgaria’ accounted for British determination to see a loan for the settlement of the refugees from Greek Macedonia in Bulgaria through the medium of the League.⁷⁰ A settled state of the peasantry would cut the ground from under IMRO’s

⁶⁷ TNA, Chamberlain to Kennard, 18 May 1926, C 5843/70/92 and minute by Bateman, 18 May 1926, C 5775/100/92, FO 371/11404; BDF, vol. 7, Doc. 57, Record of Conversation between Mr. Sargent and the Serb-Croat-Slovene Minister, 5 October 1926, enclosed in Doc. 56, Chamberlain to Kennard, 18 October 1926.

⁶⁸ TNA, Minute by Bateman, 6 July 1926, C 7509/92/7, FO 371/11217.

⁶⁹ Ibid. Ninčić was succinctly described in the Foreign Office as a ‘horrid fellow’. See TNA, Minute by Bentinick, 31 July 1926, C 8750/626/7, FO 371/11220; there are more unflattering remarks in minute by Lampson, 9 June 1926, C 6471/100/92, FO 371/11404.

⁷⁰ TNA, Minute by Bateman, 2 July 1926, C 7509/92/7, FO 371/11217.

feet and thus contribute to political stabilisation in Bulgaria and ultimately to Balkan peace. The loan produced a markedly unfavourable impression in Yugoslavia and went to prove, according to a report from Belgrade, the feeling of suspicion and mistrust which rendered any Balkan Locarno impossible. George Ogilvie-Forbes of the Belgrade Legation attributed such a state of affairs to the general backwardness of the country, the state of civilisation of which he compared to 'England in the days of Sir Robert Walpole'; he prophesied that it would take a generation for it to find its Pitt who would equip her for the great role she was destined to fulfil in South-Eastern Europe.⁷¹ The Foreign Office brushed aside Yugoslav, Romanian and Greek opposition and lent their support to the refugee loan which was pushed through mainly by the determined efforts of the Treasury and the Bank of England.⁷²

Things were left to drift from bad to worse. The end of September 1927 was marked by an intensified terrorist campaign on the part of IMRO which culminated in the assassination of General Kovačević, the commander of the brigade located at the Yugoslav town of Štip, on 6 October. IMRO was supplied with arms and money by the Italians.⁷³ The Central Department acquired intelligence information, including intercepted letters, confirming what the Yugoslavs took for granted - that Macedonian *comitadjis* were actively supported by Italy and operating from Albanian territory, but such information was treated as not definite and no great importance was attached to it.⁷⁴

Marinković adopted an entirely different attitude towards the Bulgarian government than his predecessor Ninčić and was determined to maintain as friendly relations with Sofia as possible. His approach accorded with British assessments that the outrages of IMRO were actually desperate measures to revive its waning strength and

⁷¹ BDFA, vol. 7, Doc. 13, Ogilvie-Forbes to Chamberlain, 21 July 1926.

⁷² TNA, Minutes by Lampson and Chamberlain, 17 August 1926, C 9638/626/7 and Niemeyer to Lampson, 27 August 1926, C 9657/626/7, FO 371/11220.

⁷³ Macartney and Palmer, pp. 263-264.

⁷⁴ TNA, Sargent(?) to Kennard, private, 24 October 1927, C 8459/4526/7, FO 371/12090.

put an end to a rapprochement between Yugoslavia and Bulgaria. The Foreign Office was therefore receptive to Marinković's plea to bring pressure to bear on the Bulgarian authorities and the Foreign Minister Bouroff was admonished that his government had to go out of its way to prevent further incidents, the continuation of which would destroy all chance of Bulgaria obtaining another much-needed reconstruction loan.⁷⁵ Although the crisis was smoothed away, the circumstances were far from conducive to any détente between Yugoslavia and her eastern neighbour.

Therefore, by the end of 1927 it became obvious that nothing would materialise out of attempts to reach a Balkan Locarno and that the political situation in the region was actually worse than before. As far as the Foreign Office was concerned, the responsibility for this dismal failure was mostly laid at the door of the Yugoslav Foreign Office. In his annual reports Kennard painted a bleak picture of Ninčić's unstable and lamentable policy which made overtures to Bulgaria with a view to intimidating Greece and then approached Greece in order to frighten Bulgaria. The only result was the isolation of his own country.⁷⁶ Yugoslavia was, in the British view, the one country with a capacity to break the Balkan deadlock and Yugoslav vacillations were seen as dangerous turns of policy.⁷⁷ Although there was certainly a good deal to be said for the deficiencies of Belgrade's foreign policy, such an appreciation was much exaggerated and completely left out of consideration a factor of paramount importance in the Balkans, namely the insidious impact of Mussolini's foreign policy. The fact that Italy's true motives and surreptitious dealings were totally misperceived was a staggering blunder in the Foreign Office's handling of the constructive idea of Balkan Locarno.

⁷⁵ TNA, FO to Kennard, 8 October 1927, C 8175/4526/7; Kennard to Chamberlain, 6 October 1927, C 8250/4526/7; in FO 371/12090; BDFA, vol. 7, Doc. 180, Erskine to Chamberlain, 11 October 1927.

⁷⁶ TNA, Annual Report on Serb-Croat-Slovene Kingdom for 1925, C 1288/1288/92, FO 371/11410; Annual Report on Yugoslavia for 1926, C 241/241/92, FO 371/12212.

⁷⁷ TNA, Notes on Monsieur Djuric (S.C.S. Minister) and outstanding questions connected with Yugoslavia, 18 May 1926; also Kennard to Howard Smith, private, 13 May 1926, C 5878/5878/92, FO 371/11413.

3.2. The Albanian Crisis

At the beginning of 1926 the Foreign Office showed an interest in Albanian affairs. The pervading belief was that Italy, after having had her proposal for the partition of Albania declined in Belgrade, had set her mind on complete economic and political control of the country 'without however any territorial designs'.⁷⁸ In step with the British policy of 'non-interference' both the Central Department officials and Chamberlain claimed that the only course of action for Albania, were she seriously menaced by Italy, would be an appeal to the League.⁷⁹ Although the British anticipated possible trouble in that quarter, they seriously miscalculated the imminence of the Albanian danger and up to May 1926 were under the illusion that 'it is not impossible that Italy and Serbia might come to some agreement as to spheres of influence in the country, the Serbs to have Scutari and the Italians Valona.'⁸⁰ An eventual Italian possession of the port of Valona was not thought vitally to affect British naval and military interests and was thus viewed indifferently.

Italian aspirations in Albania were based on a grossly distorted reading of the resolution of the Conference of Ambassadors of 9 November 1921 which stipulated that the Council of the League of Nations would entrust the Italian government with a mandate to restore Albanian independence in the case of its being abrogated. In August 1926 Mussolini presented Chamberlain with a note which amounted to claiming a special position for Italy in that country. Taking care not to get engaged in a dispute with the Duce, the Foreign Secretary cautiously negated any right of 'exclusive influence' for Italy in Albania.⁸¹ It was maintained in the Foreign Office that a

⁷⁸ TNA, Minute by Harvey, 8 February 1926, C 1605/386/90, FO 371/11204.

⁷⁹ TNA, Minutes by Lampson, Tyrell and Chamberlain, 12 February 1926, *ibid.*

⁸⁰ BDFA, vol. 6, Doc. 271, Memorandum respecting Italy and Albania by Howard Smith, 25 May 1926.

⁸¹ TNA, Chamberlain to Della Torretta, 18 August 1926, C 8909/391/90, FO 371/11205.

permanent Italian occupation of Albania under any such pretext was not a matter of practical politics. Harvey was positive that neither the Little Entente nor Greece nor Albania herself would accept a permanent mandate nor it was probable that the League in consequence would recommend such a course. All that was required, Harvey argued, was to give no opportunity to Mussolini for discussing the purport of the resolution and let Ahmed Zogu refuse the Italian demand for the matter to 'remain dormant, and the more time passes the more out of date and impossible of fulfilment the Italian interpretation of the Resolution will appear.'⁸² Chamberlain approved the stance suggested by Harvey and significantly added: 'If I differ, it is in distrusting Belgrade a great deal more than I do Rome.'⁸³ Accordingly, the Secretary's answer to Yugoslavia's fearful enquiries as to the interpretation of the 1921 resolution was: 'Behave yourselves & the case will not arrive.'⁸⁴

As to the general line that the British representative in Albania should take, Chamberlain summarised it in the instructions to William Seeds in the following terms:

Italy is clearly entitled to secure concessions from the Albanian Government and to seek outlets in Albania for her trade and surplus population in the normal way, but once she endeavours to interfere with the internal government of the country or to work for sovereign possession of any part of its territory, she will be creating the very danger which His Majesty's Government are so anxious to avoid – a conflict with a third Power and the possibility of war.⁸⁵

Though proclaiming the desirability of promoting the independence and territorial stability of the country, Lampson admitted that he was not clear in his own mind as to how far Britain could go in this respect against Italian ambitions.⁸⁶ On closer examination the Foreign Office reaffirmed their attitude that a more active British policy in Albania facilitating the League's influence in the country and soothing the Italo-Yugoslav suspicions by means of multilateral pacts between Albania and her neighbours was not desirable as it would antagonise Rome. The only alternative was to

⁸² TNA, Minute by Harvey, 2 July 1926, C 7400/391/90, FO 371/11205.

⁸³ TNA, Minute by Chamberlain, 2 July 1926, *ibid.*

⁸⁴ TNA, Minute by Chamberlain, 6 July 1926, C 7627/391/90, FO 371/11205.

⁸⁵ DBFP, ser. IA, vol. II, No. 167, Chamberlain to Seeds, 20 August 1926.

⁸⁶ TNA, Minute by Lampson, 26 July 1926, C 8077/391/90, FO 371/11205.

proceed with the 'present policy of meeting incidents ad hoc and then endeavouring to localise their effects'.⁸⁷

On the occasion of their personal meeting at Leghorn on 1 October 1926 Mussolini reassured Chamberlain in regard to his respect for Albanian integrity and independence, saying that he was prepared to pledge himself to that effect in a written treaty.⁸⁸ The significance of this reference became clear when news of the conclusion of the Italo-Albanian treaty of 27 November 1926 was published. It also became obvious that it was but a prelude to serious trouble in South-Eastern Europe. From Belgrade's point of view the agreement (the first Pact of Tirana) was deliberately couched in vague terms as to what might constitute a disturbance against the political, juridical and territorial *status quo* in Albania. The treaty thus established a thinly veiled protectorate which enabled the Italians to land troops on any flimsy pretext. Indeed, Yugoslavian suspicions of the thrust of Italian policy were not amiss as the treaty had been preceded by a secret military accord of August 1925 between Italy and Albania by which the former was pledged to support the territorial ambitions of the latter at the expense of Yugoslavia.⁸⁹

On learning of the Tirana Pact the Central Department was taken by surprise but not alarmed in the slightest. On the contrary, the fact that Italian relations with the Albanians had been regulated on the basis of a published treaty was deemed 'the great thing'; furthermore, the opinion was advanced that 'Sig[nor]. Mussolini has set an admirable example which Albania's other neighbours w[oul]d. do well to follow.'⁹⁰ Far from suspecting any Machiavellian plot, the British believed that the treaty had tied Mussolini's hands to some extent and had made it more difficult for him to bully

⁸⁷ TNA, Memorandum on British Policy in Albania by Harvey, 3 August 1926, C 8933/391/90, FO 371/11206.

⁸⁸ TNA, Chamberlain to Tyrell, 1 October 1926, C 10797/391/90, FO 371/11206.

⁸⁹ Alan Cassels, *Mussolini's Early Diplomacy* (Princeton: Princeton University Press, 1970), pp. 317-318.

⁹⁰ TNA, Minute by Harvey, 2 December 1926, C 12606/391/90, FO 371/12606.

Ahmed Zogu into submission; consequently, Howard Smith pronounced that 'it is ridiculous of the Serbs to say that this treaty... is a threat to Serbia.'⁹¹

Kennard tried to impress on his superiors the gravity of situation as seen from Belgrade and recommended an action, proposed by the Yugoslavs, to obtain the conclusion of a tripartite pact as a way out of the predicament, but his suggestion, especially the hint it contained of a British guarantee, was rejected out of hand in the Foreign Office.⁹² Nevertheless, the alarm caused in Yugoslavia awakened the Foreign Office to the seriousness of the situation, notwithstanding all the calming assurances given to the Yugoslavs about the anodyne nature of the treaty.⁹³ The specious statements he was instructed to relay to the Yugoslav government confused Kennard, and Orme Sargent, Lampson's successor as the Chief of the Central Department, had to explain to him the real motives behind these proceedings:

I see you are surprised that we should have described the Tirana treaty as 'contributing to the preservation of peace', and that we should have asked you to impress on Nincic Italy's good faith. But surely some such line as this is necessary if we are to try and prevent the Serbs from going off the deep end. If we went and said to them baldly - We quite agree with you that the Italians have played a dirty game and that the treaty is a serious 'danger to the peace of the Balkans', wouldn't we defeat our own ends?⁹⁴

Meanwhile, the situation was rendered more serious and uncertain when Ninčić resigned in consequence of the failure of his policy of cooperation with Rome, an act closely followed by the death of the Prime Minister Pašić.

Having decided to act with the utmost diffidence, the Foreign Office left it to the discretion of the Ambassador in Rome as to whether to enquire of Mussolini in regard

⁹¹ TNA, Minutes by Harvey, 2 December 1926, and Howard Smith, 3 December 1926, C 12659/391/90, FO 371/11206.

⁹² DBFP, ser. IA, vol. II, No. 321, Kennard to Chamberlain, 5 December 1926; TNA, Minutes by Harvey and Sargent, 6 December 1926, C 12721/391/90, FO 371/11206; Kennard to Sargent, private, 6 December 1926, C 13051/391/90, FO 371/11207; The only official ready to contemplate a possibility of Britain guaranteeing some Adriatic pact on the Locarno model was Orme Sargent. See his memorandum of 22 December 1926 in DBFP, ser. IA, vol. II, No. 370; the new British Minister at Durazzo also shared Yugoslav suspicions concerning Italian intentions. See TNA, Seeds to FO, 3 December 1926, C 12722/391/90, FO 371/11206.

⁹³ DBFP, ser. IA, vol. II, No. 328, Tyrell to Kennard, 7 December 1926; TNA, Minutes by Sargent and Tyrell, 6 December 1926, C 12845/391/90, FO 371/11206.

⁹⁴ TNA, Private Office Papers of Orme Sargent, Sargent to Kennard, private, 14 December 1926, FO 800/279.

to the dangerous effects of his treaty.⁹⁵ It was indicative of the reticent attitude adopted by British diplomacy that nearly a month passed after the signature of the Tirana treaty before Graham availed himself of the opportunity to discuss the issue with the Duce himself. The latter's assurances that he was still prepared to provide the Yugoslavs with adequate explanations in respect of Albania, if they 'grovel sufficiently', as Howard Smith put it, but not to allow their adherence to the pact, were duly noted in the Foreign Office without the slightest tendency to pursue the question any further.⁹⁶ After all, it was not deemed necessary to proceed with the enquiry as Chamberlain persisted in his belief that all the commotion that had been caused was due to the secretive and sudden manner of the pact's conclusion rather than to its substance. 'I maintain to all my faith that Italian policy is what Signor Mussolini has repeatedly assured me that it is', Chamberlain repeated - though he was fully aware that there were those who 'think me blinded by my regard to him.'⁹⁷ Unshaken in his conviction, Chamberlain discounted news of Italian military preparations 'unless indeed the Serbian attitude has led Rome to expect Serbian intervention'.⁹⁸

Mussolini took the occasion of Ninčić's resignation to affect anger at accusations of bad faith and effectively reneged on his initial proposal to welcome Yugoslav adhesion to the Italo-Albanian pact either in the form of a separate and analogous agreement with Albania or a tripartite pact. Although Chamberlain put great store by his original suggestion as a proof of the innocuous character of Italian policy, and, having unofficially advised the Yugoslav government to proceed along these lines, was accordingly placed in a false and awkward position, he accepted this pretence at its face value. Used to making allowance for Duce's personal susceptibilities, the Secretary

⁹⁵ DBFP, ser. IA, vol. II, No. 329, Tyrell to Graham, 7 December 1926.

⁹⁶ DBFP, ser. IA, vol. II, No. 372, Graham to FO, 25 December 1926; TNA, Minutes by Howard Smith and Sargent, 27 December 1927, C 13482/391/90, FO 371/11207.

⁹⁷ DBFP, ser. IA, vol. II, No. 347, London (Geneva) to Tyrell (following from Chamberlain), 10 December 1926; also TNA, Minute by Chamberlain, 23 December 1926, C 13351/391/90, FO 371/11207.

⁹⁸ TNA, Minute by Chamberlain, 24 December 1926, C 13476/391/90, FO 371/11207.

of State, seconded by the Ambassador at Rome and his staff in the Foreign Office, declared that he could 'well understand irritation caused by form given to Nincic's resignation and by [Yugoslav] press comments.'⁹⁹

The extent of the Foreign Office's misjudgement of the real background of the Tirana Pact did not stem from its misperception of the true Italian intentions alone. There was also a deep-rooted suspicion that the Yugoslav Ministry of Interior was in the habit of fostering revolts in northern Albania independently of the Foreign Ministry.¹⁰⁰ To be sure, these doubts were not unfounded. Having reached the conclusion that Ahmed Zogu was irreversibly committed to the Italians, the Yugoslav War Office, behind the back of the government, unleashed an undercover operation to overthrow and replace him with his brother-in-law and then Minister at Belgrade, Cenabey Kryeziu.¹⁰¹ Although he did not find out all the details of this underground operation, Kennard suspected that intrigues might have been in progress between the Albanian refugees, political opponents of the Albanian President, and the subordinate officials of the Ministries of the Interior or of War.¹⁰² That sort of subversive activity was part and parcel of the Italo-Yugoslav trial of strength in Albania. The British received information to the effect that the Italians were also heavily intriguing with the Albanian exiles in combination with the Macedonian revolutionaries to bring about the downfall of Ahmed Zogu's regime.¹⁰³ Since Rome was achieving great success in its peaceful economic penetration, the Foreign Office brushed aside such reports and focused on Yugoslavia which, it was believed, had good reason to upset the Albanian President. For that reason Belgrade was looked upon as the chief disturber of the peace

⁹⁹ DBFP, ser. IA, vol. II, No. 362, Chamberlain to Graham, 16 December 1926; also TNA, Graham to FO, 17 December 1926 and minutes by Harvey and Sargent, 20 December 1926, C 13291/391/90, FO 371/11207.

¹⁰⁰ BDEA, vol. 7, Doc. 64, Kennard to Chamberlain, 3 December 1926; TNA, Minutes by Harvey and Howard Smith, 6 December 1926, C 12774/391/90, FO 371/11206; Kennard to Chamberlain, 8 December 1926, C 13053/391/90, FO 371/11207.

¹⁰¹ Živko Avramovski, 'Akcija jugoslovenske vlade protiv Zoguovog režima u Albaniji preko Cena-bega Kryeziu, 1926-1927, *Albanološka istraživanja*, 2 (1965), 235-238.

¹⁰² TNA, Annual Report on Yugoslavia for 1927, C 167/167/92, FO 371/12981.

¹⁰³ TNA, Parr to FO, 4 September 1926, C 9741/925/90, FO 371/11209.

in Albania. The Yugoslav case was further damaged as that perception fitted in only too well with the inveterate and highly unfavourable perception of Yugoslav foreign policy in general:

The Yugoslavs have uneasy consciences. They aspire to be the big Balkan State & in fact believed they were all-powerful. They rejected the Greek alliance & have been so stiff in their terms of renewal that Greece, weak tho' she is, turned & rejected them. Nor has Yugoslavia made friends with Bulgaria. She never trusted the Italians or even attempted to turn over a new leaf after the Pact of Rome. She has banked on belief in her own strength & on support from France. She is now reaping the harvest of her policy of arrogance & double-dealing, & is isolated.¹⁰⁴

Chamberlain believed that Ninčić himself had made many mistakes in coping with the situation following the publication of the Tirana Pact due to his complete miscalculation of Mussolini's psychology.¹⁰⁵ In the Foreign Secretary's view his Yugoslav colleague's personal mishandling was coupled with and amplified by chronic domestic troubles:

I cannot even now quite measure up M. Nincic to my own satisfaction. How much of his policy or lack of policy was weakness, both of personal character & political position, & how much was trickery & crookedness, it is hard to say, but the curse of [word illegible] was on it, & its instability was fatal to success. I suspect that if the S.C.S. Gov. had not in any case been on the verge of a domestic crisis he would have handled the Tirana situation very differently.¹⁰⁶

3.3. The Tripartite Agreement

As the Central European/Balkan Locarno hung fire, another project was under consideration which was supposed to offer stabilisation and pacification. In February 1926 Kennard heard of conversations proceeding in Rome for the conclusion of a tripartite agreement between France, Italy and Yugoslavia purporting to offer a guarantee of the frontiers of Central Europe. This agreement was obviously envisaged as a means to neutralise the Franco-Italian rivalry which centred around Yugoslavia and

¹⁰⁴ TNA, Minute by Harvey, 13 December 1926, C 13051/391/90, FO 371/11207.

¹⁰⁵ TNA, Minutes by Chamberlain, 15 December 1926, C 13051/391/90, and 15 December 1926, C 13155/391/90, FO 371/11207.

¹⁰⁶ TNA, Minute by Chamberlain, 22 December 1926, C 13590/391/90, FO 371/11208.

for that reason was limited to these three countries. To provide it with a substantial foundation it was specifically designed to prevent the Anschluss.

The Foreign Office was unanimously unfavourable to such a proposal. It was viewed as an alliance agreement of the old type and, as such, apt to keep alive the desire for union with Germany in Austria.¹⁰⁷ In fact, any manifest determination on behalf of France, Italy and the Little Entente to maintain the integrity of the provisions of the treaties of St. Germain and Trianon was liable in the fullness of time to provoke some kind of mutual agreement between Germany, Austria and Hungary. The charge levelled against the rumoured treaty was once more, as Lampson put it, that it was as far from the Locarno ideal 'as chalk from cheese.'¹⁰⁸

The British actually did not need to worry. Nothing could be more unpalatable to Mussolini than a formal understanding whereby he would admit a French guarantee and influence in a region he considered his own preserve. He skilfully exploited British aversion to the suggestion and affected to dislike a tripartite pact on the grounds of its incompatibility with Locarno principles.¹⁰⁹ His propagandist trick met with considerable success. Howard Smith did not doubt for a moment that it was the French who did not 'want the ideas of Locarno to take root and flourish in the Balkans and Central Europe' and was still adamant that his utterance was

not intended to be an anti-French manifesto but simply to show that British and French policy in this question are diametrically opposed. We, I take it, wish to interfere as little as possible and then only in the hope of promoting peace: France desires to take a foremost part in shaping the destinies of Central Europe and the Balkans, presumably in order that they should assist her in the next clash with Germany.¹¹⁰

¹⁰⁷ TNA, Minute by Howard Smith, 9 February 1926, C 1618/1618/62, FO 371/11242.

¹⁰⁸ TNA, Minute by Lampson, 9 February 1926, C 1618/1618/62; Howard Smith to Kennard, private, 1 March 1926, C 2673/1618/62; Memorandum by Sir Cecil Hurst, 7 March 1926, C 3448/1618/62, all in FO 371/11242; BDFA, vol. 6, Doc. 224, Chamberlain to Crewe, 3 March 1926.

¹⁰⁹ TNA, Graham to FO, 10 February 1926, C 1746/1618/62, FO 371/11242; DBFP, ser. IA, vol. II, No. 291, Graham to Chamberlain, 23 February 1926.

¹¹⁰ TNA, Minute by Howard Smith, 12 February 1926, C 1746/1618/62, FO 371/11242.

Chamberlain and his subordinates were also sure that French policy as they perceived it was not that of Briand - a figure much liked and respected by the Secretary of State - but rather the unfortunate product of the Quai d'Orsay.¹¹¹

Instead of a tripartite pact Mussolini suggested an arbitration agreement between Hungary and Yugoslavia which would be guaranteed by Italy. This he could extol as being in accordance with the Locarno spirit; and more importantly for him it provided a convenient excuse for the furtherance of Italian interests. Although the Central Department took the Duce's assurances at their face value and believed that the Italian views were compatible with their own, they were still determined to proceed slowly and carefully in order to avoid alienating France and rendering Italy more intransigent.¹¹² The only dissenting voice concerning Italian policy and the British support for Mussolini came from Kennard, who only a month earlier had not been sure about the genuineness of Yugoslav fears of Italy but who was now nonplussed to the point of suspecting that there was some close understanding between London and Rome.¹¹³ His uneasiness was lightly brushed aside in Whitehall and the Minister was assured that 'in this particular case Mussolini is following the line which we favour, while the French seem to be taking the opposite line, namely the creation of defensive alliances for the preservation of the position as crystallised in the Treaties of St. Germain, Trianon and Neuilly.'¹¹⁴ That is not to say that the essential nature of the Franco-Italian dispute as a struggle for predominance in Central Europe was lost on the Foreign Office, or that Mussolini's desire to substitute Italian hegemony in the region

¹¹¹ TNA, Minute by Chamberlain, 13 February 1926, C 1746/1618/62, FO 371/11242; Lampson to Kennard, private, 1 March 1926, C 2685/1618/62, FO 371/11242; In this respect the British echoed Mussolini's protestations that the principal force behind the French policy was 'Italophobia of Monsieur [Philip] Berthelot', the Secretary-General of the Quai d'Orsay. See DBFP, ser. IA, vol. I, No. 309, Graham to Chamberlain, 2 March 1926.

¹¹² TNA, Minutes by Aveling, Howard Smith, Lampson and Chamberlain, 24 February 1926, and by Tyrell, 25 February 1926, C 2358/1618/62, FO 371/11242; DBFP, ser. IA, vol. I, No. 300, Chamberlain to Graham, 26 February 1926.

¹¹³ TNA, Kennard to Howard Smith, private, 25 February 1926, C 2673/1618/62, FO 371/11242.

¹¹⁴ TNA, Howard Smith to Kennard, private, 1 March 1926, *ibid*.

for French was entirely overlooked.¹¹⁵ Rather, the Italian bid for a preponderant role in the Danube valley and the Balkans was perceived as natural due to geographical reasons, and was never taken too seriously in the Foreign Office.

France and Yugoslavia had no illusions about the Italian attitude. On 18 March 1926, during his visit to Paris, Ninčić came to an understanding with Briand and they initialled a bilateral treaty of friendship but decided not to proceed to a formal signature in order to spare Italian susceptibilities.¹¹⁶ Encouraged by King Alexander's admission that his country would not proceed with negotiations with France in the teeth of Italian opposition, Lampson was hopeful that a Franco-Yugoslav agreement would come to nothing; having received the information from the secret source connected with the Foreign Office at Belgrade that the Yugoslavs were about to renew negotiations with the French for a military agreement, he impressed upon the Yugoslav Minister in London, Djordje Djurić, the folly of getting drawn into a squabble between Italy and France.¹¹⁷

3.4. The Struggle over Romania

Although Yugoslavia was in focus in the mid-1920s, Romania, the most passive member of the Little Entente, had her share of participation in the Franco-Italian confrontation. The Franco-Romanian treaty of friendship was signed on 10 June 1926. Unofficial information came to Whitehall from Bucharest concerning a secret annex in the shape of an agreement as to the amount of military equipment which France was

¹¹⁵ TNA, Minutes by Aveling, Howard Smith and Lampson, 3 March 1925, C 2688/1618/62 and minute by Aveling, 12 March 1926, C 3143/1618/62, FO 371/11242.

¹¹⁶ Vuk Vinaver, 'Da li je jugoslovensko-francuski pakt iz 1927. godine bio vojni savez?', *Vojnoistorijski glasnik*, 1 (1971), 145-180 (p. 145); Kennard was informed about the approval of the final text by the French Charge d'Affaires at Belgrade. See TNA, Kennard to Chamberlain, 4 June 1926, C 6468/1618/62, FO 371/11243.

¹¹⁷ TNA, Minute by Lampson, 15 April 1926, C 4459/100/92, FO 371/11404; Lampson to Kennard, private, 18 May 1926, C 5814/5814/92, FO 371/11413.

supposed to supply to Romania in case of war.¹¹⁸ Though neither corroborated later nor correct, this was exactly the sort of information that could not fail to be distasteful to the British.

There was no doubt in the Foreign Office that the treaty was ‘a further link in the chain of treaties binding the Little Entente to France – with a dash of Locarno spirit added.’¹¹⁹ It was the wording of the treaty, with its emphasis on conformity to the League, which accounted for that touch of Locarno spirit. Romania was primarily motivated to enter into the agreement, the Central Department official Charles Bateman mused, in order to obtain further guarantees for her precarious possession of Bessarabia, although the pact was not explicitly directed against the Soviet Union and France was probably not to be counted upon to do more than supply technical services and advice should real trouble arise over the province. The British were satisfied that the French signature would not legally alter their own position as regards the Bessarabian Treaty, which remained unratified by Italy and Japan and therefore not in force.

The whole affair left British diplomats rather indifferent. Robert Greg, who had taken up his post at Bucharest shortly before the conclusion of the pact, formed the opinion that the treaty was ‘of a benevolent and platonic character rather than of any outstanding political significance.’¹²⁰ His impression tallied with the view taken in the Central Department that due to the geographic position of Romania Franco-Italian rivalry would never be as intense in that country as it was ‘nearer home’, a clear reference to Yugoslavia.¹²¹ Bateman was convinced that Romania could have easily concluded agreements with both Paris and Rome without either of them taking umbrage. Since the substance of the treaty was not deemed important, the Foreign Office engaged in its favourite discipline of judging – the opinion being divided -

¹¹⁸ TNA, Minutes by Bateman, 16 August 1926, C 9043/8633/37 and 18 August 1926, C 9138/8633/37, FO 371/11429.

¹¹⁹ TNA, Minute by Bateman, 18 August 1926, C 9138/8633/37, FO 371/11429.

¹²⁰ TNA, Gregg to Chamberlain, 24 August 1926, C 9570/8633/37, FO 371/11429.

¹²¹ TNA, Minute by Bateman, 1 September 1926, *ibid.*

whether and to what extent the text, found to be similar to the abortive tripartite pact between France, Italy and Yugoslavia, was conformed with Locarno rather than the old pattern of alliances.¹²²

Mussolini was determined not to be outbid by France in Romania and the tenure in office of General Alexandru Avarescu, an ardent admirer of Fascism, provided him with a great opportunity. On 16 September 1926 the Italo-Romanian treaty was concluded. The secret provisions accompanying the agreement called for the adoption of a pro-Italian policy on the part of Romania which meant an alignment with Hungary and Bulgaria; for this the Duce had to pay a price and he duly ratified the Bessarabian Protocol in March 1927.¹²³ The Foreign Office, apparently guided by Bateman's analysis, reacted to this second treaty with the same indifference it had displayed towards the first one with France. On hearing about the impending Italo-Romanian treaty Howard Smith forecast that Rome was actually trying to acquire oil concessions.¹²⁴ From the moment the news of the negotiations reached the Central Department Lampson simply confessed that it was 'a most mysterious affair and we don't know what to make of it'.¹²⁵ During and even after the negotiations nobody in Whitehall seems to have thought it worth while to enquire as to their import.

There was more behind this supreme British indifference towards Romania than simply her peripheral position. Greg frankly admitted certain social aversions he believed were typical of an average Briton acquainted with the country:

This is rather a disappointing post. To begin with Roumania has such a bad name in England that it is rather hopeless preaching her cause, all the more so as one's own sympathies are not with her temperamentally even though one may think, as I do, that she has got an unduly bad name abroad. The people as a whole lack the virility of their neighbours on the other side of the Danube and the false Latin culture and huge social pretensions of Bucharest Society are to me irritating in the extreme. There is an extraordinary sense of unreality about the whole place.¹²⁶

¹²² TNA, Minutes and marginal notes on the text of the Franco-Romanian treaty enclosed in Gregg to Sargent, 9 November 1926, C 12306/8633/37, FO 371/11429.

¹²³ Jelinek, 'The Hungarian Factor in Italian Foreign Policy, 1918-1927', pp. 304-307.

¹²⁴ TNA, Minute by Howard Smith, 19 February 1926, C 2179/2179/37, FO 371/11427.

¹²⁵ TNA, Lampson to Kennard, private, 1 March 1926, C 2685/1618/62, FO 371/11424.

¹²⁶ TNA, Sargent Papers, Greg to Sargent, private, 8 January 1927, FO 800/277.

Nor was the security position such as to provide an ambitious Minister with a real challenge: 'Bucharest is neither a potential danger zone like Sofia and Belgrade nor an even mixture of real danger and real political importance like Warsaw', Greg added to his depressive account.¹²⁷

Nevertheless, Greg closely watched how disturbances in the region affected Romanian foreign relations. The Minister had little doubt that Romania's marked reserve towards and apparent disinterest in the Albanian events temporarily weakened the Little Entente.¹²⁸ His superiors in Whitehall believed that party divisions in Romania were governed by French and Italian sympathies, Brătianu's Liberals plumping for Paris and General Avarescu for Rome.¹²⁹ As to the outcome of that trial of strength, France was thought to be capable of restoring her former position with Brătianu's help.

3.5. The Franco-Yugoslav Treaty

On 18 March 1927, in a note to the British, French and German governments, Mussolini publicly accused Yugoslavia of preparing an armed incursion into Albania with a view to overthrowing Ahmed Zogu. The ensuing crisis was exactly the sort of trouble that might have been expected as a consequence of the Tirana Pact. It presented a twofold task for British diplomacy: the Foreign Office had to deal with the immediate cause of friction between Yugoslavia and Italy in Albania and to treat that friction in its larger and proper context of the Franco-Italian conflict.

After careful consideration the Foreign Office decided that a policy of tacit acquiescence in Italian penetration in Albania was the one most likely to contribute to the maintenance of peace between Rome and Belgrade. Furthermore, that policy was

¹²⁷ Ibid.

¹²⁸ BDFFA, vol. 7, Doc. 121, Greg to Chamberlain, 31 March 1927.

¹²⁹ TNA, Minute by Howard Smith, 14 April 1927, C 3330/69/37, FO 371/12221.

without any adequate alternative short of a 'first-class row' with Italy.¹³⁰ Both Graham and the Minister at Durazzo, Seeds, agreed on this point.¹³¹ If the Italians were to land troops on the Albanian coast the Central Department's intention was to try and convince the Yugoslavs not to take any military counter-action by impressing on them the fact that they would put themselves in the wrong before the League of Nations.¹³²

The British attitude towards the possibility of an Italian occupation of Albania clearly demonstrated that the fate of that country did not matter as long as an armed conflict between Yugoslavia and Italy could be avoided. The only way of preventing war was to restrain the weaker power from giving any provocation to its stronger neighbour. Hence the Central Department became increasingly preoccupied with the state of affairs at Belgrade. Mussolini's professions about plots engineered by clandestine military societies in Yugoslavia fell on fertile ground in Whitehall.¹³³ Harvey even spoke of a cleavage of opinion between the civilian and military authorities in Belgrade in respect of relations with Italy and Albania.¹³⁴

Nor was such a perception of the situation in Yugoslavia allayed by a report that there had been much talk at the end of 1926, prior to death of Pašić, about the establishment of a military dictatorship headed by the chiefs of the White Hand.¹³⁵ The Military Attaché, Lieutenant-Colonel F. Giles, dismissed the prospect of an armed adventure on the part of the Yugoslavs in view of the appalling deficiencies of war material which were difficult to overcome given the currently parlous financial conditions of the country. The impression in the Central Department still prevailed that

¹³⁰ TNA, Minutes by Harvey, 7 September 1927, and Sargent, 9 September 1927, C 7410/25/90, FO 371/12065; Chamberlain to Graham, 9 May 1927, C 3785/808/92, FO 371/12116.

¹³¹ TNA, Minute by Sargent, 26 September 1927 and Graham to Tyrell, private, 20 September 1927, C 7848/25/90, FO 371/12065.

¹³² TNA, Howard Smith to Kennard, private, 24 January 1927, C 485/25/90, FO 371/12064; Sargent to Kennard, private, 7 November 1927, C 8824/25/90, FO 371/12065.

¹³³ TNA, Minute by Harvey, 7 January 1927, C 192/25/90 and Minute by Chamberlain, 18 January 1927, C 514/25/90, FO 371/12064.

¹³⁴ TNA, Minute by Harvey, 14 March 1927, C 2298/25/90, FO 371/12065.

¹³⁵ TNA, Report on Effect of Recent Political Disturbance in Yugoslavia on the S.C.S. Army by Military Attaché at Belgrade F. Giles, 23 February 1927, enclosed in Kennard to Chamberlain, 24 February 1927, C 1978/25/90, FO 371/12064.

a real danger lay in the possibility of a weak government in Belgrade being ignored by a clique in the Army which might be plotting a coup against the Ahmed Zogu regime in defiance of the political leadership.¹³⁶ A possible scenario envisioned an incursion into Albania by Zogu's political opponents residing on Yugoslav territory, aided and abetted by some shady and unscrupulous elements within the government. This impression was reinforced by the considered opinion of Kennard, based on information provided by Colonel Giles, that there were indeed subordinate Yugoslav officials who obstinately hoped to upset Ahmed Zogu's government.¹³⁷ It was instructive of the nature and reliability of intelligence reports such as could be gathered in the circumstances that their validity was estimated on the premise that they corresponded 'exactly with the national characteristics of both parties'; and, furthermore, that in anticipating the potential course of events one was always handicapped by the fact that it was impossible to expect 'common sense from the average Balkan politician, to whom intrigue is as food and drink.' Whitehall was not quite sure what to make of persistent Italian distinctions between the civilian and military authorities,¹³⁸ but the utterances repeated time and again from Rome seem to have influenced the views of the Foreign Office.

On the other side, the Military Attaché at Rome reported on covert Italian military infiltration into Albania and the concentration of the fleet but maintained that the Italians did not plan to resort to an aggressive policy. He even interpreted such measures as were adopted as proof of 'Italy's pacific intentions', arguing that she would have let matters take their course had she been looking for an excuse for armed

¹³⁶ TNA, Minute by Sargent, 21 March 1927, C 2538/808/92, FO 371/12212.

¹³⁷ BDF, vol. 7, Doc. 114, Kennard to Chamberlain, 23 March 1927 with enclosed Doc. 115, Decypher Despatch from His Majesty's Consul at Sarajevo to Mr. Kennard, 18 March 1927, and Doc. 116, Lieutenant-Colonel Giles to Mr. Kennard, 22 March 1927.

¹³⁸ TNA, Sargent to Kennard, 28 March 1927, C 2610/808/92, FO 371/12212; Shortly before Sargent's enquiry about the influence of the military circles Kennard already expressed his opinion that it was hardly justifiable to claim that the Army held preponderant power in the country. See Kennard to FO, 20 March 1927, C 2672/808/92, FO 371/12213.

intervention.¹³⁹ Reports to that effect went a long way to confirm what Chamberlain unreservedly believed: 'I will stake my reputation for judgement of Italian policy on the statement that Mussolini does not desire to intervene by force in Albania & will not do so if trouble is not started from other quarters. If M. Kennard and the French can keep the Serbs quiet they need not fear the Italian Govt.'¹⁴⁰

The Minister in Belgrade did his best to carry out the Secretary's instructions. He confirmed that the Yugoslav government had adopted two courses which he had been unofficially suggesting for some time past - replacing their current Minister in Rome, who had incurred the Duce's personal dislike, with Milan Rakić, one of their ablest diplomats, and removing large numbers of Albanian émigrés from the frontier to the interior.¹⁴¹ But Kennard's own profound suspicions of Italian intentions were unabated and he unofficially impressed his personal views on the Central Department. In a reply to his insistent pleas that more resolute action on the part of the British government was necessary in order to avert the brewing disaster, Sargent put forward his diagnosis that Italy

is suffering from various sorts of congestion, including that of swelled head, which makes her ver[y] self-conscious and very anxious to show off as though she were a grown-up person, and this in its turn makes her inclined to be a bully. I do not know what the best cure for this sort of disease may be, but I am sure that the worst thing in the world is to take her seriously and encourage her to think that we really are frightened of the terrible things which she may do if she wants to. Surely the right line is to make it clear that we think that the whole of her behaviour is merely silly and that if she insists upon showing off she must not be surprised if it leads to a stand-up quarrel with the Jugs. This broadly speaking is the line which we have taken in Rome. As for the Jugs, we have as tactfully as possible hinted to them that the best way to deal with a bully is to stand up to him and that they only encourage Italy to behave still more outrageously by always coming to us whining for advice and support. If the question is treated in this way, I am inclined to think that Italy will soon be brought up against these hard facts which in her present troubled state are much more likely to bring her to reason than any amount of nagging and lecturing by the Secretary of State. If she once realised that she was really driving

¹³⁹ TNA, Memorandum on Relations between Italy & Yugo-Slavia by Military Attaché W. F. Blaker, 22 March 1927, C 2896/808/92, FO 371/12214.

¹⁴⁰ TNA, Minute by Chamberlain, 15 March 1927, C 2298/25/90, FO 371/12065.

¹⁴¹ TNA, Kennard to Howard Smith, 28 January 1927, C 1095/25/90, FO 371/12064.

into a position of having to fight the Jugs, I think we would find that she would hurriedly climb down.¹⁴²

Sargent further imagined that the Italians would not be willing to antagonise the League over their conflict with Yugoslavia. If his prognosis was wrong and the clash erupted, he wondered if it was ‘altogether cynical for us to adopt the attitude that our interests will be fully safeguarded if we can restrict the area of the conflict, as we ought certainly to be able to do?’¹⁴³

Sargent’s subtle intimations were articulated in a much more outspoken manner by the Secretary of State: ‘Jugo-Slavia seems to me pretty safe unless she tries to make herself safer by alliances which Signor Mussolini regards as threatening Italy.’¹⁴⁴ This was but another confirmation of Chamberlain’s firm conviction that Yugoslavia was the sole offender in the Balkans and that France was further aggravating a bad situation by stepping forward as her protector:

I may be quite wrong but as I see things it is Yugo Slavia which is at present the disturbing factor. I wish that France would speak more resolutely at Belgrade. Yugo Slavia is the most powerful of the Balkan States; therefore France courts her & thinks of yet another alliance, but Yugo Slavia is restless, bullying and unreasonable in her demands on Greece & in her attitude (in the past, at any rate) to Bulgaria. And because she is all this herself, she is nervous & suspicious about others, & her policy tends to provoke in other countries reactions which give some ground for her fears.¹⁴⁵

Chamberlain stressed that Mussolini could not step back when it came to his *amour propre* and that he was apprehensive as to whether ‘the French have got on quite wrong lines with the Italians & are or having [*sic*] been feeding themselves on dreams’.¹⁴⁶

The blame for the deadlock in relation to Italy was therefore equally distributed between Belgrade and Paris. The latter was suspected of affecting a fear of the Italians

¹⁴² TNA, Sargent Papers, Sargent to Kennard, 20 May 1927, FO 800/279; for similar comments see minutes by Howard Smith and Sargent, 12 May 1927; Chamberlain to Kennard, 13 May 1927, C 4257/808/92, FO 371/12217

¹⁴³ TNA, Sargent Papers, Sargent to Kennard, 20 May 1927, FO 800/279.

¹⁴⁴ TNA, Minute by Chamberlain, 18 June 1926, C 6780/1339/92, FO 371/11410; also minute by Chamberlain, 14 May 1926, C 5814/5814/92, FO 371/11413.

¹⁴⁵ TNA, Minute by Chamberlain, 16 February 1926, C 2137/385/90, FO 371/11204; also minute by Chamberlain, 19 June 1926, C 7291/100/92, FO 371/11404.

¹⁴⁶ TNA, Minute by Chamberlain, 16 February 1926, C 2137/385/90, FO 371/11204.

while actually being actuated by jealousy alone.¹⁴⁷ Having learned of the French standpoint Lampson was struck by what he saw as an extraordinarily narrow view that regarded Italy as bent on trouble - one which he declined to accept and which he thought was a consequence of misunderstanding and a lack of proper communication.¹⁴⁸ Even the notoriously Francophile Chamberlain simply confessed that he could not 'understand why France needs to meddle in this affair.'¹⁴⁹

The new Yugoslav Minister for Foreign Affairs, Vojislav Marinković, tried to persuade Kennard that the core of the problem was Mussolini's relentless effort to detach Yugoslavia irrevocably from France and that nothing short of that would suffice to establish close understanding with Italy. In Marinković's opinion there was a compelling reason why Belgrade could not contemplate such a reversal of policy:

His Excellency stated that he was quite prepared to cease depending on French support provided that he could be sure of the friendship of some other Great Power such as England, but he feared that, should Yugoslavia come to an understanding with Italy which would cause an estrangement with France, Italy might within a short time, having effected her isolation, attack this country. The S.C.S. Government could not therefore afford to modify in any way their present attitude towards France.¹⁵⁰

This observation elicited a comment by Howard Smith which revealed a fundamentally different perception of the perplexed relations within the Franco-Italo-Yugoslav triangle and an entirely different British conception of the proper policy for Belgrade to pursue:

I think that M. Marinkovitch argues the wrong way round. One of the reasons, though perhaps not the main one, of Italian suspicion of Serbia is her close connection with France, Italy feeling that by this connection France maintains a predominant influence in the Balkans to which Italy aspires. In fact it is just jealousy of France. If Serbia would give up her dependence on France, then I fancy Italy would at once become more friendly to her especially if she showed Italy that she was quite ready to stand alone and was not afraid of her. And we know that Italy does not want war.¹⁵¹

Mussolini's intransigence and his strenuous attempt to browbeat Yugoslavia finally failed and led to the formal signature of the long-delayed Franco-Yugoslav treaty

¹⁴⁷ TNA, Minute by Sargent, 22 March 1926, C 3560/1618/62, FO 371/11242.

¹⁴⁸ TNA, Minute by Lampson, 30 March 1926, C 3945/1618/62, FO 371/11242.

¹⁴⁹ TNA, Minute by Chamberlain, 9 April 1926, C 4265/1618/62, FO 371/11242.

¹⁵⁰ TNA, Kennard to Chamberlain, 4 May 1927, C 4091/808/92, FO 371/12217.

¹⁵¹ TNA, Minute by Howard Smith, 11 May 1927, C 4111/808/92, FO 371/12217; Both Sargent and Tyrell briefly stated their agreement below Howard Smith's minute.

of friendship and arbitration on 11 November 1927. The treaty was supplemented by a secret military protocol of a distinctly indefinite nature.¹⁵² It stipulated that the respective General Staffs would proceed to consultations about the technical conditions of cooperation should such collaboration be necessary as a result of action undertaken in connexion with obligations to the League and as defined in the first article of the treaty. The platitudinous character of this convention was similar to the letters exchanged between Poincaré and Beneš on the occasion of the signature of their treaty of 1924. Nevertheless, the Italians again suspected a clear-cut military cooperation against them, an impression which they spared no effort to impress upon the British. Colonel Giles discussed the matter with his French colleague and submitted his considered opinion that the story of a clear-cut military convention was fuelled by the Italians and was inherently ‘groundless and chimerical’.¹⁵³

Chamberlain deplored the conclusion of a treaty he thought bound to aggravate the state of relations with Rome and diminish their chances of improvement, and also the conspicuous manner in which, in his opinion, it had been done.¹⁵⁴ He clearly showed the signs of his displeasure. When Marinković wanted to visit London after having personally signed the treaty in Paris Chamberlain let him know that such a visit would depend on whether he intended to include Rome in his itinerary.¹⁵⁵ That was enough to put an end to any talk of a visit. As for the French, the Foreign Office was

¹⁵² VA, registry 17, box 107, fascicle 1/2, Martinac [Assistant Minister for Foreign Affairs] to Nedić [Chief of the Great General Staff], Subject: Military-Political Treaties with France, 26 December 1936, strictly confidential no. 3660-III; the text of the military protocol is published in both the French original and the Serbian translation in Vinaver, ‘Jugoslovensko-francuski pakt iz 1927.godine’, pp. 178 and 180 respectively; see also Vinaver, *Jugoslavija i Francuska između dva svetska rata*, pp. 116-127.

¹⁵³ TNA, Memorandum by Military Attaché Giles, 27 December 1927, enclosed in Kennard to Sargent, private, 27 December 1927, C 43/G, FO 371/12980; However, the campaign relentlessly spread by the Italians was not entirely without effect amongst the British as evidenced by the intelligence report prepared seven years later which allowed for the possibility that the friendship treaty might have been ‘reinforced by secret military conventions.’ See C. B. 1806. Yugoslavia and Rumania Intelligence Report, March 1934, enclosed in Bucharest Chancery to Southern Department, 2 July 1937, R 4703/2982/67, FO 371/21140.

¹⁵⁴ TNA, Sargent to Graham, private, 21 November 1927, C 9277/808/92; BDF, vol. 7, Doc. 196, Chamberlain to Kennard, 18 November 1927.

¹⁵⁵ TNA, Chamberlain to Kennard, 9 November 1927, C 9041/808/92, and FO to Crewe, 11 November 1927, C 9056/808/92, FO 371/12218.

convinced that the misdeed of concluding the agreement with Yugoslavia was the work of the die-hard forces in the Quai d'Orsay, headed by 'the villain of the peace' Berthelot, against the better judgement of Chamberlain's dear friend, the pacific and sensible Briand.¹⁵⁶ In the words of the Permanent Under-Secretary Tyrell, the wretched ways of past diplomacy prevailed over Locarno ideas: 'This is a sad legacy left by M. Poincaré to M. Briand. We must stand by with buckets of cold water to pour over all parties that will need it. Let us keep cool.'¹⁵⁷

Mussolini's prompt response to the Franco-Yugoslav treaty was the conclusion of a treaty of mutual defence between Italy and Albania on 21 November 1927 which had actually been in preparation for months past. This instrument laid bare the insincerity of Italian policy and faced British diplomacy with additional difficulties in trying to restore Italo-Yugoslav relations to a reasonably satisfactory footing. The Foreign Office tried to assuage the effects of the treaty by firstly insisting on the postponement of its publication, and secondly by Chamberlain's appeal to Mussolini to expand it into a tripartite agreement embracing Yugoslavia and running on lines of the Locarno type, a suggestion he was prepared to put forward in Belgrade as his own in case Mussolini was averse to taking the initiative himself.¹⁵⁸ Thus, any direct opposition to Italian policy, which was after all a natural development of previous trends and was facilitated by British passivity, was not to be contemplated. The influence that the Secretary of State was supposed to be able to exercise in Rome was rather to be brought to bear on the grounds of the disturbing effect that the second Pact of Tirana had upon European peace and the embarrassing position in which the British government was

¹⁵⁶ TNA, Minute by Sargent, 25 November 1927, C 9498/25/90, FO 371/12065.

¹⁵⁷ TNA, Minute by Tyrell, 9 November 1927, C 9001/808/92, FO 371/12218.

¹⁵⁸ TNA, Extracts from conclusions of Cabinet meetings held on 24 November 1927 and 30 November 1927 enclosed in Chamberlain to Graham, 23 November 1927, C 9488/25/90, and Minute by Sargent, 25 November 1927, C 9514/25/90, FO 371/12065.

placed by being presented with a *fait accompli*. And this despite the prominent part they had been taking to improve the mutual relations of Italy and Yugoslavia.¹⁵⁹

The attempt was futile as Mussolini repudiated Chamberlain's suggestions and even implied that the French attitude was a decisive factor in the situation. His assertion, Sargent held, underlined a main danger coming from this new departure in policy: it did not just run contrary to the spirit of the Covenant and Locarno but was 'likely to intensify the tendency towards the creation of rival blocs of states in Central Europe'.¹⁶⁰ While Sargent believed that it was necessary to impress upon the Duce British confidence in the pacific nature of French policy, Tyrell was in favour of a policy of aloofness towards Italy which he deemed more effective than getting into a controversy.¹⁶¹ In his conversation with the new Italian Ambassador, Antonio Bordonaro, Chamberlain took a middle course, refuting accusations against French policy and openly stating his disagreement with Rome, but adopting a non-committal attitude as to the future line Britain might take.¹⁶²

The feeling that set in at the Foreign Office was one of somewhat melancholic resignation: 'We have done our best to make the best of two bad jobs & things must run their course', Tyrell concluded.¹⁶³ Despite thoroughly changed circumstances as evidenced by the conclusion of the two treaties, there was no inclination among the Central Department officials to consider any change of policy. Kennard was the only person who maintained that British diplomacy should have made every effort from the first to induce France, Italy and Yugoslavia to come to a Locarno-model agreement which would offer the only chance of peace in that troubled part of Europe. The Minister had no doubts as to the true reason for the disquieting state of affairs: 'As it is,

¹⁵⁹ TNA, Minute by Sargent, 23 November 1927, C 9444/25/90, FO 371/12065.

¹⁶⁰ TNA, Minute by Sargent, 26 November 1927, C 9544/25/90, FO 371/12065.

¹⁶¹ TNA, Minute by Tyrell, 27 November 1927, *ibid*.

¹⁶² TNA, Chamberlain to Graham, 28 November 1927, C 9688/25/90, FO 371/12066.

¹⁶³ TNA, Minute by Tyrell, 26 November 1927, C 9518/25/90, FO 371/12065.

owing to our disinclination to tackle Mussolini, we have this silly pact “à deux” and relations between Belgrade and Rome worse than ever they were.’¹⁶⁴

Conclusion

The Locarno settlement of 1925 raised hopes in London of a similar understanding in Central Europe and the Balkans. Two preconditions stood in the way of success. First, a basis of agreement needed to be found among the smaller states of the region. Chamberlain believed that it would be counter-productive to impose a solution on unwilling parties and that salvation must come from within. The Foreign Office was optimistic as to the prospects of both a Central European and a Balkan Locarno as it was thought that Bethlen was prepared to work to that end along the Danube and that Yugoslavia could be made an axis of settlement in the Balkans. Although British assessments suffered from a general inclination to pose as a patron of Bethlen’s government and take an unduly dim view of Yugoslav foreign policy, the approach was fundamentally sound. But a successful outcome actually depended on the second precondition - concerted action on the part of the Great Powers. It was apparent that Franco-Italian rivalry presented a grave obstacle to any stabilisation and a permanent settlement in the Danubian/Balkan regions. If there was to be any chance of a Locarno-type agreement the two Powers had to abstain from pursuing conflicting policies and recruiting clients, and lend their support to a mutually agreed settlement. This was the crux of the problem. Mussolini was not interested in an agreed and genuine settlement on the Locarno lines and embarked on an aggressive policy of ousting French influence from what he considered his sphere of political preponderance and encircling Yugoslavia as a necessary precondition for achieving his aims. Chamberlain completely and utterly misjudged Mussolini’s policy. In his view, shared

¹⁶⁴ TNA, Kennard to Sargent, private, 17 November 1927, C 9339/808/92, FO 371/12218.

by others in the Foreign Office, Italy was not bent on adventure and aggressive enterprises, despite her childish and tiresome bullying of Yugoslavia. In fact, Italy's behaviour was interpreted as a fearful reaction to what that country perceived to be the hindering of her legitimate aspirations by France through the agency of Belgrade.

Hence Kennard was exclaiming in vain that 'It is after all ridiculous for Italy to block all proposals for a genuine settlement of Central Europe and the Balkans and the sooner she is made to realise that her ridiculous susceptibilities and intrigues can no longer be humoured the better.'¹⁶⁵ On the contrary, Chamberlain was convinced that Italy could be induced to contribute to a Locarno-like agreement and he banked his whole policy on that presumption. The Secretary of State tried to promote a concerted action by Briand, Mussolini and himself that could overcome any potential difficulties raised by the Danubian/Balkan countries.

Hopeless as it was, Chamberlain's policy carried on and shaped the British response to all forthcoming events and crises. When Mussolini concluded the first Tirana Pact the Foreign Office accepted his explanations at their face value and focused on assuaging the Yugoslav reaction. When on the pretence of its incompatibility with Locarno principles the Duce declined to adhere to a tripartite agreement project which tackled the core problem of relations between Rome and Paris, Whitehall acquiesced in Italian policy once again. Finally, when Mussolini protested and tried to prevent a Franco-Yugoslav treaty he had full British sympathy and even active help in discouraging Belgrade and Paris from concluding a formal pact. Throughout, the British attitude rested on the premise that Italy, notwithstanding her petty and sometimes ostensibly dangerous susceptibilities, did not pose a threat to peace but was rather provoked by the existence of a close understanding, real or imaginary, between France

¹⁶⁵ TNA, Kennard to Nicolson, private, 22 June 1925, C 8682/251/62, FO 371/10695.

and the Little Entente, particularly Yugoslavia. Therefore, it was for those powers to reassure Italy that her fears were groundless rather than the other way round.

The blunders of British policy could not lead to any positive results. Its main tenet was the idea that the most dangerous thing for the preservation of peace was a division of states into hostile blocs on the pre-war pattern. The Foreign Office believed itself to be doing its best in order to avoid such a development when in fact, due to its fundamental misperceptions and erroneous judgement, it facilitated that very outcome. Indeed, the security position in Central and South-East Europe at the end of 1927 was worse than it had ever been since the end of the war with two clearly defined and antagonistic groups of states: a revisionist bloc consisting of Italy and her ally Hungary together with the Italian satellite Albania, and an anti-revisionist bloc of France and the Little Entente countries. Therefore, the splicing together of the latter group was another marked setback for British diplomacy, which wanted a severance of the ties uniting Paris and the Little Entente but which defeated its own ends. It was a measure of the failure of British diplomacy that its muddled ways managed to inspire all the other parties with a profound mistrust. There was a wide-spread belief in Yugoslavia, albeit not for long, that Britain was backing Italy in her imperialist designs.¹⁶⁶ The French were also convinced that the British regarded with favour a potential Italian ascendancy, even one achieved by victorious and limited war in Central Europe.¹⁶⁷

¹⁶⁶ TNA, Memorandum by Howard Smith, 17 October 1927, C 8530/79/92, FO 371/12211; BDF, vol. 7, Doc. 103, Kennard to Chamberlain, 1 March 1927; Vuk Vinaver, 'Engleska i italijansko "zaokružavanje Jugoslavije", 1926-1928', *Istorija 20. veka*, 8 (1966), 73-160.

¹⁶⁷ Bjelajac, *Vojska Kraljevine Srba, Hrvata i Slovenaca*, p. 231

CHAPTER 4

THE TRANSITIONAL YEARS, 1928-1932

Introduction

At the turn of the decade the situation in Central Europe was more fluid and uncertain than ever. There were many unsettling indications that the general trend was one of reverting to the old patterns of grouping into hostile blocs and British diplomacy strove as ever to counter that dangerous development. This period was characterised by Italy's increasingly subversive activities in the whole of the Danube area and the Balkans and by the economic depression which became a convenient peg on which the Great Powers hung proposals which, although ostensibly aimed at the economic alleviation of the region, were designed to further their political interests.

British policy was rather slow to appreciate the full impact of these trends. This chapter suggests that the Foreign Office was usually well informed and aware of the negative developments but inclined to stick to its old perceptions of the main security problems and suitable ways of remedying them. At the same time there was an inkling of a pressing need to find an alternative and more effective policy which would take the shape of some sort of undefined and vaguely envisaged revision as evidenced by the changed attitude towards Habsburg restoration. The first section of the chapter looks at how Whitehall seriously underestimated the impact that the incidents and the renewed manifestations of recalcitrance with the existing international order on the part of Hungary and Bulgaria had on the Little Entente countries and their closing of ranks. The second section shows the tendency of the same old views on Italo-Yugoslav relations to linger on and the British attempts to improve them. An unrealistic and distorted perception is also demonstrated in the outlook on the relationship between France and the

Little Entente which is analysed in the third section. Finally, the fourth section presents an overview of British perspectives of the problem of Austrian stability and independence, and provides another example of a belated realisation of the issues at stake, particularly in regard to proposals for the alleviation of the economic distress in Central Europe in which Vienna featured prominently.

4.1. Old Adam's Ways

On 1 January 1928 the Austrian customs officials at the Italian frontier station of St. Gotthard discovered five truck loads of machine-gun parts falsely declared and destined for Hungary. The Little Entente countries brought the incident to the attention of the League of Nations, accusing Hungary of secretly arming in defiance of the Trianon Treaty. The inconclusive decision as to the responsibility of the Hungarian government reached by the committee of enquiry appointed by the Council of the League left the Little Entente with a feeling of considerable disappointment. The British attitude towards the incident had a lot to do with this outcome. The Foreign Office decided – and succeeded in convincing the French on this point – that the best means of disposing of the Hungarian arms traffic was one that would keep the matter ‘out of court, or rather out of [the] League.’¹ Nothing definite could follow from the thorough examination of such an affair, Whitehall’s diplomats believed, and it was for the best to smooth the matter away. When a year later another incident involving arms smuggling into Hungary occurred, Edward Crowe stated that Hungarian breaches of the military clauses were commonplace while Howard Smith simply expressed the opinion that the Foreign Office should not ‘bother about this.’² When the irritation with Italian surreptitious dealings became particularly pronounced there was even talk of ‘getting Graham to make it quite plain to

¹ Churchill Archives Centre, The Papers of Sir Eric Phipps [hereafter PHPP], 2/7, Phipps to Sargent, private, 15 January 1928.

² TNA, Minutes by Crowe, 9 January 1929, and Howard Smith, 10 January 1929, C 120/120/21, FO 371/13664.

Mussolini that we are fully aware of the vast traffic in arms between Italy and Hungary'.³ However, no action was ever taken in this regard.

Exactly the same thing was taking place in regard to Bulgaria. The Central Department received secret information about Bulgaria's armament constituting an open breach of the military clauses of the Neuilly Treaty which was undertaken with the connivance of the Italian military authorities, if not the government itself.⁴ The impossibility of taking effective measures to enforce the treaty obligations coupled with the ineffective machinery of the League to penalise the guilty party led the officials to agree that 'the unheroic course of doing nothing is the right one'.⁵

However, in the Bulgarian case the most dangerous situation threatening the preservation of peace always arose out of the intermittent IMRO outrages. A new stimulus for the continued terrorist campaign also came from the Italian side. Having learned from the new Italian Foreign Minister, Dino Grandi, that the Fascist government intended to keep on good terms with IMRO as they found the latter a useful tool in their dealings with Belgrade,⁶ the Foreign Office became aware of 'Italy's disreputable game of intriguing with the disruptive elements in the Balkans in order to weaken Yugoslavia' and insisted on the strenuous observation of the peace treaties so as not to be appearing to co-operate with Rome in her policy.⁷ Although Sargent did not want to force matters to an issue, he hoped that cooperation with France in making official representations to the government in Sofia with a demand for resolute action against IMRO would 'have a salutary effect on Mussolini in making him realise that we are not prepared to acquiesce

³ Churchill Archives Centre, PHPP, 2/16, Phipps to Vansittart, private, 9 February 1930.

⁴ TNA, Minutes by Bateman, 19 March 1928, Howard Smith and Sargent, 20 March 1928, C 2161/96/7, FO 371/12857.

⁵ TNA, Minute by Howard Smith, 20 March 1928, C 2161/96/7, FO 371/12857.

⁶ Ibid.

⁷ TNA, Sargent to Sperling, private, 1 October 1928, C 7022/42/7, FO 371/12856.

in and still less support him in the dangerous game of encircling Yugoslavia, which he seems to be inclined to play at in the Balkans at the present time.’⁸

To reinforce the point Chamberlain persisted in conveying the warning to Sofia not to lend herself to supporting Italy to the detriment of relations with a neighbouring country, a piece of advice the soundness of which he thought the Bulgarians began to realise.⁹ Sargent even came to believe that it was malevolent Italian influence that was at the bottom of the troubled relations between Sofia and Belgrade. His assessment was fully shared by the new Permanent Under-Secretary, Sir Robert Vansittart: ‘Our Balkan policy is the exact opposite of Italy’s. We must always be trying to draw together what she is pulling apart. The antithesis is unfortunate, but it is not our fault, and we must go our way resolutely.’¹⁰ When in March 1930 fresh terrorist outrages were committed on Yugoslav territory Vansittart thought it necessary to ‘do anything to force the Italians away from their murderous pets, the [I]MRO’ and tried without success to rope Mussolini into making a joint representation to the Bulgarian government together with the British and French.¹¹

Despite periodical outbursts of violence, the Foreign Office was of the opinion, based on information from its Legation at Sofia and independent secret sources, that IMRO, which had lost any constructive purpose of existence and degenerated into a criminal gang, would die a natural death with the passage of time. Meanwhile the only available policy was to urge moderation all round: to press the government of Andrey Lyapchev into taking more determined measures in order to rein in IMRO and to restrain Belgrade from contemplating any drastic action on its part.¹² Being exposed to constant

⁸ DBFP, ser. IA, vol. V, No. 160, Sargent to Kennard, private, 17 September 1928.

⁹ TNA, Sargent to Waterlow, private, 11 November 1929, C 8230/197/7 and Memorandum by Sargent on policy of HMG as regards Bulgaria, 17 December 1929, C 9815/197/7, FO 371/13573.

¹⁰ TNA, Minutes by Sargent, 25 February 1930, and Vansittart, 26 February 1930, C 1328/82/7, FO 371/14314.

¹¹ TNA, Minute by Vansittart, 12 March 1930, C 1964/82/7, FO 371/14314.

¹² TNA, Memorandum on Bulgaro-Yugoslav relations by Balfour, 13 March 1930, C 2412/82/7, FO 371/14315; Memorandum on the Macedonian question, 10 May 1930, C 4470/82/7, FO 371/14316; Minute by Vansittart, 21 July 1930, C 5459/82/7, FO 371/14317.

terrorist outrages the Yugoslavs were hardly put to the test in continuing their policy of restraint towards the Lyapchev government, especially so as they, unlike the British, found both the Bulgarian Prime Minister and King Boris duplicitous and unwilling to oppose IMRO, as well as ill-disposed to sincere cooperation with Belgrade.¹³

The general situation did not seem conducive to any settlement in Central Europe. In the midst of the St. Gotthard affair Beneš asked for Britain's full moral support in order to disillusion the Hungarians as to the prospects of frontier revision and thus pave the way for a Locarno-modelled agreement.¹⁴ Having heard Beneš's views, the Foreign Office once more studied the possibility of the application of the Locarno pattern to the states of Central and South Eastern Europe. Although it was acknowledged that the growing rivalry between France and Italy in the region presented a chief obstacle, and that there were other hindrances pertaining to relations between the states concerned themselves, Howard Smith maintained that a mutual guarantee pact could still be obtained.¹⁵ He reiterated his conviction that it was for the Little Entente to offer concessions to Budapest in order to induce her to come to terms. Bulgaria presented an exceedingly difficult problem due to her being in the hands of IMRO. The analysis showed that the Foreign Office stuck to its old formulae without any regard for the substantial deterioration which had taken place during the preceding few years. Beneš developed his views in a further conversation with the League's Secretary-General, Sir Eric Drummond, but the opinion remained in the Central Department that his proposals did not go far enough to be crowned with success.¹⁶ When in a speech to his electors in

¹³ AJ, London Legation, fascicle I, I-3, Karović [Foreign Ministry] to Djurić, 3 April 1930, confidential no. 228; In December 1930 a plan for preventive military action that would destroy IMRO's strongholds in the Bulgarian part of Macedonia was approved by the Defence Minister but never executed. See Bjelajac, *Vojska Kraljevine Srba, Hrvata i Slovenaca*, pp. 239-240.

¹⁴ TNA, Drummond to Selby, 6 February 1928, C 1045/G and Maclae to Chamberlain, 18 February 1928, C 1382/1382/12, FO 371/12867.

¹⁵ DBFP, ser. IA, vol. IV, No. 142, Memorandum respecting the Adaptability of the Locarno System to Central and Eastern Europe by Howard Smith, 15 February 1928.

¹⁶ TNA, Record of Interview, 20 February 1928, enclosed in Drummond to Selby, 21 February 1928, and minutes by Howard Smith, 24 February 1928, and Sargent, 25 February 1928, C 1467/1403/62, FO 371/12871.

March 1928 Count Bethlen spelled out that a Central European Locarno did not appeal to Hungary as she had no intention of renouncing her claim for frontier revision, the scheme was definitely put to rest. Although Bethlen's outright rejection of Beneš's advances and the public manner in which it was done was deplored in the Central Department, the overall impression was one of indifferent resignation.¹⁷

The tensions in Central Europe surged anew when on 21 June 1928 Mussolini openly professed himself in favour of the Hungarian demands during an interview granted to the *Daily Mail*, the proprietor of which, Lord Rothermere, had already been championing the revisionist campaign. This new departure in Italian policy towards the Danubian region, and particularly the strenuous attempt at distinguishing between the need for Hungarian revision and the immutability of the new Italo-Austrian border at the Brenner Pass, did not impress Chamberlain too much: 'Signor Mussolini sees the weakness of his position but is not wise enough to hold his peace.'¹⁸ As for the Rothermere campaign, the Central Department officials came to realise the undesirable effects it produced both in Hungary and the Little Entente countries, but it was maintained that the latter were calming down as they understood that it had nothing to do with the official policy, and that it would be a mistake to give it renewed publicity by a public disclaimer.¹⁹

Whereas the British could keep a reserved and cautious attitude towards the increasingly threatening international situation, the Little Entente's reaction was to close its ranks. On 21 May 1929 at the meeting of the Little Entente held in Belgrade the protocol was signed concerning the prolongation of the treaties of alliance concluded amongst Czechoslovakia, Yugoslavia and Romania as well as the tripartite arbitration agreement. In September 1929 the first common war plans against Hungary which

¹⁷ TNA, Minutes by Bateman and Howard Smith, 15 March 1928, and by Sargent, 23 March 1928, C 1973/34/21, FO 371/12933.

¹⁸ TNA, Minute by Chamberlain, 31 March 1928, C 2520/182/21, FO 371/12936.

¹⁹ TNA, Minutes by Bateman and Howard Smith, 13 April 1928, C 2818/182/21; Minutes by Sargent, 13 June 1928, and Tyrell, 14 June 1928, C 4982/182/21; both in FO 371/12936.

envisaged two possibilities – Hungarian attacks on Czechoslovakia and Romania²⁰ – were adopted at the conference in Prague. Both versions provided for a coordinated and decisive offensive on the part of the three allied armies which would end in the occupation of the whole of Hungarian territory. On 9 September 1930 the plans were completed with a variant which responded to a potential Hungarian offensive against Yugoslavia.²¹ At the same time another two plans were worked out dealing with a simultaneous attack by Hungary and Bulgaria on Yugoslavia and Bulgarian aggression alone against the latter in which case Romanian armed intervention would ensue.²²

A close and fruitful cooperation was established in the exchange of intelligence information as well. On 22 May 1929 a Czechoslovakian proposal to arrange periodical conferences for the purpose of sharing intelligence reports on the growth and organisation of the Hungarian army was accepted and a formula devised for covering the expenses.²³ It became customary to hold meetings of the heads of the respective intelligence departments a few days before the Chiefs of the General Staffs' conferences. The current state of Hungarian and Bulgarian military preparations was studied at the meeting of 8-9 May 1931. It was estimated that the Hungarian armed forces consisted of 21 infantry and 2 cavalry divisions while Bulgarian effectives were appraised at 18 infantry and 2 cavalry divisions.²⁴

²⁰ VA, registry 17, box 105, fascicle 2, doc. 2 and 3 containing the plans 'Projet No 1', 5 September 1929, and 'Projet No 2', 14 September 1929, [both in French] for the action in case of the aggression on Czechoslovakia and Romania respectively; To facilitate cooperation between the allies it was also decided to establish a telegraphic link between the Czechoslovak and Yugoslav General Staffs over Romanian territory. See Doc. 4, General Syrový to General Milovanović, 6 September 1929, in the above fascicle.

²¹ VA, registry 17, box 105, fascicle 3, doc. 2.

²² *Ibid.*, doc. 3.

²³ VA, registry 17, box 105, fascicle 2, doc. 5.

²⁴ VA, registry 17, box 105, fascicle 4, doc. 10, 11; The Hungarian Army was considered fairly well equipped as the former military factories restarted their production and enabled a considerable supply of material during 1930. There were also substantial illegal arms imports from Germany and Italy. The Bulgarians were believed to have had enough rifles and heavy machine guns and some 700 cannons but to be lacking in light automatic weapons. One of the decisions reached at the conference was that each General Staff should send a specialist in Prague in order to organise a common surveillance service over Hungary.

The next important step in strengthening the alliance was the conclusion on 11 May 1931 of a new tripartite military convention at Bucharest which replaced all previous conventions and their annexes and modifications.²⁵ This document also introduced a substantial change in the planned reaction of the Little Entente to potential Hungarian aggression. While heretofore no preparatory measures had been contemplated prior to a Hungarian attack on a member state, the new convention went as far as calling for a mobilisation undertaken in anticipation of the enemy's military action. This change was brought about by a novel frame of mind in which the Hungarian danger was perceived in an altogether different context. Whereas during the 1920s conflict with the Magyars was assumed to be a local affair, a grim European outlook in the early 1930s suggested the not so improbable prospect of a European war. Should that be the case Hungary would be naturally expected to come down on the side of a German-led revisionist bloc but she would not present the main threat to the Little Entente. She would rather be a nuisance launching an attack in the rear of the Little Entente forces, the vast majority of which would be engaged elsewhere. In the view of the Little Entente's military planners, such a contingency dictated a rapid full-scale blow which would knock Hungary out of a war and enable the three allied countries to concentrate all their available troops against other more powerful enemies. Simultaneously with the tripartite military convention, a new military convention between Yugoslavia and Romania dealing with the Bulgarian danger was concluded and annexed to the former instrument (ratified on 14 October 1932).²⁶ The conventions were supplemented with operational plans designed to meet different contingencies. The first one was prepared to respond to a Hungarian attack on Romania while the other two allies were not engaged elsewhere; the second one, between Yugoslavia and Romania provided for coordinated action against Bulgaria were she to

²⁵ Milan Vanku, *Mala Antanta, 1920-1938* (Titovo Užice: Dimitrije Tucović, 1969), pp. 358-361.

²⁶ VA, registry 17, box 105, fascicle 4, doc. 12.

menace either country.²⁷ In addition, a detailed plan was drawn up in case of a combined attack on the part of Hungary and Bulgaria on Romania.²⁸ Once again, the assumption was that the conflagration would become a general one, and the aim was to defeat first the Magyars and then the Bulgarians so as to have a free hand for action on other fronts. The urgency of preparation for armed conflict seemed to be all the greater in the light of the erroneous conviction that the other side had already reached a formal understanding for joint action. The Yugoslav military attaché in Hungary assured his superiors at Belgrade that a military alliance of some sort had been concluded between that country and Italy following Grandi's visit to Budapest and the return visit to Rome of General Gyula Gömbös, Hungarian Defence Minister, in 1929. This was confirmed, as was commonly held amongst the diplomatic corps at his post, by close relations between the two General Staffs.²⁹

These new preoccupations of the Little Entente's high commands reached their logical denouement at the Prague meeting of 14 December 1931 in the drafting of the first war plan for a full-blown general conflict on the pattern of the Great War.³⁰ In the circumstances, it was only too patent that the Little Entente would take a decidedly negative attitude towards the impending Disarmament Conference and thus make a common stand with France and Poland. The work of the General Staffs' representatives was continued in Belgrade where another two versions of general conflict plans were adopted on 17 November 1932. The worst case scenario for Belgrade envisaged a simultaneous attack on Yugoslavia by Italy, Hungary, Albania and Bulgaria, Soviet and Bulgarian aggression on Romania and an Austro-German offensive against

²⁷ Ibid., doc. 14 and 15 respectively; Both scenarios were deemed highly unlikely except as an attempt to provoke a wider conflict.

²⁸ Ibid., doc. 16.

²⁹ AJ, Bucharest Legation, 395-22-220, confidential no. 22389, subject: Checking news of a military alliance between Italy and Hungary, Political Department of the Foreign Ministry to Minister, 12 November 1930.

³⁰ VA, registry 17, box 105, fascicle 4, doc. 20; Hypothetical situation presaged in 'Projet No 1 CG [Conflit General]': Czechoslovakia was being attacked by Germany, Austria and Hungary, whereas Yugoslavia was being invaded by Italy, Albania and Bulgaria, and Romania by Soviet Union and Bulgaria.

Czechoslovakia. Another situation was more favourable than 'Projet No 1' as it assumed Bulgarian neutrality while Hungary was supposed to attack Yugoslavia instead of Czechoslovakia.³¹

The British always assumed the existence of military understandings between the Little Entente countries but were not able to discover the actual texts of the conventions.³² The cementing of ties between the three states was not welcome to London as it was viewed in the same unfavourable light as heretofore: 'The continued existence of the Little Entente is in itself a perpetual provocation to Hungary and it is hardly surprising if she takes any opportunity of abusing it.'³³ When in the wake of one of the Little Entente conferences the Czechoslovak Minister of War made a speech during a visit to Belgrade praising the unity of the alliance and the importance of its military and economic collaboration, Sargent succinctly remarked, in an allusion to Vansittart's famous metaphor for the viciousness of the old militaristic mentality: 'Old Adam at his worst.'³⁴ The Belgrade Legation soon confirmed such suspicions, reporting that the Czechoslovak War Minister had no qualms suggesting that military cooperation meant jointly elaborated plans by the respective General Staffs. The news heightened the wariness of the Central Department and junior official, Douglas Busk, gave vent to the general feeling: 'I suppose the Little Entente have some conceivable cause for alarm according to their lights but this sort of attitude will not get them anywhere. '; Vansittart's disquiet led him to propose the compilation of a 'brief annual bulletin of the old boy's progress' in order to 'keep his medical record, and symptoms such as these might be noted for his temperature chart.'³⁵

No doubt the tenor of disapproval would have been much amplified had diplomats from Whitehall known about the ultimate determination of the allies to resort to arms if

³¹ VA, registry 17, box 106, fascicle 1, doc. 6, Projet No3 CG and doc. 7, Projet No2 CG respectively; See Doc. 2 in the same fascicle for a protocol on delimitation of the three occupation zones that Hungary was to be carved up to in case of war.

³² TNA, Minute by Bateman, 6 June 1929, C 3975/718/62, FO 371/13587.

³³ TNA, Minute by Crowe, 3 September 1929, C 6761/718/62, FO 371/13587.

³⁴ TNA, Minute by Sargent, 8 July 1930, C 5549/3004/62, FO 371/14349.

³⁵ TNA, Minutes by Busk, 17 July 1930, and Vansittart, 19 July 1930, C 5660/3004/62, FO 371/14349.

need be. As it was, the British seriously underestimated the ability of the Little Entente powers to come to any definite agreements. Apart from asserting that the organisation had further fortified its standing as a powerful factor in Central European politics, the Belgrade Legation did not suspect that anything substantial had transpired during the conference either in relation to Hungary or Franco-Italian rivalry. Sargent expressed the same opinion, adding some mild ridicule of the host: 'The conference probably discussed everything under the sun (it could hardly avoid doing so with M Benes in the chair!) & reached no conclusion on any concrete point.'³⁶

The corollary of this unsympathetic attitude towards the Little Entente was as always the distinctly lenient treatment of the Hungarian government. The difficulties of the Bethlen government in dealing with the Little Entente's representations, incurred on account of irredentist manifestations in Hungary, were looked upon with the utmost sympathy. Count Bethlen was still believed not to be promoting irredentism but rather struggling to keep in check 'a disease in the Hungarian people themselves'.³⁷ On the other hand, although Bethlen's qualities remained highly valued in the Foreign Office the appraisal of the Hungarian attitude towards Central European appeasement showed marked signs of a more critical assessment. When the Hungarian leader put forward a demand for the cancellation of the Little Entente alliance treaties as a precondition for the conclusion of arbitration treaties between Hungary and her neighbours, Howard Smith underwent a complete *volte face* from his earlier position and now proclaimed that it was

³⁶ TNA, Minute by Sargent, 30 July 1930, C 5966/3004/62, FO 371/14350.

³⁷ TNA, Minutes by Bateman, 15 July 1929, and Howard Smith, 18 July 1929, C 5086/348/21, FO 371/13664; In contrast Victor Wellesley, the Deputy Under-Secretary, claimed that popular opinion in a more democratic Hungary would show 'less obsession over frontiers.' This reappraisal of the merits of a potential change of the regime in Budapest appears to have been initiated by Arthur Henderson, the new Labour Foreign Secretary, who was reported, shortly after his coming to office, to have 'taken a particular interest in the possibility of bringing about a more democratic form of Government in Hungary, and was anxious to review the whole situation'. See Sargent Papers, Sargent to Chilston, 10 August 1929, FO 800/276. The discussion remained purely academic.

‘for Hungary to come forward like Germany at Locarno, and make a definite offer: but this is not in the Hungarian mentality.’³⁸

Incessant Hungarian campaigning concerning the status of the Hungarian minorities in the successor states met with no success among British policy-makers. Sargent was adamant that British meddling in that matter could only lead to the arousal of the suspicions of the Little Entente and the exciting of the passions of the Hungarians with potentially disastrous results which ‘at best would prove very embarrassing to HMG, since there can be no question of their constituting themselves the self-appointed champions of Hungarian minorities either at Geneva or elsewhere.’³⁹ Nor was the Hungarian case admitted on its merits. Wellesley found that the Hungarian minority in Czechoslovakia was better treated than the Slovaks in Hungary and even ‘the Magyar majority in Hungary! They have, at least, political right, and access to land.’⁴⁰ In fact, Budapest was not believed to have been sincerely appreciative of the eventual adoption of a more sympathetic and humanitarian policy towards the Magyar minorities in the successor states as that would rob her of her real grievance – the loss of territory and potential wealth.⁴¹

What most occupied the attention of the Foreign Office was the revived show of determination on the part of the Little Entente to squash at any price any attempt at crowning young Otto Habsburg, who was approaching majority in November 1930, as Hungarian king. At the conference in the Czechoslovak town of Strbské Pleso on 25-27 June 1930 the Little Entente reaffirmed its will ‘to go all the way’ in preventing a Habsburg restoration which continued to be viewed as a serious threat to the existence of the successor states.⁴² Beneš’s request for a timely British warning in Budapest against a Habsburg restoration called for a reevaluation of the whole issue. It demonstrated that the

³⁸ TNA, Minute by Howard Smith, 18 July 1929, C 5119/348/21, FO 371/13664.

³⁹ TNA, Minute by Sargent, 27 December 1929, C 9713/771/21, FO 371/13665.

⁴⁰ TNA, Minute by Wellesley, 2 January 1930, *ibid.*

⁴¹ TNA, Houston-Boswell to Scrivener, private, 25 July 1932, C 5155/58/62, FO 371/15923.

⁴² AJ, London Legation, fascicle I, I-7, Marinković to Djurić, 10 July 1930, confidential no. 632.

Foreign Office's attitude had undergone a profound change since 1921 as the imposition of the Habsburg ban on Hungary was now seen as a flagrant interference in the rights of the Hungarian people to self-determination:

The action of 1920-21 is so contrary to the political principles of His Majesty's Government, that when one considers it now dispassionately in the light of present conditions, it is inevitable that His Majesty's Government should attempt at the earliest opportunity to escape from the commitment to which they pledged themselves then under what was practically a threat of war by the Little Entente. Whatever may have been the dangers to the Little Entente of the Habsburg restoration in 1921, it is ludicrous for them with their swollen armaments to argue that the establishment of Otto on the throne of disarmed Hungary would at this time of day threaten the safety of any of the Succession States. I hope we intend therefore, that if the Little Entente are unwise enough to try in 1930 to make our blood run cold with threats of war, as they did in 1921 in order to hold us to our commitments, we will not to allow ourselves to be bluffed or rattled but to try, if possible, to escape from our false position and get the responsibility for dealing with this problem shifted from our shoulders to the proper quarter, namely the Council of the League of Nations.⁴³

Since France and Italy were more interested in the question it was decided to leave the initiative to them. This was deemed all the more opportune as the attitude of these powers appeared to be rather uncertain. It was suspected that Mussolini may have reversed his policy and actually condoned the restoration both in Austria and Hungary, and that France could also acquiesce seeing that it was inevitable and from her point of view might serve a useful purpose of thwarting the Anschluss.⁴⁴ In the circumstances, both Sargent and Vansittart thought it best not to commit to any course of action and preserve a free hand for the eventual juridical decision of the Council of the League. However, the British Ministers at Vienna and Budapest sent reassuring reports from their respective posts which showed that there were no real prospects of a putsch.⁴⁵ Indeed, Otto's eighteenth birthday passed off in complete tranquillity. Although an immediate crisis was avoided, the Foreign Office was sure that the Habsburg question had not been disposed of and would erupt in an acute form at some time in the near future. A thorough

⁴³ TNA, Minute by Sargent, 4 July 1930, C 5369/3929/21, FO 371/14396; Busk suggested that the occasion could be used to demand of Hungary a conclusion of arbitration agreements on the Locarno model in return for the consent of the Great Powers for a Habsburg restoration.

⁴⁴ TNA, Minutes by Sargent, 1 and 3 November 1930, and Vansittart, 5 November 1930, C 8086/3929/21, FO 371/14397.

⁴⁵ TNA, Chilston to FO, 4 November 1930, C 8203/3929/21; Phipps to FO, 3 November 1930, C 8172/3929/21; Minute by Vansittart, 11 November 1930, C 8325/3929/21; all in FO 371/14397.

legal analysis of the British obligations in respect to the Little Entente powers under the Ambassador's Conference resolution of 1921 was undertaken but did not provide satisfactory results as to the validity of an eventual contention that there was no legal ground for them to insist on the intangibility of that provision.

The attitude towards the restoration question was still to be decided on political grounds and there was no unanimity of views within the Foreign Office. While Vansittart deemed it inevitable in the course of the next few years as part of the treaty revision which it was opportune to contemplate, the Labour Foreign Secretary, Arthur Henderson, was inclined to comply with Beneš's suggestion of a warning to Budapest if the prospect ever arose; meanwhile he preferred to leave the matter in abeyance.⁴⁶ Still, it was thought necessary to prepare the ground for a likely change of attitude in case of a *fait accompli*. In his conversations with Central Department officials Yugoslav Minister Djurić was given to understand that the restoration movement, if it gained in strength, would be difficult to stop.⁴⁷ In Prague the British Minister had no qualms about telling his Yugoslav colleague, as his personal opinion, that the Little Entente should not be against Otto's becoming king because a proper royal government would be less prone to external adventures than the Horthy regime.⁴⁸

In the circumstances, 1932 closed on a very uncertain note as to what the future held in store. At the extraordinary meeting of the Little Entente Foreign Ministers at Belgrade on 18-19 December it was decided to perfect the organisation of the alliance by constituting a permanent organ of the Council of the Little Entente comprising of the three Foreign Ministers and a permanent Secretariat which would prepare the agenda for the Council and conduct the necessary technical work. Sir Maurice Hankey, Secretary to the Cabinet, was quick to recognise that this consolidation was accounted for partly by

⁴⁶ TNA, Minutes by Vansittart, 22 January 1931, and Selby, 7 February 1931, C 187/187/21, FO 371/15242.

⁴⁷ AJ, London Legation, fascicle I, I-7, Djurić to Marinković, 5 August 1930, confidential no. 632.

⁴⁸ AJ, London Legation, fascicle I, I-4, Lazarević to Political Department of the Foreign Ministry, 14 July 1930, confidential no. 444/30 enclosed in Kasidolac to Djurić, 14 August 1930, confidential no. 718.

the growing clamour for 'Equality of Rights' by the ex-enemy states and partly by Italy's Machiavellian policy.⁴⁹ He was concerned about the unsettling signs as to future developments in Central Europe:

There are numerous indications that something is afoot in that part of Europe, & most of these point to an attempt on the part of the Italians to draw closer to Austria and Hungary, though whether a military alliance has really been concluded it is not possible to say. In any case such an alliance could only be dangerous after the consummation of Gleichberechtigung. The essential feature seems to be that Europe is dividing itself into the "have-nots" and the "haves" backed by France.⁵⁰

Given all the information gathering in the Foreign Office about the destructive Italian dealings across the Danube basin and Balkans,⁵¹ and the awareness of the perilous turns that events might take, Whitehall's stance appears to have been quite enigmatic. In fact, it was easily explicable by the old perceptions of Italian policy which made allowance for its manifestations that would otherwise cause much more alarm. Even when it was extremely difficult to explain away occasional violent Italian outbursts, the Duce's conduct of policy towards Yugoslavia was exonerated from accusations of sinister designs on account, as Sargent, Tyrell and Chamberlain all concurred, of the alleged 'influences working against Mussolini in his own household; and influences too which he is not strong enough to suppress.'⁵² Vansittart maintained the standard view that it was only because of her own inferiority complex and feelings of insecurity that Italy indulged in her destructive policy; he took for granted Rome's thesis that the Franco-Yugoslav alliance was but a tool for containing Italy.⁵³ But more importantly, the possibility that

⁴⁹ TNA, Minute by Hankey, 4 January 1933, C 10963/3829/62, FO 371/15928; Hankey was right as to the motives. The initiative came from Beneš who feared the danger of Mussolini's putting forward a proposal for an Italo-German division of spheres of influence in Central Europe on the understanding that Austria and Hungary become acknowledged as an Italian preserve, Czechoslovakia being left to the German sphere and Yugoslavia isolated which would paralyse the Little Entente. See Piotr Wandycz, 'The Foreign Policy of Edvard Beneš, 1918-1938' in Victor Marnette and Radomír Luža (eds.), *A History of the Czechoslovak Republic, 1918-1945* (Princeton, New Jersey: Princeton University Press, 1973), pp. 216-238 (p. 227).

⁵⁰ TNA, Minute by Hankey, 30 December 1932, C 10898/51/92, FO 371/15994.

⁵¹ TNA, Minute by Bateman, 12 September 1928, C 6829/2/92, FO 371/12979.

⁵² TNA, Minutes by Sargent, Tyrell and Chamberlain, 2 February 1928, C 821/43/92, FO 371/12980; Minute by Chamberlain, 2 February 1929, C 735/123/92, FO 371/13708.

⁵³ TNA, Memorandum by Vansittart, 'An Aspect of International Relations in 1930', C 3358/3358/62, FO 371/14350; the British view of Italian psychology was not entirely misplaced as Mussolini was at times truly afraid of France and Yugoslavia launching a preventive war against the Italians though that was of

Mussolini could definitely commit himself to a militaristic policy and thereby irreversibly part ways with Britain was dismissed on the grounds of Italy's geostrategic position in the Mediterranean, enclosed in a sea which was an undisputed British preserve. It was typical that even an ardent advocate of 'a policy of consistent and unswerving co-operation with France' such as Walford Selby, Principal Private Secretary to the Foreign Secretary, felt that it would be wrong to make too much of Italian machinations:

French fears of Italy are in reality rather absurd since she should realise the fundamental fact ... that Italy and Italian policy are in the ultimate resort controlled by us. Nevertheless, Italian manifestations of policy in Central Europe which have on occasion a strongly anti-French flavour are very inconvenient from our point of view and from the point of view of the policy of pacification which we desire to pursue, and the less we see of them the better, since useful as Italy may be as a pawn in our game in Europe, she is not a factor on which we can rely to make our policy effective.⁵⁴

Despite the disturbing features of the international outlook the Foreign Office kept drifting without any idea as to how to respond to predicted challenges. Vansittart alone concluded that Britain should have a concrete policy and baldly asserted his conviction 'that eventually nothing short of some form of treaty revision will enable Europe permanently to settle down – by consent.'⁵⁵ He cautiously qualified his advocacy for revision by presenting it as a consummation which could be attained 'slowly as we get into the way of peace' and within the framework of the League of Nations; he preferred to term it treaty modification as if the terminology itself could have made it less unpalatable to the antirevisionist countries.

4.2. Yugoslavia and Italy

A confrontation between Rome and Belgrade remained the most disturbing feature of inter-state relations in Central and South Eastern Europe. The problem was

course merely a reflection of his own aggressive plans against those two countries. See John Gooch, *Mussolini and his Generals: the Armed Forces and Fascist Foreign Policy, 1922-1940* (Cambridge: Cambridge University Press, 2007), pp. 126, 130, 145, 199, 209-210.

⁵⁴ Oxford, Selby Papers, Ms. Eng. c. 6585, 'Points in connection with the Italian position', memorandum by Selby, 25 February 1932. Emphasis in original.

⁵⁵ TNA, An Aspect of International Relations in 1931, C 3217/321/62, FO 371/15205.

made even more complicated on the account of the crisis which gripped Yugoslavia in June 1928, when following a shooting in the Parliament resulting in the death of the Croat leader Stjepan Radić, a complete rift between the Serbs and Croats shook the foundations of the state. On 6 January 1929 King Alexander dissolved both Parliament and the Constitution and proclaimed a personal dictatorship, and Yugoslavia entered an uncertain experiment in statecraft. Not surprisingly, Mussolini, encouraged by the internal dissensions in Yugoslavia, was bent on working towards the disintegration of the country⁵⁶ and evaded any meaningful negotiations with the Yugoslavs under all sorts of pretences. In conversations in Geneva with Marinković, Grandi was not prepared to give any assurance as regards Italian restraint from military intervention in Albania and made it abundantly clear that Belgrade would have to make its choice between friendship with Paris or Rome.⁵⁷

Marinković had no illusions about the incipient negotiations and believed that intervention from London alone could break the deadlock. Indeed, Marinković strove to regain the confidence of London in Yugoslavia's peaceful policy which he considered to be one of the essential prerequisites for a successful diplomatic struggle with Rome; and he thought he could justifiably claim a measure of success.⁵⁸ He wanted to enlist British help in restraining the Italians at the point where their forwardness was most perilous:

Brutally speaking, I would like to have England... tell the Italians in a confidential but determined manner that there can be no intervention in Albania unless her independence and the border's integrity are in question, irrespectively of whether we [Yugoslavia] are in agreement or not, for such an intervention would be contrary to the Covenant of the League of Nations and international law.⁵⁹

As there was no question of such plain-speaking to Foreign Office officials, the Foreign Minister intimated to his envoy Djurić that he should employ a more subtle

⁵⁶ James Sadkovitch, *Italian Support for Croatian Separatism, 1927-1937* (New York, London: Garland, 1987), also Burgwyn, *Italian Foreign Policy in the Interwar Period*, pp. 47-48.

⁵⁷ A SANU, Marinković Papers, 14.439/505, Marinković's report on conversation with Grandi at Geneva on 9 September 1930; 14.339/508, Marinković's report on conversation with Grandi at Geneva on 22 January 1931; Kosta Pavlović, 'La Yugoslavie et l'Italie entre les deux guerres, les conversation Marinkovitch-Grandi (1930-1931)', *Revue d'Histoire Diplomatique*, 3 (Juillet-Septembre 1967), 1-14.

⁵⁸ A SANU, Marinković Papers, 14.439/368, Marinković to an unknown Minister, June 1928.

⁵⁹ A SANU, Marinković Papers, 14.439/510, Marinković to Djurić, 8 June 1931.

approach in his conversations, but he was nevertheless hopeful that it would be possible to induce 'the English to say a decisive word in Rome'. These attempts were steadfastly pursued. Konstantin Fotić, Yugoslav delegate at Geneva, sounded Philip Noel-Baker of the British delegation at the Disarmament Conference on whether it would be possible for the British government to bring the friction between Rome and Belgrade up before the Council of the League in order to arrest a dangerous development in the situation.⁶⁰ Marinković was sceptical that negotiations with the Italians could serve any useful purpose but was bent on keeping them going for the sake of appearances and above all for the sake of relations with Britain: 'London is always the goal of all my efforts whether in Paris, Geneva, Hague, Belgrade or Rome.'⁶¹

However, in the wake of the Franco-Yugoslav treaty of 1927 the Foreign Office assumed that there was no prospect of any improvement in the relations between Rome and Belgrade unless France and Italy composed their acute differences. Kennard was ill at ease with Italo-Yugoslav relations being made a function of the negotiations which were underway between Rome and Paris⁶² and foresaw that Italian pressure might supply further impetus to Yugoslavia's decided tendency to flirt with Germany and bring about, in due course, the resumption of German eastward expansion - and that on a far more favourable basis. His forebodings were not taken to heart in London.⁶³ The Belgrade Legation was instructed to refrain from discussing the renewal of the Pact of Rome as Chamberlain could not predict the future line to be taken by Mussolini and did not want to commit himself in any way.⁶⁴

⁶⁰ Oxford, Selby Papers, Ms. Eng. c. 6585, 'Note of Conversation with Mr. Fotitch, concerning the Italo-Yugo-Slav situation', 16 December 1932, enclosed in Noel Barker to Selby, 22 December 1932.

⁶¹ A SANU, Marinković Papers, 14439/169, Marinković to Rakić, 16 December 1930.

⁶² Shorrocks, pp. 55-57.

⁶³ TNA, Kennard to Sargent, private, 29 March 1928, and Sargent to Kennard, private, 14 April 1928, C 2641/2/92; Kennard to Chamberlain, 12 April 1928, and Howard Smith to Kennard, private, 23 April 1928, C 2908/2/92; all in FO 371/12978.

⁶⁴ TNA, Sargent to Roberts, private, 11 June 1928, C 4230/2/92 and 'The Pact of Rome', memorandum by Howard Smith, 27 June 1928, C 5062/2/92, FO 371/12979.

A reluctance to dabble in Italo-Yugoslav relations stemmed from the conviction, as Graham put it, ‘that if once a proper Franco-Italian understanding can be reached, Italy will leave off her present policy which keeps the Balkans in continual unrest.’⁶⁵ Sargent went as far as stating that Italian subversive activities against Yugoslavia were not really aimed at that country but were rather weapons employed in the perceived defence against French hegemony in Central Europe, and would consequently be dropped at once if Rome could be assured of Yugoslavia’s true independence.⁶⁶ This sort of thinking was irritating in the extreme to the new British Minister at Belgrade, Sir Nevile Henderson, who bitterly recalled many years later how Italy ‘was during those years the pet of Downing Street, and when I used to represent Yugoslavia’s point of view in the quarrels, I was constantly having Signor Gayda [a prominent Fascist journalist] thrown at my head to prove how wrong I was. Gayda, the Goebbels of Italy!’⁶⁷

Nevertheless, the entanglement of Yugoslavia in the web of outstanding issues between France and Italy appeared to have been the major obstacle to an understanding between the two Great Powers. The Chief of the Central Department estimated that the key for a comprehensive political settlement between Rome and Paris was ‘not in the oases of the Sahara or the schools of Tunisia but in Belgrade and the Balkans.’⁶⁸ When Philippe Berthelot, General-Secretary of the Quai d’Orsay, hinted to Ambassador Tyrell that he wished to reach a tripartite Franco-Italo-Yugoslav agreement as a way of breaking the deadlock the Foreign Office warmly approved of the idea. Sargent came to regret the fact that the British had lightly turned down French proposals for a tripartite agreement in 1926 as contrary to the Locarno spirit:

⁶⁵ TNA, Minute by Howard Smith, 10 August 1928, C 6088/8/22 and also Memorandum on Franco-Italian Negotiations by Harvey, 8 October 1928, C 7682/8/22, FO 371/12947; Lecture on Italian foreign policy delivered by Harvey at Imperial Defence College on 3 December 1928, C 9054/4353/22, FO 371/12960; Chamberlain to Kennard, 13 February 1928, C 1185/2/92, and Memorandum on relations between Italy and Yugoslavia by Howard Smith, 12 April 1928, C 2881/2/92, FO 371/12978; Minute by Sargent, 3 November 1932, C 8842/122/90, FO 371/15887.

⁶⁶ TNA, Minute by Sargent, 24 October 1930, C 7809/141/92, FO 371/14439.

⁶⁷ Henderson, p. 171.

⁶⁸ TNA, Minute by Sargent, 29 July 1930, C 5970/29/22, FO 371/14406.

Looking back now one can't help feeling that perhaps the standards we applied were altogether too high and that we would have been better advised to have urged forward the conclusion of such a tripartite agreement in the interests of Franco-Italian relations even though it might not fulfil in every respect the criterion we had set up. If such a tripartite agreement had been concluded in 1926 it is possible, indeed probable, that Franco-Italian relations would never have grown as strained as they have since become. For had it been concluded, the fatal Franco-Yugoslav Treaty of 1927 would never have materialised in its present form, and in the absence of that treaty we may take it that Italy's suspicions and fears of French policy in Central Europe would never have reached the pitch which now makes all attempts at conciliation so difficult.⁶⁹

Nothing materialised from Berthelot's suggestion as it became clear that Mussolini was not prepared to accept such a solution. A further stillborn idea which originated with the Central Department was that the Franco-Yugoslav treaty be replaced by an arbitration treaty and supplemented by a similar instrument between Italy and Yugoslavia.⁷⁰

The elusive quest for a suitable formula continued as Henderson sent increasingly alarmist reports about the general nervousness in Yugoslavia in regard to Italian aggressive designs.⁷¹ Sargent contemplated the possibility of resolving the differences between the Adriatic neighbours in a wider framework of some sort of Mediterranean Locarno which would include France, Italy, Yugoslavia and Albania, but Vansittart did not consider this suggestion to be practical politics.⁷² Yet, unlike a few years earlier Yugoslav apprehensions were taken seriously and it was recognised that the danger to peace did not come from that quarter. Henderson in particular was adamant that although the military circles had a lamentable habit of intriguing behind the back of the Foreign Ministry such activity was not to be overestimated as Belgrade entirely stood for pacification and stabilisation.⁷³ The Central Department came to realise that it was Italy who had embarked on a definite policy with a view to preventing Yugoslavia from

⁶⁹ TNA, Vansittart to Tyrell, private, 2 August 1930, C 5970/29/22, FO 371/14406.

⁷⁰ TNA, Memorandum on Franco-Yugoslav Treaty of 1927 by Balfour, 10 December 1930, C 9400/29/22, FO 371/14406; the same memorandum was reprinted on 6 January 1931 together with another memorandum by Central Department 'Proposed Franco-Italo-Yugoslav Tripartite Agreement', 22 August 1930, C 179/129/92, FO 371/15270.

⁷¹ DBFP, ser. IA, vol. VII, No. 163, N. Henderson to A. Henderson, 31 December 1929; TNA, N. Henderson to A. Henderson, 2 January 1930, C 143/141/92; Henderson to Sargent, private, 3 January 1930, C 186/141/92; in FO 371/14439.

⁷² TNA, Minutes by Sargent and Vansittart, 14 January 1930, C 141/141/92, FO 371/14439.

⁷³ TNA, Extract from Henderson's letter to O'Malley, 4 April 1930, C 2724/141/92, and N. Henderson to A. Henderson, 13 October 1930, C 7809/141/92, FO 371/14439.

growing into a formidable rival in the Adriatic and a powerful factor in both the Danube basin and Balkans.⁷⁴ The Foreign Office and both Graham and Henderson continued in vain their concerted efforts to induce both parties to follow up the Geneva conversations.

At the same time the British outlook remained sympathetic to Italy's point of view in that it considered the detachment of Belgrade from France the only way of negotiating the impasse. France could not be expected to give way of her own volition. Berthelot was unequivocal that a French declaration of disinterest in the Balkans made with Italy in mind was out of the question.⁷⁵ The only leverage the British had and were willing to use in order to wean Yugoslavia from Paris was of a financial nature. Henderson put great store in the successful issue of an international stabilisation loan for Yugoslavia in which British banking houses headed by the Rothschild group would lead the way as the practical means of cutting the umbilical cord with France.⁷⁶ 'My aim is to prevent Yugoslavia from getting her neck into a French financial noose from which she will never more be able to escape', he professed.⁷⁷ The venture seemed of paramount importance as French banks were also competing for the conclusion of a loan and nothing was more certain, in the British view, to further aggravate tensions between Rome and Belgrade than the strengthening of France's economic hold on the latter. Henderson's determination was all the stronger as he believed that France was not dissatisfied at the existence of strained Italo-Yugoslav relations and tended to encourage Yugoslav expenditure on armaments from which she herself benefited.⁷⁸ Vansittart did his best to

⁷⁴ TNA, Memorandum respecting Italo-Yugoslav relations, 20 January 1930, C 575/141/92, FO 371/14439.

⁷⁵ Churchill Archives Centre, PHPP, 2/7, Phipps to Sargent, private, 15 January 1928.

⁷⁶ DBFP, ser. IA, vol VII, No. 277, N Henderson to A. Henderson, 13 March 1930; No. 301, Henderson to Vansittart, 28 March 1930; TNA, Henderson to Sargent, private, 14 February 1930, C 1354/141/92, FO 371/14439; Henderson to Sargent, private, 20 March 1930, C 2367/82/7, FO 371/14315; Henderson to Sargent, private, 15 August 1930, C 6627/144/92, FO 371/14441; Henderson, pp. 186-187; A detailed account of the loan negotiations is given in Hercigonja, pp. 43-72.

⁷⁷ TNA, Henderson to Sargent, private, 6 March 1931, C 1593/1311/92, FO 371/15273.

⁷⁸ TNA, N. Henderson to A. Henderson, 10 July 1930, C 5663/141/92, FO 371/14439; N. Henderson to A. Henderson, 20 November 1930, C 8603/141/92, FO 371/14440; Annual Report on Yugoslavia for 1930, C 1538/1538/92, FO 371/15273; Henderson regarded Yugoslavia's 'attachment to France as an unmingled curse, not only to this part of the world as a whole but to itself in particular. I am no diplomat

facilitate the loan negotiations from London by staying in close touch with the Rothschilds,⁷⁹ but it was to no avail as the reluctance and procrastination of British financiers finally decided the Yugoslav government to make a deal with the more forthcoming French.

As far as bilateral relations between Rome and Belgrade were concerned, Henderson knew that Italy would not be prepared to come to terms with Yugoslavia as long as she was doubtful as to whether the latter would settle down as a united country. Moreover, she was not willing passively to observe the outcome of the internal dissensions in Yugoslavia but rather endeavoured to prevent her consolidation by any subversive means short of war with a view to getting rid of a powerful neighbour.⁸⁰ This policy was grossly mistaken, Henderson asseverated, for it was based on a blatant miscalculation: he was a staunch believer in Yugoslavia's future, although her internal consolidation could be a matter of two generations rather than a few years. Even in her present condition the country was of immense importance: 'There is no doubt whatever that Yugoslavia is the vital force of the Petite Entente and the keystone of not only the Balkans but of Central Europe.'⁸¹ Therefore, Henderson urged his superiors to lend support to Yugoslavia at the impending Lausanne Conference of 1932 for he feared that a financial bankruptcy of the country could be followed by social upheaval, a disastrous setback and calamity from the point of view of both British and Central and South Eastern European interests. Aid to Yugoslavia, he argued, meant helping King Alexander's personal regime:

The King is the button between the shirt of Serbia and the trousers of Croatia and Slovenia and the keeping together of shirt and trousers is to my mind essential if there is to be any stability in the Balkan Peninsula. The utility of a strong Yugoslavia seems to me incontrovertible, not only as a bulwark against an eventual German

and I tell them so probably too often and too openly.' See Henderson to Sargent, private, 22 April 1930, C 3274/82/7, FO 371/14316.

⁷⁹ TNA, Vansittart to Graham, private, 28 November 1930, C 8603/141/92, FO 371/14440; Minute by Vansittart, 9 September 1930, C 6938/144/92, FO 371/14441.

⁸⁰ TNA, Henderson to Sargent, private, 22 June 1932, C 5504/51/92, and Henderson to Simon, 19 December 1932, C 10898/51/92 in FO 371/15994.

⁸¹ TNA, Henderson to Vansittart, private, 20 February 1931, C 1311/1311/92, FO 371/15273.

“Drang nach Osten” or the menace of a Russian expansion towards Constantinople, but also in order to prevent a recurrence of the disastrous pre-war struggles between rival Great Powers for predominance in this part of the world.⁸²

Notwithstanding the fact that the Minister’s supreme confidence as to the future of the country was not taken for granted in London, his basic assumptions were accepted. Vansittart acknowledged that the internecine strife between the Serbs and Croats was not only a danger to Yugoslavia’s very existence but also had the unfortunate result of inspiring ‘the feeling of *insecurity*’ and that her internal break-up could ‘have the most serious repercussions in Central Europe’.⁸³ This realisation was not without its practical effect. Although the renewal of the Franco-Yugoslav treaty at the end of 1932 was regretted in the Foreign Office, Henderson’s views in regard to Italian responsibility for this unpalatable consummation were entirely approved.⁸⁴

4.3. Uncertain Quantity: a View of the Little Entente

A conspicuous feature of the British outlook on the Little Entente’s standing at the turn of decade was the absence of any clearly stated views of it as an entity. That was not just the consequence of ignorance in regard to the full scope of the increased military cooperation and planning on the part of the allies but rather a result of the impression that the Little Entente’s vitality was dwindling. Such a feeling could only be inspired by convergent impressions of its component parts. As Yugoslavia was a particularly complex and significant country whose internal stability and external relations effectively determined security issues in the Danube basin and the Balkans, the cases in point were Romania and Czechoslovakia.

⁸² TNA, Henderson to Vansittart, private, 11 June 1932, C 5333/433/92 and also Henderson to Sargent, private, 12 November 1932, C 9640/433/92 in FO 371/15996.

⁸³ DBFP, ser. IA, vol VII, Appendix, An Aspect of International Relations in 1930 (memorandum by Vansittart), 1 May 1930. Emphasis in original.

⁸⁴ TNA, Minutes by Perowne and Vansittart, 22 December 1932, C 10764/51/92, FO 371/15994.

In November 1928 it looked as if the course of events in Romania may have taken a turn for the better. Having achieved an overwhelming victory at the elections the National Peasant Party came to office putting an end to ten years of a Liberal regime which left behind a pitiable legacy of corruption and maladministration. The British Minister at Bucharest, Robert Greg, believed that the new administration, led by the respectable Transylvanian leader Iuliu Maniu, could put into effect long delayed and much needed internal reforms and in the field of foreign policy make a clear break with the blindly pro-French orientation of its predecessors.⁸⁵ The way to facilitate the emancipation of the Maniu government from France was to lend it desperately needed financial help, as was later to be tried with Yugoslavia. The attempt failed dismally but not for a want of enthusiasm from the Foreign Office. The case proved to be a classic example of the Bank of England's utter unwillingness to cooperate with the Foreign Office in international financial transactions to the point of keeping it completely in the dark as to both the current negotiations with the Romanians and the confidential arrangements reached with the Bank of France in respect of a prospective loan.⁸⁶

This failure meant a reversal to the old posture of icy and unsympathetic aloofness. Further reports of the strengthening of France's economic and military hold on the country reinforced the attitude already held.⁸⁷ When the news of French deliveries of war material to Bucharest under exceptionally favourable conditions amounting to a subsidy had been confirmed it created a markedly negative impression in London.⁸⁸ The ill will towards Romania was building up and her casting about for financial help at a time of economic depression met with Howard Smith's stern snub: 'Personally I am

⁸⁵ BDFA, vol. 7, Doc. 302, Greg to Cushendon, 13 November 1928, and Doc. 305, Greg to Cushendon, 26 November 1928.

⁸⁶ TNA, Memorandum on Negotiations for the Roumanian Loan by Crowe, 23 July 1928, C 5707/29/37, FO 371/12963; Memorandum by Bateman, 12 December 1928, C 293/11/37, FO 371/13695.

⁸⁷ TNA, Randall to Henderson, 27 May 1930, C 4338/953/37; Palairet to Henderson, 2 June 1930, C 4594/953/37; Palairet to Henderson, 17 June 1930, C 4986/953/37; in FO 371/14434.

⁸⁸ TNA, Minute by Busk, 8 January 1931, C 118/118/37; Tyrell to Henderson, 29 January 1931 and minute by O'Malley, 5 February 1931, C 688/118/37; in FO 371/15261.

doubtful whether Roumania is worth bothering about.’⁸⁹ On Maniu’s stepping down from office and the formation of a new cabinet by Alexandru Vaida-Voevod, Hankey deemed that the Romanians could not hope for any enduring reconciliation with the three of their neighbours who coveted their lands nor could he see any alternative policy likely to relieve them of their existing anxieties: ‘they will presumably not want to jettison the Little Entente, which is what alliance with Italy or Germany would portend. In short, given the present arrangement of Europe, Roumania’s policy appears to be made for her.’⁹⁰

The Czechoslovakian case was especially intriguing. The country was a notable exception in the gloomy picture of Central Europe and had appeared to be ‘the model succession State; she has practically solved her racial, administrative and economic problems, appears capable of assimilating territories obtained from Hungary, and in foreign affairs gives excellent imitations of French methods and policies.’⁹¹ This glowing reference, with the exception of the annoying French ‘imitations’, would have been expected to portend a sympathy for and confidence in Czechoslovakia’s future and role in the region. However, exactly the opposite was the case.

The negative attitude towards Czechoslovakia, not to mention Beneš personally, discernable in the Foreign Office during this period had a lot to do with the extremely hostile and scathing reports of Sir Joseph Addison, British Minister accredited to Prague since December 1930. ‘Czechoslovakia is an injustice – i.e. it is a fictitious country founded on several injustices and maintained by the continuance of injustice and the apparent impossibility of putting an end to it without a convulsion which it is to the general interest to avoid.’ – read one of Addison’s typical and most outspoken

⁸⁹ TNA, Minute by Howard Smith, 19 February 1931, C 759/80/37, FO 371/15260; Greg briefly summarised his impressions: ‘Stability in Roumanian administration seems, indeed, as difficult of achievement as integrity or competence.’ See TNA, Annual Report on Romania for 1932, C 2653/2653/37, FO 371/16825.

⁹⁰ TNA, Minute by Hankey, 7 September 1932, C 7263/448/37, FO 371/15990.

⁹¹ DBFP, ser. IA, vol VII, Appendix, An Aspect of International Relations in 1930 (memorandum by Vansittart), 1 May 1930.

professions.⁹² He pointed out ‘that all the elements which are usually the precursory signs of some form of dissolution are present in this country to-day’.⁹³ The precarious position of the country which would be exposed in the event of any foreign entanglement, according to Addison, came from the fact that it was a composite creation with no real unity in which the Czechs, who constituted a minority of the population, oppressed the majority made up mostly of Slovaks, Germans and Hungarians who, in turn, had no loyalty to the country. This disturbing state of affairs could not fail to seriously compromise Prague’s defence capabilities; but it was not the only military handicap: ‘It is a fact that most competent observers are of the opinion that in the event of war, the absence of military traditions coupled with a lack of a proper fighting spirit will probably prove fatal to the Czechs, and it must be confessed that one is constantly provided with indications which are in accordance with this point of view.’⁹⁴

Addison felt sure that the continued existence of Czechoslovakia, arranged as she was to suit exclusively Czech interests, precluded Prague from sincere cooperation in any broader economic settlement. While observing how the ventilation of the feasibility of an Austro-Hungarian union in the press left the successor states completely unruffled, the Minister ascribed Czechoslovakia’s equanimity to ‘a state of self-complacency’ which stemmed from the comparatively more prosperous conditions than those obtaining in the neighbouring states and the consequent conviction that she did not need ‘to do more than note with a superior smile that which occurs or is discussed in these states.’⁹⁵ His acerbic remarks about Prague’s internal and external policies left a strong imprint in the Foreign Office’s thinking. When complementing Greek Prime Minister Venizelos for his successful pursuit of appeasement with his neighbours, Vansittart was reminded ‘in contemplating this fine effort, of another man for whom a similar task has been waiting

⁹² TNA, Addison to Sargent, private, 9 July 1931, C 5339/5339/12, FO 371/15180.

⁹³ BDFA, vol. 3, Doc. 148, Addison to Simon, 14 November 1932.

⁹⁴ TNA, Report from Military Attaché for Czechoslovakia W. H. Oxley on military estimates for 1930 and debate in Chamber on the subject of army, 3 March 1930, C 1933/1933/12, FO 371/14329.

⁹⁵ TNA, Addison to Simon, 9 December 1931, C 9370/187/21, FO 371/15243.

for the last ten years, and who failed, not from trying, but from mistaking blunder and fine words for broad vision and hard work. I mean M. Benes and the problem of the Danube States.’⁹⁶ The Permanent Under-Secretary’s firm attitude in placing the whole onus of blame at the feet of Beneš, not to mention Addison’s hostility, was one-sided given that the Hungarian government had long since decided to reject any economic rapprochement with the Little Entente countries for it believed that it would politically strengthen them and diminish the prospect of frontier revision.⁹⁷

The only aspect in which the Little Entente was still viewed and discussed as a collective body was in the context of its connexion with Paris. The cooperation between France and the Little Entente countries, Belgium and Poland reached its peak in the councils of the League, and Paris could always count on the votes of the latter states in any question affecting French national interests, a state of affairs that Walford Selby described as being ‘obnoxious to H.M. Government’.⁹⁸ The fact that the Little Entente countries with the addition of Poland were lumped together in Vansittart’s famous ‘Old Adam’ memorandum under the heading ‘French satellite states’ was another testimony, if one was needed, of the dim view taken in London of French commitments to these states reinforced by the largely mistaken belief that Paris was ‘bound by various forms of secret military agreement’ to them.⁹⁹ However, aside from the old argument of the incompatibility of the ‘Old Adam’ mentality with the progressive ideals of the post-war world, Vansittart put forward new reasons for the inevitable failure of the French system which he found in its inherent weaknesses:

...France has always hoped against hope that these young people would grow up to be bulwarks of law and order in Central and Eastern Europe, thus furnishing efficient and sufficient guarantees for French “security.” Their peppery weakness and local brawls have been a disappointment. Conflicts of nationalities within the State,

⁹⁶ TNA, An Aspect of International Relations in 1931 (memorandum by Vansittart), C 3217/321/62, FO 371/15205.

⁹⁷ Gyula Juhász, *Hungarian Foreign Policy, 1919-1945* (Budapest: Akadémiai Kiadó, 1979), p. 84.

⁹⁸ Oxford, Selby Papers, Ms. Eng. c. 6585, The policy of co-operation with France and its effects in Europe. A very brief review of the twelve years, 1920-1931, memorandum by Selby, 5 October 1931.

⁹⁹ DBFP, ser. IA, vol VII, Appendix, An Aspect of International Relations in 1930 (memorandum by Vansittart), 1 May 1930.

corruption, administrative inexperience and irresponsible chauvinism have, in the case of Yugoslavia and Roumania, rendered them unreliable allies in the pursuit of this haunting and evasive “security”.

A year later Vansittart wrote that France had ‘begun to realise that *her* group, with the exception of Yugoslavia’ was ‘not worth much for “practical” purposes, as in the cases of Roumania and Czechoslovakia’.¹⁰⁰ The former was as usual seen as a broken reed on account of her military inefficiency and known to be viewed by her own allies as more of a liability than an asset. The latter country was no doubt degraded in the light of Addison’s incisive screeds which apparently found their echo in Whitehall. The omens of dissolution of the French system were registered in Czechoslovakia as well, Vansittart observed not without satisfaction; she had ‘an uneasy feeling that she is no longer France’s pet, or even reliably her protégé, and that she might one day find herself abandoned by her ally’ and the disquiet produced thereby took ‘the form of nagging at neighbours and petty outbursts of “hate.”’¹⁰¹

4.4. Austria, Anschluss and Economic Alleviation

The central position which Austria held in the region made her stability a particularly sensitive and important point. The challenges to her tranquillity were twofold: internally, the country was upset by the friction between the paramilitary organisations of the Austrian Socialists and Fascists; and externally, the interference by her neighbours made Austria a grand stage of diplomatic struggle between their conflicting agendas. To make things more complicated, the internal bickering was aggravated by foreign support for the opposed factions. The British Minister at Vienna, Sir Eric Phipps, suggested to his superiors that the Austrian government’s position would be strengthened if he and his French colleague were to be authorised to urge the

¹⁰⁰ TNA, An Aspect of International Relations in 1931, C 3217/321/62, FO 371/15205. Emphasis in original.

¹⁰¹ Ibid.

disarmament of both Socialist and Fascist paramilitary organisations in the country.¹⁰² The Minister thought it essential to keep the matter out of the public eye and gathered that the French were also none too anxious to publish a joint *démarche* abroad ‘as I think that both they [the French] and the Austrians feel that it is highly desirable to avoid giving the impression that France and England took this step as a result of pressure from any members of the Little Entente, particularly Benes, who stinks in the nostrils of the Austrians.’¹⁰³ His suggestion was accepted and acted upon, and Phipps was soon pleased to report that Austrian Chancellor Johann Schober discreetly made use of the joint Anglo-French *démarche* in order to suppress the internal resistance to disarmament in Vienna.¹⁰⁴ This constant and persistent pressure on the Vienna government of the day became a permanent feature of British policy. The British kept preaching ‘the importance of disarming the illicit associations (the Heimwehr on the one hand and the Socialist Schutzbund on the other) whose marchings and counter-marchings have been a standing menace to peace in Austria, and have laid that country open to the risk of foreign intervention’.¹⁰⁵ After trying in vain for years to compel the Austrians to observance of their treaty obligations the Foreign Office resigned itself to the fact that no government in Vienna was likely to be strong enough to carry out the effective disarmament of the country.

Phipps’ chariness not to associate his *démarche* with the members of the Little Entente was instructive of the sort of problems he confronted. He found that Beneš’s diplomacy in Vienna was animated by ‘his pact with the German-Czech Socialists to endeavour to bring about Anglo-French intervention in Austria in favour of the Austrian Socialists’.¹⁰⁶ In order to dissuade the Czech from meddling in the internal affairs of

¹⁰² Churchill Archives Centre, PHPP, 2/8, Phipps to Sargent, private, 5 December 1929.

¹⁰³ *Ibid.*, Phipps to Sargent, private, 12 December 1929.

¹⁰⁴ *Ibid.*, Phipps to Sargent, private, 18 December 1929 and Phipps to Sargent, private, 3 January 1930.

¹⁰⁵ TNA, Memorandum by Cowan, 5 November 1931 and Sargent to Phipps, private, 10 November 1931, C 8358/187/21, FO 371/15242.

¹⁰⁶ Cambridge, Churchill Archives Centre, PHPP, 2/8, Phipps to Sargent, private, 20 November 1929.

Austria Phipps was prepared to impress upon Beneš the fact that Schober was the most moderate Austrian to hold the office and that he could be succeeded by some pro-Heimwehr intriguer.¹⁰⁷ The Minister also intervened on behalf of Austria to secure concessions on the non-German reparations commission as against the Little Entente representatives during the Hague conference in January 1930. The Foreign Office was positively annoyed with Beneš's 'dirty game as regards Austria' and recommended Phipps enlist the support of Philip Snowden, Chancellor of the Exchequer, so as to prevail on the Czech's obstructive tactics and make him realise that his policy ran contrary to that of HMG.¹⁰⁸

On the other hand, Italy presented an even bigger nuisance with her underhand subsidies thrown at the Heimwehr. Characteristically, Italian subversion was not taken too tragically in the Foreign Office. To begin with, it was an article of faith among British diplomats that Rome had the same objective as to the preservation of Austrian independence as Britain and France had and which was founded on the seemingly incontrovertible contention that 'Mussolini would hardly want the whole of "Deutschtum" on the Brenner instead of poor little Austria.'¹⁰⁹ In this respect the opinion of Viscount Chilston, British Minister at Budapest, was very revealing. Due to her military weakness which made her absolutely incapable of holding out against the Little Entente he did not consider Hungary to be of any use to the Italians in the event of a conflict with Yugoslavia and he sought the explanation of a likely military cooperation in another direction: 'It seems possible that if there is any secret understanding it may be connected with possible developments (such as the "Anschluss") in Austria'.¹¹⁰

At the same time the Foreign Office was not blind to the possibility that Mussolini could hope to utilise his rapprochement with Austria attained by the Austro-Italian treaty

¹⁰⁷ Ibid., Phipps to Sargent, private, 10 January 1930.

¹⁰⁸ Ibid., Sargent to Phipps, private, 11 January 1930.

¹⁰⁹ Ibid., Phipps to Sargent, private, 12 December 1929.

¹¹⁰ TNA, Annual Report on Hungary for 1929, C 1096/1096/21, FO 371/14393.

of 6 February 1930 as part of his effort to encircle Yugoslavia, or even as a bridge to Germany with a view to forming a Germano-Austro-Italian bloc opposed to France and the Little Entente. Either development was deemed unlikely, but Sargent mused that the best course for Britain was to ‘do our best to discourage Austria from playing Italy’s game’.¹¹¹ At the bottom of all Mussolini’s combinations in Austria, which was the linchpin of the whole region, was his manoeuvring in the perennial trial of strength with Paris, and Whitehall had some definite ideas as to how that struggle might be brought to an end: ‘But the Anschluss is not yet, whereas Italy’s activities in Central Europe are present and increasing. It is very unwise to call them unreal. They will continue so long as France does not withdraw in Italy’s favour or comes to an agreement with her, and the agreement will have to be in Italy’s favour.’¹¹²

As elsewhere the most powerful weapon at Britain’s disposal was a promise of goodwill on the part of the London money market. Concerned about the prospect of a fascist-style coup in Austria, Phipps deemed that ‘financial pressure seems to me the most effective means of ensuring constitutional action here.’¹¹³ Likewise, the same remedy was found to be best suited for dealing with Italian obstruction in relation to any contemplated financial help for the Vienna government: ‘If Mussolini really has the effrontery to make his consent to the loan conditional on the non disarmament of the Heimwehr... the necessity for our pressure in a contrary sense would seem to be even more vital than ever. Most of the money must presumably come from England and America, so we ought to be able to win our point in the end.’¹¹⁴

Finally, the economic depression, which was worse in Austria and Central Europe than elsewhere on the continent, set in motion the examination of elaborate and failed schemes to alleviate the lot of the hard hit successor states through the means of their

¹¹¹ DBFP, ser. IA, vol. VII, No. 255, Sargent to Phipps, private, 24 February 1930.

¹¹² TNA, Minute by Howard Smith, 30 May 1929, C 3723/718/62, FO 371/13587.

¹¹³ Churchill Archives Centre, PHPP, 2/16, Phipps to Vansittart, private, 7 October 1930.

¹¹⁴ Churchill Archives Centre, PHPP, 2/8, Phipps to Sargent, private, 27 November 1929. Emphasis in original.

mutual cooperation and certain concessions by Great Powers.¹¹⁵ The idea was entertained in London that the effects of the economic depression could be conducive to assuaging the strained political relations in Central Europe inasmuch, in the words of Maurice Hankey, ‘as the wolves of the Little Entente are to lie down with the lambs of the enemy states.’¹¹⁶ In March 1931 the Austro-German Customs Union project was sprung upon the rest of Europe with a view to preparing the ground for the Anschluss, although the Germans emphatically denied any ulterior motive beyond seeking a cure for the economic distress.¹¹⁷ As for the Foreign Office it was convinced that the Anschluss was ‘not one of the points round which diplomatic combinations and bargains are most likely to centre in the immediate future.’¹¹⁸ This miscalculation was a natural corollary of another flagrant misjudgement - that the Anschluss was not at the top of the list of German desiderata and would be preceded by Berlin’s tackling two other, more pressing, grievances: a drastic modification of the Polish frontier and rearmament at least to a point of parity with Poland. Not even the floating of the Customs Union proposal made the Permanent Under-Secretary suspect the Germans of premeditated political design behind allegedly economic motives: ‘Nor do I personally believe that this coup was conceived, or is intended, as any preface or approach to a political “Anschluss.”’¹¹⁹

In May 1931 the French responded to the German challenge by advancing the plan of their Prime Minister, André Tardieu, which proposed a preferential tariff system that five Danubian countries – Austria, Hungary, Czechoslovakia, Yugoslavia and

¹¹⁵ Zara Steiner, *The Lights That Failed: European International History, 1919-1933* (Oxford: Oxford University Press, 2005), pp. 638-677; David Kaiser, *Economic Diplomacy and the Origins of the Second World War: Germany, Britain, France, and Eastern Europe, 1930-1939* (Princeton, New Jersey: Princeton University Press, 1980), ch. II; Hans Raupach, ‘The Impact of the Great Depression on Eastern Europe’, *Journal of Contemporary History*, 4, 4 (Oct 1969), 75-86.

¹¹⁶ TNA, Minute by Hankey, 13 August 1932, C 6797/58/62, FO 371/15923.

¹¹⁷ Jürgen Gehl, *Austria, Germany, and the Anschluss, 1931-1938* (Westport, Connecticut: Greenwood Press, 1963), chapters I - II; Alfred Low, *The Anschluss Movement, 1931-1938, and the Great Powers* (New York: Columbia University Press, 1985), pp. 40-47; F. G. Stambrook, ‘The German-Austrian Customs Union Project of 1931. A Study of German Methods and Motives’, *Journal of Central European Affairs*, 21 (Apr 1961), 15-44.

¹¹⁸ DBFP, ser. IA, vol VII, Appendix, An Aspect of International Relations in 1930 (memorandum by Vansittart), 1 May 1930.

¹¹⁹ TNA, An Aspect of International Relations in 1931, C 3217/321/62, FO 371/15205.

Romania – were to confer on each other. Relentless manoeuvring of the interested Great Powers ensued and brought home the reality that it was political considerations that were coming to the forefront of such schemes.¹²⁰ The signs were not wanting that the Danube area might become an arena in a battle for preponderance between France and Germany ‘with Italy as a makeweight.’¹²¹ To prevent this undesirable development it was necessary to ‘establish such a measure of co-operation and interdependence between the Danubian States as would raise them above the status of pawns in the political game of France and Germany.’ For that very reason Vansittart reluctantly took a favourable view of the Tardieu plan as a step in the right direction. Yet, there was a not improbable prospect, Vansittart pointed out, that economic means would not suffice politically to emancipate the region from the tutelage of the two Great Powers:

In that case, His Majesty’s Government may be called upon to decide whether they prefer French or German control of this important part of the world. This opens a large field of speculation where only generalisations are possible. But in considering the problem it must be borne in mind that, whereas French control is, on the whole, a defensive control maintained in order to re-establish the balance of power between Germany and France, i.e., to ensure French “security”, German control in these countries would be frankly aggressive and acquisitive, and, as such, would tend to accentuate the absence of equilibrium between the Powers of Europe and thus perpetuate a feeling of general insecurity.¹²²

Conclusion

British policy in the period under discussion provided a somewhat strange picture of coping with the increased troubles in the aggravated general atmosphere, persistently following the well-established patterns of thinking and too slowly adapting to the fact that circumstances had been changing for the worse. The Foreign Office tended to downplay both the indications of restiveness and the breaching of the peace treaties on the part of

¹²⁰ Keith Hamilton, ‘Old Adam and Five Beggars: British Reactions to the Tardieu plan’, *Revue d’Europe Centrale*, vol. 5, no. 2 (1997), 95-115; György Ránki, *Economy and Foreign Policy: the Struggle of the Great Powers for Hegemony in the Danube Valley, 1919-1939* (New York: Columbia University Press, 1983), ch. 6.

¹²¹ BDFA, vol. 3, Doc. 112, Vansittart’s Memorandum on the Present Situation and on the Policy of His Majesty’s Government as a result of the recent Four-Power Conference, April 1932.

¹²² Ibid.

the ex-enemy states and the firm stand and counter-preparations of a Little Entente bent on defending the *status quo* at all costs. The Italian intrigue which fostered unrest across the Danube basin and the Balkans to such an unprecedented measure was equally underrated and easily tolerated as it was still assumed to be a sign of weakness and insecurity rather than a reflection of an aggressive and determined policy. This conviction was not shaken in the slightest by the changed outlook on Yugoslavia which was not deemed a disturbing factor giving provocation to Rome. Hence it was hoped that Italian aggressiveness towards Yugoslavia could still be overcome, in the view of British policy-makers, by pandering to Italian sensitiveness and detaching Belgrade from its French alliance.

The Little Entente system and its strong links with France were thought to be on the wane. This opinion stemmed from the impression of the internal weakness and instability of the member states which did not vouchsafe the maintenance of the existing order or promise to be a reliable anchor of the French security system. The Little Entente's preparedness to employ military measures in the defence of its interests was deplored as a manifestation of the Old Adam mentality which would lead it nowhere. In Austria British diplomacy demonstrated again its tendencies to play down Italian intrigue, make too much of Beneš's policy, and, again starting its appraisal from erroneous premises, seriously to underestimate the imminence of the Anschluss and Germany's drive in the direction of South-East Europe.

The Foreign Office thus kept drifting between the increasing challenges of the situation in Central Europe, the inevitable but undesirable reaction of the antirevisionist countries, and its own inability to make up its mind as to any concrete line of action. Vansittart was the one and only official who offered an alternative policy. He believed that some sort of revision by consent through the agency of the League was a necessity,

but not even he could adumbrate what exactly the scope of any such revision would be, apart from a likely Habsburg restoration.

CHAPTER 5

THE QUEST FOR AN ELUSIVE DANUBIAN SECURITY, 1933-1936

Introduction

Hitler's accession to power in Germany in January 1933 transformed European politics. One of manifestations of German foreign policy was an increased pressure on Austria by subversive means and its effects were immediately and acutely felt further down the Danube valley. The accumulating signs of the determined and coordinated German efforts to expand her economic and political influence in the direction of South-Eastern Europe called for the first comprehensive analysis in the Foreign Office in July 1935.¹ In British eyes the old divisions and rivalries among the smaller countries in the region took on a distinctly different complexion and were now viewed in the light of an increasing German danger to peace and stability.

This chapter looks at different aspects of British policy that aimed at facilitating a security arrangement in the Danubian basin with a view to restraining German expansion. The new challenges invoked the tightening of the Little Entente front, on the one side, and Italian endeavours to promote a revisionist cause, on the other. The first section of the chapter seeks to shed light on what the British stance was between these two opposite propositions. The second section explores the Foreign Office policy in regard to the main problem of the period, namely the efforts to devise a mechanism through which Austrian independence could be protected and preserved in the face of the Nazi onslaught. It is concerned with the British outlook on the viability of Austria herself and obstacles in the way of presenting a united front for her defence through a

¹ TNA, Notes on German influence and policy in Central and South Eastern Europe, July 1935, R 4371/4371/67, FO 371/19503. This paper was distributed to the relevant Legations who were invited to submit comments. This resulted in a new and amended memorandum reproduced in BDFA, vol. 11, Doc. 130, German Policy in Central and South-Eastern Europe, 29 August 1935.

scheme of comprehensive Danubian agreement. As usual, a Habsburg restoration was also one of the possibilities where Vienna was concerned. The reactions to both German and Italian policy were evident in the Balkans as well and took the form of a newly-founded Balkan pact. The British attitude towards the creation of this entente and the appreciation of its potential future impact on British interests are discussed in the third section. The fourth section analyses the perception of the German minority problem in Czechoslovakia and the new departure in Beneš's foreign policy pertaining to the collaboration with the Soviet Union. The two issues were intertwined and their inter-relationship determined the negative view of a large section – but not the whole – of the Foreign Office. Czechoslovakia's rapprochement with Moscow opened the question of the collective attitude of the Little Entente towards the USSR. Britain was offered an opportunity to play a great role in determining what that attitude would be and this issue constitutes the fifth section of the chapter. The sixth section examines how the Foreign Office treated the old problem of Italo-Yugoslav relations which grew in importance in view of the crucial place it had in connexion with the laborious efforts to vouchsafe Austrian integrity in the framework of a wider Danubian arrangement. Finally, the seventh section surveys the immense impact that the German re-occupation of the Rhineland had on Danubian Europe and how it was viewed from London.

5.1. New Organisation and New Challenges

On 16 February 1933 the Little Entente adopted the Pact of Organisation which put into effect the decisions made at the Belgrade Conference of December 1932 and presented a further tightening of the alliance mechanism. It was a step towards a concept of a unified foreign policy as the member states were required to obtain the consent of their allies if they were to conclude any substantial agreement with an outside party. The view taken in the Foreign Office reflected a changed outlook on

Danubian affairs which was inspired by gradually deteriorating general situation rather than any change in attitude towards the three allies. Victor Perowne of the Central Department professed that the new organisation must be regarded as contributing in principle to stability in Central Europe and the Balkans.² On the other hand, Sargent pointed out that, although the reasons which prompted the Little Entente to close its ranks were evidently self-defensive, ‘a thoroughly dangerous tendency’ was concealed behind the ‘innocent façade’: the cleavage between the conquerors and vanquished would be perpetuated and might be ‘shortly answered by some definite entente between Italy, Austria, and Hungary, and possibly Bulgaria.’³ The opinion was unanimous that the new pact was primarily directed against the disruptive Italian policy.⁴ To that extent British diplomats refused to express any adverse opinion to Hungarian and Italian officials as to the Little Entente’s new arrangements and the existence of the alleged secret military conventions, the conclusion of which was relentlessly harped on in the Italian press.⁵ When Graham tried to defend Rome’s policy, arguing that championing revision did not imply bellicose intentions, his observations, in marked contrast to their previous reception in Whitehall, were simply dismissed as ‘very unconvincing.’⁶

As for the inherent value of the new Little Entente arrangement and its effectiveness, the Foreign Office was not impressed. Having heard from Titulescu about the intention to effect the unification of the three Little Entente armies in the near future Sargent expressed doubt as to the efficiency of this military force except for the purpose

² TNA, Minute by Perowne, 21 February 1933, C 1483/21/62, FO 371/16676.

³ TNA, Minute by Sargent, 21 February 1933, *ibid.*

⁴ TNA, Minute by Sargent, 13 February 1933, C 1210/21/62; Minutes by Perowne and Sargent, 21 February 1933, C 1483/21/62; Foreign Office minutes ‘Little Entente Pact’, C 3880/21/62; in FO 371/16676.

⁵ TNA, Minute by Vansittart, 22 February 1933, C 1795/21/62; Foreign Office minutes ‘Italy and the Pact of Organisation of the Little Entente’, 15 March 1933, C 2455/21/62; Memorandum by Mr. McClure recording a conversation with Dr. Gayda, enclosed in Graham to Vansittart, 11 March 1933, C 2576/21/62; in FO 371/16676.

⁶ TNA, Graham to Simon, 4 March 1933, and minutes by Perowne, 13 March 1933, and Sargent, 15 March 1933, C 2173/21/62, FO 371/16676.

‘of bullying Hungary.’⁷ The particulars of the current deliberations were unknown. Apart from receiving the official and stereotypical communiqués, the British were largely unaware of the contents of the discussions and decisions reached during the initial meetings of the newly established Permanent Council of the Little Entente.⁸

The first test for the reorganised Little Entente was dealing with a new Italian initiative. Mussolini’s proposal for the Four Powers Pact revealed the impotence of the League of Nations to come to grips with the existing tensions and mapped out a new course of substituting the concert of the Great Powers for the emasculated Geneva organisation. The idea was an exploration of the suitable peaceful means of effecting the revision of the peace settlement as clearly evidenced by the contents of the conversations between the British and Italians and the former and the French.⁹ However, the scope of it was never clearly delineated apart from the fact that the prominence was given to the Polish corridor with the Hungarian frontiers likely to be the second priority if Mussolini had his way. In short, the Four-Power Pact represented an encouragement for the dissatisfied countries and spelled out uncertain and dangerous prospects for the satiated Little Entente powers and Poland. The Foreign Office staff even started a debate as to the practical effect that could be given to the instruments existing within the framework of the League for the purpose of redressing territorial grievances.¹⁰

Hungary had to be carefully watched in this connexion. Lord Chilston was concerned that the new cabinet of Gyula Gömbös, impressed by Nazi success in Germany and no longer feeling isolated and friendless, might be inclined to take an

⁷ TNA, Minute by Sargent, 6 July 1933, C 5876/5876/37, FO 371/16825.

⁸ TNA, Minute by Gallop, 11 October 1933, C 8885/21/62, FO 371/1667.

⁹ DBFP, ser. II, vol. V, No. 44, Graham to Vansittart, 20 March 1933 with enclosed Note of a Conversation held at the Palazzo Venezia, 18-19 March 1933; No. 46, Record of Conversations at the British Embassy, Paris, 21 March 1933; also No. 49, Sargent’s memorandum ‘Some Reflexions on Mussolini’s Proposed Agreement for Co-operation between the Four Great Powers’, 23 March 1933.

¹⁰ TNA, Tyrell to Vansittart, private, 15 March 1933, and minutes by Sargent and Vansittart, 17 March 1933, Sargent, 21 March 1933, and Vansittart, 22 February 1933, C 2680/2607/62; Minutes by Leeper, 2 February 1933, Malkin, 7 February 1933, Sargent, 10 February 1933, and Leeper, 15 February 1933, C 2681/2607/62; all in FO 371/16683.

active part in foreign entanglements in anticipation of which it had been feverously rearming.¹¹ He pointed out that the revisionist movement had undergone a profound change since the time of Bethlen when it had been merely ‘tolerated as a narcotic and a means to divert attention from the accumulating stresses of his administration’.¹² Since Gömbös had come to office treaty revision had become ‘the fundamental principle of his policy’ which provided the revisionists not only with a moral impetus but also with considerable pecuniary subsidies allowing for a wide range of propagandist activities. In such poisoned atmosphere, the Minister stated, there was no prospect of rapprochement between Hungary and the Little Entente, indeed not even of any economic cooperation as long as political hostility was running so high. As a matter of practical politics Mussolini was discouraged from raising the Hungarian question within the Four-Power collaboration on the grounds that a ‘less said the better’ policy was most opportune for the time being.¹³ That did not stop the Foreign Office from studying the essentials of the problem, however. A lengthy and thorough examination of the Hungarian frontiers showed that it would be exceedingly difficult to carry out territorial revision which would be feasible from an ethnographical or any other point of view.¹⁴ On the other hand, the current state of affairs was deemed neither permanent nor tenable and it was thus predicted that if the Trianon settlement was not peacefully revised it would be ‘destroyed in war.’¹⁵

Public opinion in the three Little Entente states was alarmed by the intensified Hungarian propaganda which had a fair amount of success in Britain where a caucus of 168 members of parliament was formed endorsing a request for revision; the official

¹¹ BDFA, vol. 3, Doc. 197, Chilston to Simon, 14 March 1933; TNA, Minute by Hankey, 21 March 1933, C 2520/26/21, FO 371/16779.

¹² BDFA, vol. 3, Doc. 219, Chilston to Simon, 9 June 1933.

¹³ TNA, Vansittart to Graham, private, 14 March 1933, C 2062/175/22, FO 371/16801.

¹⁴ BDFA, vol. 3, Doc. 257, Memorandum on the Hungarian Frontiers of 1919 by Crosthwaite, 27 October 1933.

¹⁵ TNA, Minute by Reilly, 1 December 1933, C 10500/395/21, FO 371/16783.

British circles, however, maintained their attitude ‘of cool aloofness’ towards it.¹⁶ The propaganda itself was not taken too seriously in the Foreign Office where it was understood to be no more than a reaction to a rapid dissolution of the peace settlement with Germany. The Hungarian question, it was considered, would evolve depending on the wider European situation:

As far as Hungary is concerned, it is unlikely that the question of revision will be settled on its merits or solely in relation to the strength of Hungary on the one hand and the Little Entente on the other. If revision does eventually come about, this will be a consequence, and the ultimate settlement will be a consequence, very largely of (a) the success or otherwise of Germany’s effort on her own behalf, and (b) the way in which Italian influence is used.¹⁷

Meanwhile the Little Entente representatives inveighed against any broaching of revision and made their views known to the British delegation at Geneva.¹⁸ The Foreign Office carefully kept steering the middle course trying to calm down the Little Entente’s nervousness and hoping at the same time that the Four-Power directorate would provide a vehicle for rectification of the gravest deficiencies in the present order. In practical terms it was first and foremost concerned with the improvement of Franco-Italian and by inference Italo-Yugoslav relations which were preconditions for the success of the Four-Power Pact. That was the point which the British tried to impress on Rome.¹⁹ However, Germany’s abandoning of both the League and Disarmament Conference,

¹⁶ TNA, Record of a conversation between the Secretary of state and Doctor Benes, enclosed in Strang to Ronald, 22 November 1933, C 10340/395/21; Simon to His Majesty’s Representatives at Prague, Belgrade and Bucharest, 1 December 1933, with enclosed Aide-Mémoire of the governments of the Little Entente states C 10535/395/21; Palairet to FO, 1 December 1933, C 10611/395/21; Minute by Leeper, 13 December 1933, C 10897/395/21; Minutes by O’Malley and Hankey, 29 November 1933, and by Sargent, 30 November 1933, C 10898/395/21; Minutes by Sargent and Vansittart, 4 December 1933, C 10901/395/21; Palairet to Simon, 6 December 1933, C 10931/395/21; Minute by O’Malley, 20 December 1933, C 10950/395/21; all in FO 371/16783.

¹⁷ TNA, Minute by O’Malley, 20 December 1933, C 10950/395/21, FO 371/16783.

¹⁸ TNA, Record of Conversation between Mr. Cadogan and Dr. Benes on 24 March 1933, C 2892/2607/62; Consul Patteson [Geneva] to FO, 27 March 1933, C 2855/2607/62; in FO 371/16684; DBFP, ser. II, vol. V, No. 54, Record of Conversation between Sir John Simon and Dr. Benes at Geneva on 25 March 1933; No. 56, Simon’s Memorandum on Conversation with Titulesco, 26 March 1933, enclosed in United Kingdom Delegate (Geneva) to Foreign Office, 27 March 1933; No. 57, Simon’s Memorandum on Conversation with M. Fotitch, 26 March 1933, enclosed in United Kingdom Delegate (Geneva) to Foreign Office, 27 March 1933.

¹⁹ TNA, Minute by Vansittart, 23 March 1933, C 2972/2607/62 and minute by Vansittart, 29 March 1933, C 3038/2607/62, FO 371/16684; DBFP, ser. II, vol. V, No. 49, Sargent’s memorandum ‘Some Reflexions on Mussolini’s Proposed Agreement for Co-operation between the Four Great Powers’, 23 March 1933; No. 66, MacDonald to Mussolini, unofficial and personal, 31 March 1933.

along with the reservations of other powers, was the death knell which insured that Mussolini's cherished idea never got off the ground.

5.2. Austrian Independence and Danubian Pact

On Hitler's accession to power impetus was given to the idea of Anschluss. The maintenance of Austrian independence came again into the limelight of European politics, but this time it was not just against the background of economic distress but in connexion with the onslaught of the subversive Nazi activities which included terrorism. The Foreign Office was still at a loss as to how to envision an enduring solution. There were some who did not believe that Austria, 'an unnatural and unsound political and economic unit', was a viable entity and who thought that a final resolution of her fate was a matter of simple choice: 'There are in the long run only two alternatives – the union of Austria-Hungary, whether or not by the restoration of the dual monarchy, or the "Anschluss".'²⁰ Whatever the prospects were in the long run, the only way of helping the cause at present was to strengthen the hand of the Austrian Chancellor, Engelbert Dollfuss, who showed great energy in resisting the German subversion.

The Foreign Office was eager to assist the Dollfuss government by facilitating Austrian export trade and making Vienna economically stronger and thus more capable of withstanding pressure from Nazi Germany.²¹ To assist in this matter entailed giving Austrian exports certain tariff preferences and the Foreign Office needed the cooperation of the other departments concerned in this respect. That was not to happen. The Board of Trade made it clear that 'owing to our most-favoured nation obligations, there could be no question of our according preference to any Austrian goods except

²⁰ TNA, Minute by Sandys, 29 August 1933, C 7672/2092/3, FO 371/16644.

²¹ TNA, Foreign Office's memorandum 'Economic Assistance for Austria', enclosed in Vansittart to Hopkins, 30 August 1933, C 7791/8/3, FO 371/16629.

with the consent of all other foreign countries which send us goods of the same kind, and are entitled to most favoured-nation-treatment here.²² Nor was the Treasury any more willing to extend further loans to Austria which was already in default of her previous financial obligations. But the relief for Austrian economic hardships was mostly expected to result from Franco-Italian negotiations with a view to evolving some broader economic settlement covering other Danubian countries as well.²³ Not impressed with the schemes which had been discussed between Rome and Paris, the Foreign Office, in consultation with the Board of Trade, took a cautious and reserved stand and subjected its readiness to abrogate the most-favoured-nation rights on a number of preconditions which were not likely to be fulfilled. The collaboration between France, Italy and Britain, particularly between France and Italy, was mandatory in the political sphere as well. Vansittart spared no effort to impress upon Grandi, now Italian Ambassador in London, that a common stand and concerted action on the part of the three great powers were an absolute necessity in the face of the unabating German campaign against Austria.²⁴

The corollary of their close cooperation would be the inclusion and constructive participation of the smaller Danubian states in wider regional schemes for which the growing German threat was believed to have created the necessary conditions. It was anticipated and hoped in the Central Department that fear of Nazism might drive Austria and Hungary closer together and then even bring about a rapprochement of those two countries with the Little Entente bloc which was thought to have become more aware of its enhanced interest in the preservation of Austrian independence.²⁵

Chilston was satisfied that the Hungarians were ill at ease with German penetration of

²² TNA, Shackle (Board of Trade) to Perowne, private, 23 August 1933, *ibid.*

²³ TNA, Memorandum on the Economic Reconstruction of the Danubian States by Scrivener, 30 November 1933, C 10677/76/62, FO 371/16679.

²⁴ TNA, Vansittart's account of conversation with Grandi, 23 August 1933, C 7618/2092/3, and Foreign Office memorandum, 1 September 1933, C 7940/2092/3, FO 371/16644.

²⁵ TNA, Minute by Perowne, 22 May 1933, C 4520/26/21, FO 371/16779; Sargent to Phipps, private, 31 August 1933, C 7839/2092/3, FO 371/16644.

Austria and fully alive to the reality that, despite having an opportunity to regain some of their lost territory as reward for a compliant attitude, they would be reduced to the role of German vassal as a consequence of Austria's downfall.²⁶

In the meanwhile Dollfuss kept pleading for a continued manifestation of interest in the fate of Austria and particularly for concrete and immediate economic measures in support of his regime. These pleas were fully backed by the considered opinion of the new British Minister at Vienna, Walford Selby, but his entreaties did not strike a chord with the majority of Foreign Office staff. In fact, they met with an unsympathetic response which was justified either on the grounds of Dollfuss' inability to resist the Hitlerites, as propounded by Rodney Gallop and Owen O'Malley, or arrogantly declined as being misplaced and meant for the ears of those 'directly concerned', namely France and Italy, as argued by Sargent.²⁷ This frame of mind was deeply distasteful to Vansittart who, although the highest-ranking official, was fighting a lonely battle:

Let us keep this argument about only being indirectly interested for others, and not blind ourselves with it. What does it really mean? It is nothing but the cloak of impotence. Whether we are interested directly or indirectly we are interested enormously. We have all applauded Dollfuss from the start, because we are so greatly interested. But we have done mighty little to help him. "You do it. You are directly interested", we say – to cloak our impotence. For we did try to devise ways of helping Austria this summer, and the other departments wouldn't let us... That doesn't mean that they are right on a long view, or that the role of HMG (not the F.O.) isn't rather a humiliating one. Because we have failed to find ways of helping Dollfuss, there is no need to turn sour about him – and I notice a growing tendency in that direction coupled possibly with a little irritation with Sir W Selby...²⁸

Corresponding with Selby, who implored him for more active policy towards Austria, Vansittart had to repeat with resignation that it was 'geography and other Departments that have beaten me' and he went on to explain the real reasons which had tied the

²⁶ TNA, Chilston to Simon, 26 September 1933, C 8780/26/21, FO 371/16779.

²⁷ TNA, Minutes by Gallop, 12 December 1933, O'Malley and Sargent, 14 December 1933, C 10818/2092/3, FO 371/16644.

²⁸ TNA, Minute by Vansittart, 15 December 1933, *ibid.* Emphasis in original. Selby advocated the Austrian case with great vigour. See Oxford, Selby Papers, Ms. Eng. c. 6587, Selby to Vansittart, private, 18 January 1934, with enclosed note 'Requirements of British policy as seen from Vienna' and a précis of most relevant Vienna correspondence on the Austrian situation; Selby has also written his memoirs *Diplomatic Twilight, 1930-1940* (London: J. Murray, 1953).

hands of British diplomacy: 'Of course the truth of the matter is that although we may be convinced that the maintenance of Austrian independence in present circumstances is a vital British interest, British public opinion, the House of Commons and, I might add, the Cabinet itself are by no means so convinced of this fact.'²⁹

As a matter of fact the Foreign Office itself was deeply divided on this issue and thus incapable of deciding on any policy. Carr produced a memorandum in which he contended that a German solution of the Austrian problem was inevitable and moreover preferable to alternative solutions – a *de facto* Italian protectorate or a temporary and untenable understanding between Berlin and Rome - insofar as it was most conducive to the political stability and economic prosperity of Central Europe, a viewpoint which was approved by O'Malley and Alan Leeper.³⁰ On the other hand, Ralph Wigram, Sargent and Vansittart vehemently dissented, claiming that an expansion of German power in Central Europe would serve only to whet the German appetite and become but a prelude to yet further demands.³¹

This impasse as regards the policy towards Austria reinforced the tendency to cling to what seemed to have been the only practical alternative which Vansittart described as a 'carefully created and fostered impression of Anglo-Franco-Italian unanimity'.³² Unfortunately, it was also beset with many a difficulty. The crux of the problem lay in the old animosity between Italy and the Little Entente which rendered difficult the establishment of confidence between Rome and Paris. That made it imperative to align the Little Entente with a common policy of Paris and Rome, and make it play its part in the execution of such policy. In his penetrating analysis of Italian motives John Murray of the Rome Embassy pondered

²⁹ TNA, Vansittart's marginal note on Selby to Vansittart, private, 12 September 1934, R 5179/37/3, and Vansittart to Selby, private, 20 September 1934, R 5179/37/3, FO 371/18356. Emphasis in original.

³⁰ TNA, 'The Austrian Problem: the latest phase', memorandum by Carr, 26 February 1934 and minutes by O'Malley, 27 February 1934, and Leeper, 3 March 1934, R 2190/37/3, FO 371/18351.

³¹ TNA, Minutes by Wigram, 27 February 1934, Sargent, 12 March 1934, and Vansittart, 18 March 1934, *ibid.* The Foreign Secretary, John Simon, seemed to be indecisive.

³² TNA, Vansittart to Selby, private, 3 September 1934, R 5178/37/3, FO 371/18356.

...that one of principal reasons why [the] Italian Government are reluctant to align themselves with the French and British Government is because they suspect that the French policy is directed towards preserving Austria from Germany only to subordinate her to [the] Little Entente. Such [a] development would be only one degree less objectionable to them than presence of Germany on [the] Brenner Pass. Hence the constant allusions to the necessity of upholding Austria-Hungary (they are nearly always placed together) and of concluding some deal on their behalf with Little Entente on a basis of equality and without their having to sacrifice their economic and political independence. Given this attitude, possibility must be reckoned with that Italians are endeavouring to dissuade the Germans from forcing an Anschluss by holding out some prospect of an enlarged buffer state which would look to Italy and Germany rather than to France and the Little Entente.³³

The only way of inducing the Italians to come down on the side of London and Paris, Murray insisted, was for France to grant concessions in either the colonial, economic or disarmament sphere, and that was most unlikely. Nevertheless, British estimates of ultimate Italian intentions and policy were not pessimistic. On receiving reports that Mussolini may have been playing with the idea of forging a Fascist bloc in Central Europe consisting of Italy, Germany, Austria and Hungary, Sargent was certain that, despite the sentimental affinity between the two doctrines, their conflicting interests in the region were irreconcilable: 'This becomes glaring in Austria itself, where to be a Nazi means to be in favour of Austria's absorption, body and soul, in Germany, whereas to be a Fascist means to be in favour of an independent Austria.'³⁴ Having examined the question the Cabinet did not embark on any decided course of action and emphasised the view that Italy held the key to the situation³⁵ which made it necessary to elucidate the exact attitude of Rome. However, the Italian memorandum returned in reply to a written communication from the British government completely avoided the issue and irritated Vansittart as being 'a ridiculous production'.³⁶ O'Malley was not surprised with the fact that the Italians were not going to let themselves be

³³ DBFP, ser. II, vol. V, No. 352, Murray to Vansittart, 23 August 1933; also No. 371, Memorandum by Sir R. Vansittart on the Present and Future Position in Europe, 28 August 1933; TNA, Minute by Sargent, 28 June 1933, C 5718/5661/3, FO 371/16647; the Italian Foreign Under-Secretary Fulvio Suvich argued in January 1934 that Italy stood aside from common front with Britain and France because the latter's association with the Little Entente supplied Germany with propaganda material. See Aaron Goldman, 'Sir Robert Vansittart's Search for Italian Cooperation against Hitler, 1933-1936', *Journal of Contemporary History*, 9. 3 (Jul., 1974), 93-130 (p. 98).

³⁴ TNA, Minute by Sargent, 29 August 1933, C 7630/2092/3, FO 371/16644.

³⁵ TNA, Record of Cabinet discussion [C. P. 212 (33)], C 7956/2092/3, FO 371/16644.

³⁶ TNA, Minute by Vansittart, 15 September 1933, C 8013/2092/3, FO 371/16644.

influenced by British representations since they realised ‘that our power of affecting the course of events there [in Austria] is practically nil.’³⁷ In the circumstances the most that could be accomplished was the joint declaration issued by the British, French and Italian governments on 17 February 1934 – at the time of Dollfuss’ violent suppression of the Austrian Socialists - to the effect that they took a common view as to the necessity of maintaining Austrian independence and integrity.

From the British point of view the Little Entente was causing no fewer problems than Rome. Having heard that the latter objected to Austria appealing to the League against Germany because of the opportunity that would provide for political action on the part of the Little Entente, Vansittart expressed his appreciation of the Italian ‘prejudice against the Beneses and Titulescos’, although at the same time he bitterly complained to Sir Eric Drummond, the new British Ambassador in Rome, of Italian insincerity in regard to her dealings with Austria which made cooperation between the two countries exceedingly difficult.³⁸

It was the perception of the Little Entente’s policy as being unreasonable, unconstructive and even obstructive that accounted for British displeasure. To begin with the Southern Department fully appreciated that the ‘attitude of the Little Entente in the Austrian question is dictated principally by dislike and fear of Italy.’³⁹ In consequence Italian intrigues made the Little Entente increasingly suspicious and wary of any, if only a purely economic, regrouping. At the end of 1933 intelligence data reached the Foreign Office to the effect that Italy was encouraging an Austro-Hungarian Customs Union with a view to counterpoising German and Little Entente influences alike in the two countries and as a preparation for a triple customs union in which Rome would participate as well.⁴⁰ This was exactly the sort of thing that could stir serious

³⁷ TNA, Minute by O’Malley, 14 September 1933, *ibid*.

³⁸ DBFP, ser. II, vol. VI, No. 276, Vansittart to Drummond, 13 February 1934.

³⁹ TNA, Minute by Gallop, 6 March 1934, R 1377/37/3, FO 371/18349.

⁴⁰ TNA, O’Malley to Selby, private, 23 December 1933, C 11233/5661/3, FO 371/16647.

trouble with the Little Entente. In the summer of 1933 Vansittart was assured by both Beneš and two Romanians, Foreign Minister Titulesco and the opposition leader Duca, that the Little Entente would, if it came to the choice of evils, prefer the Anschluss to a union between Austria and Hungary, even an economic one, which they suspected Mussolini of contemplating.⁴¹ The very next day the Permanent Under-Secretary used the occasion of a conversation with Grandi to impress upon him the point of view of the Little Entente but found the Ambassador favourably disposed towards the idea of a union which, according to the Italian, would present a hindrance to Hitler's policy.⁴² However, Vansittart was soon informed that an exchange of views had taken place between Rome and Paris on the subject and that the union scheme had been put to rest.⁴³ It was not the Little Entente's opposition to such a suggestion in itself but rather the lengths to which it was prepared to go in its resistance that incurred the wrath of Whitehall. Annoyed with what he saw as the excitable reactions of the three allies, and in particular with Titulescu's threat of Romanian mobilisation in the event of Austro-Hungarian union, Vansittart vented his feelings to the French Ambassador Charles Corbin: 'Such talk... was ridiculous, and apart from the fact that Roumanian mobilisation would impress nobody, Monsieur Titulescu would have to be reminded, if he indulged in such hysteria again, of the obligations of his country as a member of the League of Nations.'⁴⁴

The Foreign Office also blamed the Little Entente for not contributing its share of economic concessions for the relief of Austria. The issue turned on the hindrance of protectionist economic policy of Central European countries with their high tariff walls which smothered Austrian industry. Vansittart grew weary of the usual excuses for not

⁴¹ TNA, Record of an interview with Monsieur Duca and Monsieur Titulesco on 21 June 1933, C 5661/5661/3, and also Simon to Palaret, 22 June 1933, C 5674/5661/3, FO 371/16647.

⁴² TNA, Conversation with Italian Ambassador, 22 June 1933, C 5662/5661/3, FO 371/16647.

⁴³ TNA, Minute by Vansittart, 23 June 1933, C 5664/5661/3, FO 371/16647.

⁴⁴ DBFP, ser. II, vol. V, No. 273, Foreign Office to Harvey (Paris), 25 July 1933; the same sentiments were expressed in TNA, Minute by Eden, 17 July 1933, and Sargent's marginal comments on Leeper's account of the conversation with Titulescu of 10 July 1933, C 6449/1354/37, FO 371/16823.

extending the necessary facilities: 'Such reasons are always the easiest and most convincing; and the ninnies of the Little Entente are their chief exponents'.⁴⁵ Still, there was nothing else to do but 'favour trying to galvanise the Little Entente into being less hopelessly negative' and induce them to drop their 'blocking tactics'.⁴⁶

Not surprisingly, Italo-Yugoslav tensions presented the greatest obstacle to cooperation between Rome and the Little Entente. The Yugoslavs intensely disliked any notion of the 'Fascistisation of Austria' and their Minister at Vienna, Momčilo Nastasijević, unsuccessfully tried to enlist Selby's help in impressing this point on the Austrian Chancellor. The episode signalled to the Southern Department that Belgrade would rather see Vienna under German than Italian control.⁴⁷ This revealed a serious breach in a prospective united front for the protection of Austria as the French, Drummond was told by his colleague Chambrun, would, if forced to choose, plump for the latter option and the British would, Vansittart scribbled on Drummond's letter, do the same.⁴⁸

The dangers of this conflict of interests were revealed in connexion with the Nazi putsch in Austria of 25 July 1934 which, though abortive, claimed the life of Dollfuss. The country preserved its independence to a large extent due to the Italian military concentration on the Brenner which had a restraining effect on Hitler. On the other hand, the episode proved that the Austrian imbroglio could easily spark off a showdown between Yugoslavia and Italy. Henderson stated in no uncertain terms that Italian intervention in Austria was the most dreaded contingency for Yugoslavia for the

⁴⁵ TNA, Minute by Vansittart, 15 December 1933, *ibid.*

⁴⁶ TNA, Minute by Vansittart, 30 July 1935, R 4330/247/3, FO 371/19482; minute by Vansittart, 17 September 1933, and Sargent to Phipps, private, 31 August 1933, C 7839/2092/3, FO 371/16644.

⁴⁷ TNA, Selby to Simon, 2 February 1934, and minutes by Gallop and Carr, 9 February 1934, R 835/37/3, FO 371/18346; Sargent confirmed that the Yugoslav Minister was very nervous of Italian penetration in Austria: 'He evidently foresaw the possibility of Austria being reduced to another Albania and transformed into an Italian protectorate by another Treaty of Tirana. He clearly considered that this would be a very heavy price for Yugoslavia to pay for the prevention of the Anschluss.' See Minute by Sargent (and Carr to the same effect), 26 February 1934, R 1201/37/3, FO 371/18349.

⁴⁸ TNA, Drummond to Vansittart, private, 10 February 1934 [with Vansittart's marginal remarks], R 1085/37/3, FO 371/18348; also minutes by Gallop and Carr, 29 January 1934, Sargent, 30 January 1934, and Vansittart's marginal comments, R 573/37/3, FO 371/18345.

prevention of which the latter was prepared to coquet with Germany. This in turn could potentially disrupt her alliance with France and the Little Entente and would ignore the greater but not immediate menace of *Drang nach Osten*. The Yugoslavs would probably strive to counteract it by summoning a special session of the League and mobilising their army, perhaps followed by actual entry into the territory of their northern neighbour.⁴⁹ The tenor of Henderson's report caused no surprise in the Southern Department.⁵⁰ The risks inherent in Italian military action were soon confirmed. The Military Attaché at the British Legation in Budapest, Lieutenant-Colonel Frank Mason-MacFarlane, learned from a member of the Hungarian General Staff that his government, anxious to avoid becoming involved in a potentially perilous situation, had persuaded Mussolini with the utmost difficulty that any armed incursion into the Austrian province of Carinthia would be automatically met by Yugoslav military action, a confirmation of which the Hungarian Chargé d'Affaires in Belgrade had obtained from the Yugoslav Foreign Minister himself.⁵¹

Other diplomatic difficulties were to follow. When the question of devising a pact for the preservation of Austrian independence was under consideration in Geneva both Anthony Eden, Lord Privy Seal, and Carr reported that fundamental differences had arisen in respect of the role of Yugoslavia and to a lesser extent other Little Entente powers.⁵² The Italians were bent on excluding Belgrade from participating in the conclusion of a pact on the footing of equality and drafting it in such a manner as to practically provide them with *carte blanche* for the armed intervention which could, in turn, only be regarded by Yugoslavs as a direct provocation. Eden expressed British

⁴⁹ BDFA, vol. 10, Doc. 243, Henderson to Simon, 30 July 1934.

⁵⁰ TNA, Minutes by Gallop, 8 August 1934, and Carr and Vansittart, 9 August 1934, R 4374/37/3, FO 371/18353.

⁵¹ BDFA, vol. 10, Doc. 259, Lieutenant-Colonel Mason-MacFarlane to Houston-Boswall, enclosed in Doc. 258, Houston-Boswall to Simon, 16 August 1934.

⁵² DBFP, ser. II, vol. XII, No. 96, Consul Patteson (Geneva) to Simon, 17 September 1934; No. 97, Consul Patteson (Geneva) to Simon, 18 September 1934; No. 101, Simon to Patteson, 20 September 1934; TNA, Carr to Sargent, private, 17 September 1934; Carr to Sargent, private, 24 September 1934, R 5119/37/3; Minutes by Gallop and Sargent, 25 September 1934, R 5218/37/3; in FO 371/18356.

disapproval of such an approach but his attitude could not carry too much weight since it was made clear from the outset that HMG were not willing to sign any new document, however anodyne in form it may have been, which smacked too much of shouldering new commitments.

While in Geneva Carr observed how the French Foreign Minister, Louis Barthou, was placed in a difficult position in his efforts to procure an agreement with Italy, particularly in respect of Austria, without simultaneously alienating Yugoslavia and driving her into the German camp.⁵³ Whereas Carr believed that France, if faced with the choice between Rome and Belgrade, would prefer the former, Sargent took a view that the Italian position was not so strong as to force an agreement on her own terms. An Italo-Yugoslav appeasement would constitute, Sargent mused, an essential feature of any rapprochement between France and Italy, and the fear of a German takeover in Vienna should be sufficient to align all three countries together, if Paris acted prudently.⁵⁴ For the time being Sargent could only note that ‘it is precisely Italy’s chronic quarrel with Yugoslavia which has added a last and supreme complication to the Austrian problem, as has been shown by the recent negotiations at Geneva.’⁵⁵ To ward off Germany a new three-power declaration on Austria was published on 27 September 1934 which amounted to no more than a pious reconfirmation of the previous one of 17 February.

The impending visit to Paris of King Alexander was expected to considerably clear the ground regarding Franco-Italo-Yugoslav relations. Instead the tragedy in Marseilles on 9 October 1934, when a member of the Ustaša Croat terrorist organisation harboured and subsidised in Italy and Hungary murdered both the king and Barthou, made the situation more uncertain than ever. Anticipating recriminations which were to follow during the League enquiries into the Marseilles assassination pertaining to

⁵³ TNA, Carr to Sargent, private, 26 September 1934, R 5311/5311/67, FO 371/18389.

⁵⁴ TNA, Minute by Sargent, 28 September 1934, *ibid.*

⁵⁵ TNA, Minute by Sargent, 26 September 1934, R 5284/59/92, FO 371/18454.

possible foreign involvement, Sargent cynically noted that it was better that Hungary should be incriminated rather than Italy.⁵⁶ Indeed, the proceedings at Geneva were conducted in a way that carefully avoided reference to Italian culpability so as not to wreck the prospects of an agreement between Rome, Paris and Belgrade with a view to safeguarding Austria.⁵⁷ Eden, who later described the Marseilles murder as ‘the first shots of the second world war’, had a prominent part in handling the dispute in his capacity of a rapporteur before the Council of the League.⁵⁸ No effort was spared to keep the appeasing momentum going in spite of the indignation after the crime. When the Italians hinted to the Quai d’Orsay that problems between Yugoslavia and Italy should be separated from Franco-Italian negotiations, Sargent disliked the idea as tending to aggravate the situation: ‘We should give the French all the support we can in resisting any Italian proposal to disjoint the problem of Italo-French relations from that of Italo-Yugoslav relations’.⁵⁹

In London Foreign Secretary Simon suggested a consideration whether something might be accomplished by a British initiative ‘with the object of trying to negotiate a settlement of the Austrian problem on the basis of a joint guarantee of Austrian independence by all her neighbours.’⁶⁰ His formula would provide a point of departure in the negotiations regarding Central Europe which the new French Minister for Foreign Affairs, Pierre Laval, continued with Mussolini. In the view of the Foreign Office, these negotiations, although centred on Austria, were really concerned with much broader issues:

It must be remembered that in these Franco-Italian negotiations, besides the immediate object of securing the defence of Austria, the negotiators have in view two ulterior aims of great importance, namely, (1) to bring about an Italian-Yugoslav détente, first by supplying a common platform for Italian-Yugoslav co-operation vis-à-vis of Austria, and secondly by providing in a multilateral

⁵⁶ TNA, Minute by Sargent, 16 October 1934, R 5674/5524/92, FO 371/18458.

⁵⁷ Nicholas Rostow, *Anglo-French Relations, 1934-1936* (London: Macmillan Press, 1984), pp. 68-70.

⁵⁸ Anthony Eden, *The Eden Memoirs. Facing the Dictators* (London: Cassel, 1962), pp. 108-120.

⁵⁹ TNA, Minute by Sargent, 2 November 1934, R 6101/5311/67, FO 371/18389.

⁶⁰ TNA, Foreign Office memorandum, 18 December 1934, R 7228/37/3, FO 371/18358 [C.R. (34)5 of 14 December 1934].

agreement for mutual undertakings between Italy and Yugoslavia not to interfere in each others affairs, (2) to prepare for the coming negotiations with Germany by establishing a common front between the three Great Powers, Great Britain, France and Italy, first by eliminating the causes of friction between France and Italy, and secondly by establishing a common Franco-Italian policy vis-à-vis of Austria.⁶¹

This ambitious undertaking seemed to be well on the road to realisation when the Rome Agreements between France and Italy were signed on 7 January 1935 during Laval's official visit. The British were very hopeful that Franco-Italian understanding marked a decisive step in the materialisation of a policy for which they had been persistently labouring. They had also taken at face value the conclusion of the Rome Protocols of 16 March 1934 between Italy, Austria and Hungary – an obvious reaction to the Little Entente's Organisation Pact and the conclusion of the Balkan Pact⁶² - as a contribution to the wider economic arrangements in the Danube basin. Many years later with the full benefit of hindsight Vansittart still believed that Mussolini's initiative had been breathing life into the declaration of 17 February: 'In March [of 1934] he [Mussolini] went on, and no blame to him, with his Rome Protocols providing for consultations, especially economic, between Italy, Austria and Hungary.'⁶³ Equally typical was Vansittart's appreciation of the manner in which the Little Entente met the Italian move. He remembered how Beneš 'went on muttering that he would prefer the *Anschluss* to Austro-Hungarian economic union. Titulescu, the Rumanian who looked like a hairless Mongol, went about with his brilliant monologues on "spiritualising frontiers", which meant nothing except that one should do nothing. I liked them both, but they could be very trying.' Therefore, it was not Mussolini's deed that worried the British but rather his maladroit tactics which 'had aroused the fears of the Little Entente' and were likely to complicate Franco-Italian relations and the insufficiency of the arrangement for what was perceived to be its chief purpose: 'The Italo-Austro-

⁶¹ TNA, Minute by Sargent, 1 January 1935, R 7429/5311/67, FO 371/18390.

⁶² See pp. 224-231.

⁶³ Robert Vansittart, *The Mist Procession: the autobiography of Lord Vansittart* (London: Hutchinson, 1958), p. 488; for a contemporary reaction see DBFP, ser. II, vol. VI, No. 358, Drummond to Simon, 20 March 1934.

Hungarian entente cannot in the view of most people throw any serious obstacle in the way of German expansion.’⁶⁴ The unpleasant and disturbing news was simply ignored. When the British Military Attaché at Belgrade was given a report on the large-scale shipments of Italian arms to Austria and Hungary by the Intelligence Department of the Yugoslav Great General Staff the information was found to be embarrassing to the Southern Department whose policy was ‘to shut our eyes to what is going on.’⁶⁵

The practical arrangements that would give effect to Franco-Italian understanding as regards Austria were supposed to be worked out at a conference held in Rome which was to produce a comprehensive Danubian security pact. From the outset it became obvious that any prospective settlement would be most difficult to achieve. Quite apart from Germany and her potential to obstruct an agreement, the smaller powers were predictably at cross purposes. Hungary presented a list of conditions difficult of fulfilment, chief of which was a restitution of her sovereign rights in respect of armaments, as a prerequisite for her adherence to a non-intervention pact in regard to Austria.⁶⁶ The question of the rearmament of the smaller ex-enemy states was considerably actualised and complicated by Hitler’s unilateral and contemptuous denunciation of the military clauses of the Versailles treaty and his execution of a full-blown and rapid rearmament program. The Little Entente countries were alarmed that Hungary might follow suit.

The British deemed that a prolonged ban on the rearmament of the smaller powers was untenable given the German precedent and that it was thus better to dispose of the issue by agreement rather than another unilateral breach of international obligations. Having heard that Titulescu had indulged in wild talk about the Little

⁶⁴ Oxford, Selby Papers, Ms Eng. c. 6587, Snears (?) to Selby, private, 23 March 1934; An Italian intention to conclude secret clauses of a military nature was not suspected. It did not indeed materialise but only due to Hungarian refusal. See Horthy, *Memoirs*, p. 140.

⁶⁵ TNA, Yugoslav Report (in French) enclosed in Henderson to Simon, 11 April 1934 and minute by Sargent, 27 April 1934, R 2392/2392/67, FO 371/18389; a further report from the same source was given to Colonel Daly five days later. It is enclosed in Henderson to Simon, 16 April 1934, R 2394/2392/67 in the same file.

⁶⁶ TNA, Ramsey to Simon, 25 January 1935, R 871/1/67, FO 371/19497.

Entente marching on Budapest in case Hungary, following in the German footsteps, abrogated the disarmament clauses of the Trianon treaty, the Southern Department instructed Hoare clearly to state British displeasure with that sort of utterance.⁶⁷ The opposition to re-armament was considered in London not just unreasonable but also to be a product of an exaggerated sense of self-importance on the part of the three allied countries: 'The Little Entente have so long been the spoilt children of Europe that they don't intend to see themselves ousted from this position as the result of the Franco-Italian rapprochement.'⁶⁸ Beneš in particular was blamed for the detrimental influence he exerted in Paris with a view to stiffening what was by now already very strong French resistance to the disarmament convention. Vansittart was infuriated on that account while Eden was quick to join portraying the Czech as 'a skilful intriguer & a patient go between. He does not deliver the goods. He is always promising but never performs.'⁶⁹ The problem of the proposed re-armament was embarrassing especially in anticipation of the discussions at the impending Stresa conference of 11-14 April 1935 between the French, British and Italian Prime Ministers and it was thought best that British delegation should not 'take any line on its own'.⁷⁰

This chariness proved to be justified as the conference, aside from presenting a not altogether convincing show of unity and strength for the purpose of defending Austria, gave rise to the prompt protest on the part of the Little Entente regarding the sixth point of the Stresa communiqué – though the French had attenuated the Italian draft - which recommended that the rearmament issue should be settled by the

⁶⁷ TNA, Minutes by Gallop and Carr, 21 March 1935, O'Malley, 22 March 1935, and O'Malley to Hoare, 22 March 1935, R 1895/925/67; Hoare to O'Malley, private, 23 March 1935, and O'Malley to Hoare, private, 3 April 1935, R 2147/925/67; in FO 371/19502; also BDFa, vol. 11, Doc. 87, Hoare to Simon, 21 March 1935.

⁶⁸ TNA, Minute by Carr, 7 May 1935, R 2933/1/67, FO 371/19498; also minutes by Lambert and Carr, 30 May 1935, and Sargent and Vansittart, 31 May 1935, R 3418/925/67, FO 371/19502.

⁶⁹ TNA, Minutes by Vansittart, 1 May 1934, and Eden, 2 May 1934, C 2684/291/17, FO 371/17659; The impression of Beneš proding French intransigence in the disarmament matter was reinforced by Eden's report from Geneva. See Note by Mr. Eden, enclosed in United Kingdom Delegate to Foreign Office, 16 May 1934, C 3096/1647/17, FO 371/17664.

⁷⁰ TNA, Memorandum on Abrogation of the Military Clauses of the Treaties of St. Germain, Trianon and Neuilly, 8 April 1935, R 2553/925/67, FO 371/19502.

concerned countries within the framework of general and regional security guarantees. The Little Entente's viewpoint was the exact opposite of the British one: it was contended that Germany could not be pilloried for something that was about to be voluntarily conceded to the lesser ex-enemy states.⁷¹

Moreover, the Little Entente was regarded as ill-disposed towards the idea of a Rome Conference that was envisaged to settle the rearmament question in conjunction with some elusive Danubian pact.⁷² Having learned from Fulvio Suvich, the Italian Under-Secretary for Foreign Affairs, that the Little Entente was about to put forward a list of conditions for the conference to take place, the Southern Department thought any such procedure unreasonable and purposely obstructive.⁷³ As if the rearmament trouble was not enough, there were two other major and apparently insurmountable obstacles in the way of a Danubian pact. A stipulation providing for non-interference in the internal affairs of the signatories, a veiled reference to German interference, was inconveniently well-nigh impossible to reconcile with the notorious Italian patronage of the Vienna regime, on the one hand, and with the implacable and avowed determination of the Little Entente not to allow a Habsburg restoration on the other.⁷⁴ The second difficulty was how to define the nature of any eventual security arrangements between the parties when Hungary categorically declined to enter mutual assistance pacts, Czechoslovakia and Romania insisted on them while Yugoslavia would not accept them unless Germany also participated, a contingency which was most unlikely. In the circumstances the Foreign Office was fairly certain that there was 'little or no prospect of the Conference ever being held, at any rate in its original form.' The gloomy outlook

⁷¹ AJ, London Legation, fascicle I, I-2, Purić to Jovanović, 17 April 1935, confidential no. 9535, enclosed in Jevtić to Djurić, 17 April 1935, confidential no. 419.

⁷² TNA, Minutes by Lambert, 1 June 1935, and Carr, 3 June 1935, R 3487/1/67, FO 371/19498.

⁷³ TNA, Minutes by Carr, 6 June 1935, and Vansittart, 11 June 1935, R 3553/1/67, FO 371/19498; The latter was particularly irritated: 'The Little Entente have been, indeed, for long making themselves into a nuisance and a stumbling-block.'

⁷⁴ TNA, Note on the proposed Danubian Conference for the Secretary of State, 20 June 1935, R 4198/1/67, FO 371/19499.

in Central Europe did not inspire Gallop with much confidence in the substance of the Stresa policy:

At the risk of expressing an unorthodox view I would like to place on record my opinion that in entrenching itself on the Austrian line the Stresa front is attempting to hold an untenable salient and courting disaster. I do not presume to suggest how or when this position should be evacuated but I do feel most strongly that it would be wiser to set our Verdun further back and consolidate and defend a position which offers better strategic possibilities.⁷⁵

The deadlock in ranging the Danubian countries with their own newly-pursued policy drove France and Italy to seek other forms of accommodation. Titulescu believed that Mussolini quickly lost interest in a Danubian pact because the French and Italian General Staffs proceeded to make military agreements for cooperation in case Austrian independence was assailed.⁷⁶ The Romanian averred – and was later backed by the Political Director of the Yugoslav Foreign Ministry, Božidar Purić - that the Little Entente would stand aside if France and Italy could agree to guarantee Austrian independence by themselves but if their participation was to be required he put forward a rather fantastic scheme: the minimum requirement envisaged Italy's concluding a security pact with all the members of both the Little Entente and the Balkan Entente as a price for their participation while the maximum one even called for the participation of Germany and USSR.⁷⁷ The British took this attitude to mean that the Little Entente was not willing to take part in a prospective agreement. The Foreign Office learned – and the War Office confirmed it – that the Franco-Italian military arrangement referred to was the so called 'sandwich plan' – the marching into Austria of both Italian and Yugoslav forces separated by one or two French divisions so as to form the butter in the sandwich

⁷⁵ TNA, Minute by Gallop, 23 July 1935, R 4330/247/3, FO 371/19482; this sort of thinking resonated with Carr's memorandum prepared in anticipation of the Stresa meeting recommending a clear break with the present policy and giving Germany a free hand in Central Europe in return for Hitler's recognition of British interests. See Michael Newman, 'The Origins of Munich: British Policy in Danubian Europe, 1933-1937', *Historical Journal*, 21. 2 (1978), 371-386 (pp. 379-380).

⁷⁶ TNA, Minute by Sargent, 8 July 1935, R 4477/1/67, FO 371/19499; The Romanian's assumption was given substance by the tenor of a report from Rome. See BDFa, vol. 11, Doc. 202, Drummond to Hoare, 23 July 1935.

⁷⁷ DBFP, ser. II, vol. XII, No. 177, Palairet to Simon, 8 November 1934; also TNA, Henderson to Simon, 21 November 1934, R 6706/37/3, FO 371/18358; Purić informed Henderson that Yugoslavia was not eager to contract an Austrian guarantee 'but if she were invited it was a case of all or none and a mutual guarantee all round.'

and thus prevent friction between the two armies.⁷⁸ It was clear from the outset that Yugoslavia was a weak link in this plan. The late King Alexander's first cousin and the head of the Yugoslav Regency, Prince Paul, told Henderson that he was strongly opposed to 'being urged to undertake to join with France and Italy in attacking Germany in the event of the latter attempting forcibly to occupy Austria.'⁷⁹

In Austria herself the desirability of conjuring up a rallying-point of national consciousness in the teeth of the Nazi menace once again revived the rumours of a Habsburg restoration. The Yugoslavs were inclined to interpret the intensified legitimist activity and the ostentatious public pro-Habsburg manifestations, condoned by the Austrian government, as a preparation for the restoration.⁸⁰ Nastasijević reported from Vienna that the Habsburg question had considerably evolved since July 1932 when Mussolini, according to Yugoslav intelligence data, had discussed with the ex-empress Zita the restoration of a monarchy encompassing Austria, Hungary and Croatia under the reign of her son Otto.⁸¹ The plan was supposed to have been executed through the means of an uprising in Croatia in the spring of 1933 leading to the break-up of Yugoslavia. Although nothing materialised, the preparations were carried out in Austria. Mussolini was believed to be gradually proceeding with his scheme: first establishing control over the Austrian regime and restoring Otto in that country and then preparing the ground in Hungary.

After receiving several reports from the British Military Attaché in Vienna, Colonel MacFarlane, which painted a bleak picture of the loyalty of the Austrian army

⁷⁸ TNA, Minutes by Gallop, 12 August 1935, and Sargent, 16 August 1935, R 4928/1/67, FO 371/19499; for Franco-Italian plans of military cooperation see Robert Young, *In Command of France: French Foreign Policy and Military Planning, 1933-1940* (Cambridge: Harvard University Press, 1978), pp. 89-92; Gooch, pp. 261-264; Shorrocks, pp. 117-121, 129-133.

⁷⁹ BDFA, vol. 11, Doc. 95, Henderson to Simon, 17 April 1935.

⁸⁰ AJ, London Legation, fascicle I, I-4, Nastasijević to the Political Department of the Foreign Ministry, 12 April 1934, confidential no. 693; Jevtić to Djurić, 21 October 1934, confidential no. 23173; I-4 [1935], Martinac to Djurić, 2 August 1935, confidential no. 14667/V; Stojadinović to Grujić, 30 November 1935, confidential no. 1731/V.

⁸¹ AJ, London Legation, fascicle I, I-4, Nastasijević to Jevtić, 26 April 1934, confidential no. 773, enclosed in Political Department of the Foreign Ministry to Djurić, 7 May 1934, confidential no. 9562/V.

to the Dollfuss regime and the meagre prospect of the latter to maintain itself in power, Duncan Sandys of the Central Department stepped forward in favour of a union between Austria and Hungary to which the restoration of the Habsburgs in Budapest was to be a preliminary.⁸² The pursuit of a middle course which British diplomacy adhered to in spite of the increasing difficulties could only result, he was sure, in a ‘resounding rebuff’. Having summed up his impressions from a four-week stay in Austria Carr was struck with the wide-spread pro-Habsburg sentiment which seemed to him – as it seemed to the Yugoslavs - to have been worked up under the government patronage.⁸³ His views impressed his colleagues so much that Sargent wondered if a Habsburg restoration may not be the only thing to resuscitate Austrian will for self-preservation, whereas the Foreign Secretary observed that the return of a Habsburg would not fit in with a Hitlerite Germany.⁸⁴

The Foreign Office took new stock of situation in the changed circumstances. It was estimated that a restoration might have some appeal for the Austrians and Hungarians, particularly the latter, but that it could not constitute a permanent solution unless it served as a vehicle for a substantial territorial redistribution for which very reason it would meet with intense resistance on the part of the Little Entente.⁸⁵ In the existing political struggle centred on Vienna Italy was thought to be unwilling to sponsor it so as not irrevocably to alienate the alliance and push it into the arms of Germany. If, however, the Little Entente proved to be irreconcilable to Italy and ready to comply with the German solution, Mussolini could reverse his policy and lend support to the return of the Habsburgs as a last desperate attempt to check a threatened German annexation of Austria. Given the uncertainty of what the future held in store,

⁸² TNA, Minute by Sandys, 9 September 1933, C 7967/2092/3, FO 371/16644; O’Malley was inclined to agree in principle but stressed the obstacles in the way of promoting Otto’s claims not least in the shape of resolution of the Conference of Ambassadors.

⁸³ TNA, Memorandum by Carr, 14 November 1934, R 7265/37/3, FO 371/18358.

⁸⁴ TNA, Minutes by Sargent, 17 December 1934, and Simon, 19 December 1934, *ibid.*

⁸⁵ BDFA, vol. 10, Doc. 193, Carr’s memorandum ‘The Prospects of a Habsburg Restoration’, 3 April 1934.

Carr recommended that HMG should evade any pronouncement of policy in advance. If a restoration eventually took place with Italian connivance it was believed that France would have to acquiesce in such a solution with a view to her anti-Anschluss policy, and Britain would also 'be obliged to approve.'⁸⁶

The position in Hungary, however, did not seem propitious for the restoration. General Gömbös publicly professed himself against it, although Hankey suspected that he was rather anxious to postpone the question until the 'equality of rights' issue had been resolved and Hungary was not left completely at the mercy of the Little Entente.⁸⁷ Chilston assured his superiors that the government was really averse to the legitimist cause and that the mass of the Hungarian people were too preoccupied with economic distress to devote any serious attention to the kingship problem.⁸⁸

The Foreign Office was concerned that the question might crop up again in connexion with discussions about the application of the Rome Agreements of 7 January 1935. More particularly, and similar to the situation a few years earlier, it wanted to extricate itself from the unpalatable possibility that Britain might be held to its obligations stemming from the old anti-Habsburg resolution of the Conference of Ambassadors. There were officials who preferred to pre-empt such a contingency by instructing British representatives in the relevant capitals to make clear that Britain did not intend to oppose a Habsburg return in Vienna.⁸⁹ Despite the absolute unanimity in respect of the inherent rectitude of such a course, Vansittart and Eden deemed that the moment was singularly inopportune for any conspicuous pronouncement of policy on the subject given the ruffled state of European politics.⁹⁰ The Little Entente became very excited about the revived Habsburg propaganda and appeared to have got wind of

⁸⁶ Ibid.

⁸⁷ TNA, Minute by Hankey, 23 June 1933, C 5598/26/21, FO 371/16779.

⁸⁸ BDFA, vol. 3, Doc. 256, Chilston to Simon, 13 October 1933.

⁸⁹ TNA, 'The Commitments of His Majesty Government in regard to a Habsburg Restoration', memorandum by Carr, 11 February 1935, R 1319/662/3, FO 371/19483.

⁹⁰ TNA, Minutes by Vansittart, 12 February 1935, and Eden, 13 February 1935, *ibid.*; minute by Vansittart, 25 February 1935, R 1345/662/3, FO 371/19483; the Foreign Secretary Simon was inclined to follow advice of Carr's memorandum but not before his impending visit to Berlin.

an official tendency in Paris and London to view it with favour. This called for energetic action. The Yugoslav, Czechoslovak and Romanian Ministers made representations to Sargent, alleging that they had reason to believe that the Austrian Ministers were about to raise the issue of a Habsburg restoration during their official visit to London, and reaffirming their definite hostility to it.⁹¹ Vansittart scotched the protest as playing into German hands since it provided Berlin with an opportunity to argue that Nazi meddling in Austrian domestic politics was no different from the Little Entente's veto in regard to the Habsburgs.⁹²

In July Jan Masaryk handed to the Foreign Office a memorandum accompanied by his personal notes whereby he expounded the reasons why the Little Entente countries could not condone the restoration.⁹³ The Foreign Office seized this occasion to fully explain its views which amounted to an indictment of the successor states' policy since the end of the war. To begin with, the assertion that a Habsburg monarch would constitute a threat to the Little Entente states by providing a point of attraction for national minorities and all the discontented elements within them was taken to be an admission of failure to make progress in stabilisation and consolidation of the successor states. Playing with the Habsburg idea in Austria was presented as a last resort in the search of means which would give the Austrians a semblance of permanent existence and national focus so as to reinforce their separate existence from Germany. It was given to understand that the British – and French – governments were bound to sympathise with efforts to strengthen Austrian independence 'even though the particular method might not be the one which they might have selected if they had had a free

⁹¹ TNA, Minute by Sargent, 23 February 1935, R 1345/662/3, FO 371/19483; BDFA, vol. 11, Doc. 166, Simon to Addison, 4 March 1935; Doc. 170, R. Hoare to Simon, 27 February 1935; AJ, London Legation, fascicle I, I-4, Purić to Foreign Ministry, 19 February 1935, confidential no. 153; Purić to Foreign Ministry, 23 February 1935, confidential no. 158; The Austrians did not broach the question.

⁹² TNA, Simon to Henderson, 1 March 1935, R 1354/662/3, FO 371/19483; the Germans were staunch opponents of the Habsburgs but were not preoccupied with the possibility of their restoration which was deemed to be rather remote. See Phipps to Simon, 3 April 1935, R 2297/662/3 in the same file.

⁹³ TNA, Czechoslovak government's memorandum on Habsburg restoration, undated [probably July 1935], R 4571/662/3, FO 371/19483.

choice.’ Finally, reaffirming the conviction that the best solution for Austria was economic cooperation with Hungary and the successor states and some sort of customs union which would re-establish a proper role for Vienna in the economic life of the Danube basin, it was implied that it was a failure to produce anything along these lines – Beneš was particularly mentioned in this context – that had brought about the revival of the restoration movement.⁹⁴

The only dissenting voice came from Henderson. He found the restoration to be fraught with grave dangers: it would irrevocably drive Yugoslavia into the German camp, possibly with Czechoslovakia, and spell the end of the Little Entente which would be substituted by a German bloc in Central Europe likely to be joined by Gömbös’ Hungary which was also ill-disposed towards the Habsburgs; Henderson argued that a restoration might prove to be the only thing to unite Austrian Nazis and Socialists and effectively render any government in Vienna impossible.⁹⁵ Moreover, Henderson challenged Vansittart’s basic assumption of the Little Entente’s sole responsibility for the lack of economic cooperation in the Danube region which was necessary to make Austria viable. It was rather the unresolved political problems and the uncertainty they provoked that stood in the way of economic reconstruction:

To my mind in order to ensure that economic reconstruction you have got to achieve first or at least simultaneously a measure of political stability in Central Europe, & it is hard to see how that is possible so long as the Hungarians persist in their ‘No, No, Never’ [to the Trianon Treaty] & the question of the Habsburgs and the Anschluss continues to be a nightmare to the Succession States, not to mention, so far as the Anschluss is concerned, to Italy, France and HMG.⁹⁶

Consequently, Henderson suggested that HMG should take a definite stand against a Habsburg restoration. His views presented a clear-cut and more daring alternative to the

⁹⁴ TNA, Minutes by Sargent, 26 July 1935, Vansittart, 28 July 1935 and Hoare, 13 August 1935; Carr to Addison, 17 August 1935, R 4571/662/3, and Note on the Habsburg Question for the Foreign Secretary at Geneva, 9 September 1935, R 5322/662/3, FO 371/19483.

⁹⁵ BDFA, vol. 11, Doc. 198, Henderson to Hoare, 18 July 1935; also TNA, Balfour to Norton, private, 14 August 1935, and Balfour to Norton, private, 16 August 1935, R 5093/662/3; Henderson’s memorandum on the Anschluss and the Habsburgs, 17 August 1935, R 5124/662/3; in FO 371/19483.

⁹⁶ TNA, Henderson to Sargent, private, 17 August 1935, R 4617/662/3, FO 371/19483.

Foreign Office stance but had no chance of being accepted nor did he, having now left Belgrade, have any more opportunity of shaping British policy.⁹⁷

As for the attempts at preserving Austrian independence on the basis of cooperation between France, Italy and Britain, which would involve the Little Entente and Hungary as well, they suffered a definite failure due to the repercussions of an event outside the European theatre. In October 1935 Italy invaded Abyssinia and opened a crisis which would pit her against London and Paris and the whole concept of collective security based on the League of Nations. The Austrian problem receded into the background for the moment but it was apparent that it could not be tackled anew along the futile lines of the previous schemes.

5.3. The Balkan Entente

In May 1933 the Foreign Office got wind of the ongoing endeavours of Turkish diplomacy to bring about the conclusion of a series of bilateral agreements of mutual guarantee among the Balkan states which would amount to a Balkan Union of a sort and reinsure the small countries of the region in respect of their continued existence, free from external interference on the part of Great Powers. As Henderson anticipated from the outset, it was clear that a possibility of realising a Balkan pact hinged on Sofia's attitude, for Bulgaria was the only obstacle to such an understanding due to her unabated revisionist pretensions.⁹⁸ Practically, the crux of the problem as viewed from London was whether Yugoslavia and Bulgaria could compose their differences.

Examining the problem from the Bulgarian end Waterlow's recommendation was to apply Anglo-French pressure on King Alexander and induce him to grant

⁹⁷ TNA, Minutes by Gallop, 29 July 1935, O'Malley, 1 August 1935, Vansittart, 2 August 1935, Hoare, 13 August 1935; Vansittart to Henderson, private [cancelled], 8 August 1935; Sargent to Balfour (Belgrade), private, 28 August 1935; all in R 4634/662/3, FO 371/19483.

⁹⁸ BDFA, vol. 9, Doc. 286, Henderson to Simon, 24 October 1933; TNA, Foreign Office memorandum 'The Balkans and Turkey, 1932-1933', 1 January 1934, C 10746/1060/62, FO 371/16683.

instruction in a local dialect in primary education in Serb Macedonia as a concession and incentive to the Bulgarian government to come forward.⁹⁹ Henderson was adamant that Belgrade would not consider for a moment any notion of regarding the Macedonians as a minority and pointed out the futility of any approach made along those lines. He fervently deplored the idea of British representations at Belgrade with the object of pressuring the Yugoslavs to grant educational concessions let alone the raising of the entire minority question.¹⁰⁰ In fact, Henderson maintained the sort of advice that had consistently been given by the Belgrade Legation in this respect and the Foreign Office as usual accepted it as reasonable.¹⁰¹

There were other difficulties as well. Carr heard at Geneva that Beneš was displeased with Titulescu's Balkan tour and believed that the Czech was not keen on seeing the Little Entente watered down by the infusion of Balkanic elements which, from a Czechoslovak point of view, were likely to prove more of a liability than an asset.¹⁰² In the Balkans two opposite tendencies were manifesting themselves simultaneously and it appeared as if the resolution of their conflict may determine the future destinies of the peninsula. Towards the end of 1933 the movement for closer relations between Sofia and Belgrade was receiving a strong and somewhat sudden impetus.¹⁰³ According to secret intelligence reports, the French were urging the Little Entente countries to pursue an active policy towards Bulgaria and arrive at an agreement with that country on the basis of mutual concessions with a view to

⁹⁹ BDFA, vol. 9, Doc. 284, Waterlow to Simon, 27 October 1933; TNA, Waterlow to FO, 6 November 1933, C 9894/1060/62 and Waterlow to O'Malley, private, 11 November 1933, C 1067/1060/62 in FO 371/16683.

¹⁰⁰ TNA, Henderson to O'Malley, private, 11 December 1933, R 11055/10363/7, FO 371/16657; Henderson to O'Malley, private, 27 December 1934, R 72/38/7, FO 371/18369; Henderson was outraged by the meddling of Sir Edward Boyle, chairman of the Balkan Committee, who embarked on the unofficial mission of mediating with the authorities in Sofia and even with IMRO for an agreement with Yugoslavia. His superiors in Whitehall also disliked such activities 'of the pompous busybody order'.

¹⁰¹ TNA, Minutes by Gage, 9 January 1934, Carr, 10 January 1934, and O'Malley, 11 March 1934, R 72/38/7, FO 371/18369.

¹⁰² TNA, Minute by Carr, 9 November 1933, C 9633/22/92, FO 371/16827.

¹⁰³ For diplomatic preliminaries leading to the conclusion of the Balkan pact see Živko *Avramovski, Balkanska Antanta, 1934-1940* (Beograd: Institut za savremenu istoriju, 1968), ch. 2-3; the same author discussed the British angle in 'Stav britanske diplomatije prema sklapanju balkanskog sporazuma (1933-1934)', *Radovi Instituta za hrvatsku povijest*, 16 (1983), 139-180.

reinsuring against Germany in case of a breakdown of the Disarmament Conference.¹⁰⁴ A part and parcel of this policy was a meeting between King Alexander and King Boris on 18 September 1933 at Belgrade on which occasion the ground was prepared for a rapprochement between the two royal families and the two countries. In December 1933, King Boris accompanied by his Prime Minister, paid an official visit to Belgrade. Apprised of reports of a generally receptive atmosphere in both countries in favour of a rapprochement Southern Department officials were still not optimistic as to its final outcome bearing in mind the insuperable Macedonian hurdle.¹⁰⁵ On the other hand, Yugoslav fraternisation with Bulgaria was viewed with the deepest suspicion by Greece which was always apprehensive at the prospect of her Slav neighbours joining forces for the purpose of expansion on her Aegean coast. Athens thus forced the pace for a conclusion of a Balkan pact which would isolate Bulgaria. She was assisted in this endeavour by Titulescu whose insistence on a speedy conclusion of the pact was interpreted by Sargent as being determined partly by motives of personal prestige, but primarily by considerations of his Central European policy, namely the need to reinforce the Romanian position against Hungary which was facilitated by the neutralisation of Sofia through the provisions of the Balkan Entente Pact.¹⁰⁶

The Foreign Office was in favour of a complete Balkan pact between five Balkan countries – including Bulgaria and for obvious reasons excluding the Italian client state of Albania - and it persisted in inducing the concerned parties to take that course. In order to attain this goal it was believed that Greece should first settle her outstanding financial disputes with Bulgaria and negotiate a commercial treaty which should prepare the ground for Sofia's political rapprochement with her neighbours.¹⁰⁷

¹⁰⁴ TNA, O'Malley to Henderson, private, 19 October 1933, C 9169/21/62, FO 371/16677; also minute by Gage, 21 November 1933, C 1067/1060/62, FO 16683.

¹⁰⁵ TNA, Minutes by Gage, 5 January 1934, and Carr, 10 January 1934, R 71/38/7, FO 371/18369.

¹⁰⁶ TNA, Minute by Sargent, 6 March 1934, R 1240/22/67, FO 371/18386; BDFA, vol. 10, Doc. 87, Palairot to Simon, 29 March 1934.

¹⁰⁷ TNA, 'Balkan Pacts', memorandum by Sargent, 10 January 1934, R 279/22/67, FO 371/18385.

Furthermore, if Bulgaria was unwilling, as could certainly be expected, to commit herself to guaranteeing the present frontiers, it would be advisable to frame the scope of a pact in such a way as to secure Bulgarian accession rather than proceed with a four-power convention which would be for all intents and purposes a pact directed against the Bulgarians.¹⁰⁸

No one was more opposed than Henderson to the attempts of the Greek Foreign Minister, Demetrios Maximos, to rush the Yugoslavs into signing a pact without Bulgaria and he was pleased to find the latter fully alive to the folly of doing so.¹⁰⁹ As for Greece, Waterlow, now Minister in Athens, thought that she was not being mischievous on her own but rather ‘acting jackal for Turkey... with discreet support from Italy.’¹¹⁰ With the suspiciousness of Yugoslavia’s Balkan partners and France’s tendency to propitiate them, the prospects of a five-power agreement were not bright, but Gallop believed that having Sofia isolated was a bad policy: ‘Possibly the French may be right in thinking that half a loaf was better than no bread. I am more inclined to think that, Bulgaria being the “clou” to the whole Balkan situation, this particular half-loaf is worse than no bread, since it will delay indefinitely any prospect of securing the whole loaf.’¹¹¹ The only hope of holding up this undesirable development seemed to rest in Belgrade, and the Southern Department was prepared to strengthen Yugoslavia’s hand by reiterating British views in regard to a pact to both the Czechs and Romanians.¹¹² In addition, Henderson was authorised to impress upon the Yugoslav

¹⁰⁸ TNA, Vansittart to Athens, Belgrade, Bucharest, Angora and Sofia Legations, 25 January 1935, R 454/22/67, FO 371/18385; The substance of this dispatch was communicated to Paris. The French approved a five-power pact in general but, if unattainable, preferred to have a one without Bulgaria than no pact at all. See Campbell to FO, 28 January 1934, R 569/22/67 in the same file.

¹⁰⁹ TNA, Henderson to Sargent, private, 22 January 1934, R 536/22/67, and Henderson to FO, 26 January 1934, R 567/22/67, FO 371/18385; BDFa, vol. 10, Doc. 65, Henderson to Simon, 31 January 1934.

¹¹⁰ TNA, Waterlow to FO, 28 January 1934, R 577/22/67, FO 371/18385; BDFa, vol. 10, Doc. 60, Waterlow to Simon, 23 January 1934.

¹¹¹ TNA, Minute by Gallop, 29 January 1934, R 577/22/67, FO 371/18385.

¹¹² TNA, Minutes by Carr, Sargent and Vansittart, 30 January 1934, R 577/22/65 and minute by Gallop, 4 February 1934, R 650/22/67, FO 371/18385.

government, at his discretion and in conjunction with his French colleague if possible, the importance attached by Britain to the maintenance of close contact with Sofia.¹¹³

Such a hint was most welcome to the Yugoslav government. Djurić was instructed to assure the British that Belgrade was sparing no effort to procure Bulgarian adherence to the Balkan pact to the point of asking Sofia to put forward a formula to which she could consent; on no account would Yugoslavia agree to a pact which would not leave the door open for Bulgaria.¹¹⁴ It is interesting to note how a clearly and unequivocally expressed British attitude, contrary to the usual practice, made a profound, if altogether exaggerated and distorted, impression at Belgrade:

It is characteristic that Britain who has left the impression of believing that differences between Yugoslavia and Bulgaria are necessary for the Balkan balance of forces, a balance that maintains peace, is now overtly working for an agreement between Yugoslavia and Bulgaria. She [Britain] probably thinks that we will be more independent in that way, and less susceptible to French influence or perhaps a Franco-Soviet combination.¹¹⁵

Even the French Ambassador Cambon now professed that the French government was in complete agreement with the British in respect of a full Balkan pact and worried about Titulescu's forcing the pace.¹¹⁶

But just when it appeared that events were developing to British liking Yugoslavia abandoned her opposition to a four-power convention and the Balkan Pact without Bulgaria was signed at Athens on 9 February 1934. The Balkan Entente took its final shape at the Angora meeting at the end of October the same year on which occasion a statute of the organisation was drawn up providing for Permanent and Economic Councils on the pattern of the Little Entente Organisation Pact. A military convention between Yugoslavia and Turkey which provisioned for mutual help against Italy as well as Bulgaria was signed on 5 June.¹¹⁷ Having found out that the pact had

¹¹³ TNA, Vansittart to Henderson, 2 February 1934, R 684/22/67, FO 371/18385.

¹¹⁴ AJ, London Legation, dossier 1 [strictly confidential archives for 1934], Purić to Djurić, 27 January 1934, confidential no. 115.

¹¹⁵ Ibid.

¹¹⁶ TNA, Minute by Sargent, 1 February 1934, R 700/22/67, FO 371/18385.

¹¹⁷ Avramovski, *Balkanska Antanta*, p. 160.

been initialled in Belgrade, Carr noted with resignation that Titulescu and Maximos had ‘got their very ill-advised way’, whereas Vansittart later called it ‘a bad and retrograde piece of work.’¹¹⁸ When the Greek press announced that British representatives in the capitals of the four signatory countries had been instructed to congratulate the governments concerned, Waterlow issued a *démenti*, once again deprecating a pact without Bulgaria, which was most embarrassing to a Greek government already exposed to heavy criticism on the part of the opposition.¹¹⁹ The Foreign Office suspected that some military conventions may have existed among the signatories, but thought that the knowledge of their exact scope was of no great practical importance and could be embarrassing; it was thus, in Gallop’s words, ‘a case when ignorance is bliss.’¹²⁰

Having collated all the information, often contradictory and confusing, as to how the Balkan Pact had come into being, Henderson modified his earlier stance. Holding that Bulgaria could not have been induced to adhere and had even acted with bad faith, the Minister came to conclusion that the pact achieved the most that could have been reasonably expected and that it should receive British ‘cordial support’.¹²¹ On further reflection the Foreign Office decided to reject Henderson’s suggestion for a public declaration in support of a Balkan understanding and to keep pressing for all round appeasement by impressing on Sofia the need to proceed with bilateral negotiations with her neighbours for the settlement of outstanding questions and the conclusion of

¹¹⁸ TNA, Minutes by Carr, 5 February 1934, R 703/22/67, and Vansittart (and Sargent to the same effect), 15 February 1934, R 915/22/67, FO 371/18385.

¹¹⁹ BDFA, vol. 10, Doc. 75, Waterlow to Simon, 15 February 1934 with enclosed text of the press communiqué in French.

¹²⁰ TNA, Minutes by Gallop, 7 December, and O’Malley, 12 December 1934, R 7112/22/67, FO 371/18387.

¹²¹ TNA, Henderson to Simon, 5 February 1934, R 939/22/67, FO 371/18385; Henderson to Vansittart, private, 19 February 1934, R 1193/22/67, FO 371/18386; Henderson to Sargent, private, 19 June 1935, R 4062/1/67, FO 371/19499; BDFA, vol. 10, Doc. 80, Henderson to Simon, 19 February 1934; Having discussed the subject with Titulescu on his return to Bucharest Palairet entirely endorsed Henderson’s views. See Doc. 84, Palairet to Simon, 1 March 1934.

non-aggression pacts which she had previously held out as an alternative for a multilateral convention.¹²²

The Bulgarian problem was certainly no nearer to a solution. The study of the Bulgarian frontiers and territorial grievances showed that the British attitude continued to rest on the *status quo* as any change in this respect was bound to ‘create more problems than it would solve’:

Bulgaria is psychologically ill, and it is only in treating her as a pathological case that any hope lies of her recovery. The most that can be said at present is this. Anything which would add to her sense of grievance should be studiously avoided, and for the rest she should be treated with patience and firmness; not taken too seriously when Mr. Hyde is in control of her, and warmly encouraged when Dr. Jekyll resumes charge.¹²³

As far as British policy in the region with a view to future developments in connexion with the German danger was concerned, the memorandum written by Carr demonstrated an unduly optimistic forecast:

It is indeed quite on the cards that in twenty years time we may be working hand-in-glove with Germany in the Balkans to counteract Franco-Italian-Russian intrigues. Such a hypothesis is, of course, pure guesswork. But it is no more unlikely than any other, and far more plausible than the prospect of a Germany, single-handed, dominating the Balkan peninsula to our detriment.¹²⁴

Henderson, presumably prompted by the circulation of Carr’s memorandum, produced an analysis of his own which focused on the possibility of a Serbo-Bulgarian union and its potential consequences. The Minister reaffirmed his long-held conviction that the merger of the Bulgarians with the rest of the South Slavs was an inevitable consummation, albeit one likely to take some time and ultimately uncertain as to the form it would take.¹²⁵ Once sobered down from disappointment and excessive ambitions, Henderson argued, the Bulgarians would realise that the only prospect of obtaining their other and more justified and vital desiderata – an access to the Aegean

¹²² TNA, Carr to Bentinck and Carr to Henderson, 8 March 1934, R 1240/22/67, FO 371/18386.

¹²³ TNA, ‘Bulgaria’s Territorial Grievances’, memorandum by Gallop, 23 February 1934, R 1185/892/7, FO 371/18374.

¹²⁴ TNA, ‘The Austrian Problem: the latest phase’ (section on the Balkans), memorandum by Carr, 26 February 1934, R 2190/37/3, FO 371/18351.

¹²⁵ TNA, A Memorandum on the Influence of the Yugoslav Ideal on Balkan Politics, enclosed in Henderson to Simon, 1 March 1934, R 1543/38/7, FO 371/18369.

and reclamation of the Dobruja – lay in a powerful union with the Yugoslavs which would be created with Macedonia serving as a link between the two kindred peoples rather than an apple of discord. Contrary to the often expounded opinion that the settlement of Serbo-Bulgarian differences would at long last bring peace and stability to South-Eastern Europe, Sir Nevile prophesied:

Peace ends where Serb, or rather Yugoslav-Bulgar, union begins... Roumania would feel uneasy over the portion of the Dobruja entirely populated at that time by Turks and Bulgars, which she filched from the latter in 1913. The Greeks would feel equally anxious in regard to the Aegean coast, and Turkey as to Adrianople and ultimately Constantinople.¹²⁶

It was this prospect that accounted for the distinct uneasiness of the three signatories of the Balkan Pact which, as Henderson contended, they perceived ‘no less as a check on a Serbo-Bulgarian rapprochement than as a means to preserve the Balkans from the consequences of possible immediate European complications.’ Henderson’s vaticination, like that of Harold Nicolson ten years earlier, called for a consideration of the impact of a complete South Slav union on British interests. Whereas he believed that it might be a bulwark against Russian encroachment on the Balkans, Gallop feared that a strong state with a population of 20 million would disturb the Balkan equilibrium and create a formidable pan-Slav bloc in Eastern Europe constituting a threat to British interests in the Middle East.¹²⁷

5.4. Czechoslovakia: Internal and External German Problem

Concurrently with the Austrian situation the Foreign Office became deeply concerned with the internal situation in Czechoslovakia as it was fairly obvious that in conjunction with the external pressure from Germany the question of the Bohemian Germans might rapidly come to the forefront. Addison was naturally called up to

¹²⁶ Ibid. See also TNA, Henderson to O’Malley, 2 March 1934, R 1516/892/7, FO 372/18375.

¹²⁷ TNA, Minute by Gallop, 15 March 1934, R 1543/38/7, FO 371/18369; Like ten years earlier there was no consensus on this score. The Chief of the Northern Department, Lorens Colier, scribbled next to Gallop’s minutes that he did not see how ‘a pan-Slav bloc in the Balkans should damage our interests in Asia!’

provide a review of relations between the two national communities. In reply to this request he compiled a report which exuded with all his anti-Slav and particularly anti-Czech prejudices to a hitherto unprecedented extent even by his standards. In a lengthy disquisition Addison briefly reviewed the historical background of Czech-German relations, dismissing the former's assertion of mistreatment at the hands of the latter as unfounded and calculated 'to make out a case, and to prolong into modern times the undoubted grievances of the comparatively distant past.'¹²⁸ It was a Slav instinct to dislike and hate everything German and in the Czech case it was compounded with the German habit of looking down on the Czechs as racially inferior. Moreover, that inferiority was, according to Addison, a fact, and for that reason it further inflated a Czech grievance. On taking the reins of the country in their own hands the Czechs had embarked on a policy of which 'the one object was to exalt their race at the expense of the other' and this policy could be only executed 'by injustice, partiality and favouritism, only by what, for want of a better term, I must call persecution and oppression'.¹²⁹ In the existing circumstances, Addison went on, it was but natural that the overwhelming majority of Germans had Nazi sympathies as an expression of their resistance to the Czechs and a religious belief in Germandom. Against this background Addison proceeded to give his considered opinion about the immediate enquiries put before him: he ascertained that Berlin had entirely ceased to provide any financial subsidies as had been previously believed to have been distributed to the German minority and, if Germany exerted any influence, far from stirring any trouble, it did so 'in the direction of moderating enthusiasm.'¹³⁰

The tenor of Addison's remarks in relation to the treatment and sentiments of the German minority in Czechoslovakia produced a corresponding effect in London and contrary opinions stressing its passive bearing were explained away accordingly: 'The

¹²⁸ BDFa, vol. 10, Doc. 257, Addison to Simon, 7 August 1934.

¹²⁹ Ibid.

¹³⁰ Ibid.

“strange quiescence” of the German minority must be ascribed to effective measures of repression & the absence of any support from the German Govt.’¹³¹ Another of Addison’s onslaughts against Czechoslovakia and her policies, written with a view to appraising the position in the wake of the Marseilles assassinations, was compounded by fresh accusations of Czech misrule which was equated with the methods of a police state.¹³² On this occasion it was revealed that Addison’s slighting and immoderate observations about Czechoslovak conditions were raising some doubts among at least some of the officialdom at the Foreign Office. O’Malley questioned some of the basic suppositions that Addison had put forward time and again; however, the latter stuck to his views.¹³³

The German minority problem in Czechoslovakia centred on the growing strength of the Sudeten German party headed by Konrad Henlein – an obedient tool of Hitler - and its relations with the central government. In the elections of May 1935 Henlein’s party came away as the largest single party in the country and the undisputed representative of the German electorate. In his report on the electoral prospects of the new party the British Vice-Consul at Liberec, Sydney Elliot, placed great emphasis on the fact that it had nothing in common, except perhaps in terms of its organisation, with the Nazis across the border.¹³⁴ His views were readily accepted in the Southern Department which inferred that it was incumbent on Beneš and the Czech government to determine how the situation would evolve.¹³⁵ If the former showed sense and

¹³¹ TNA, Minute by Reilly, 14 August 1934, R 4479/237/12, FO 371/18382; although Addison’s ‘dislike for the Czechs’ and ‘characteristic depreciation of the country’ were duly noted the Foreign Office officials still considered his dispatches to be ‘first-rate’ and apparently formed their opinions accordingly. See minutes by Gallop and Carr written on 16 August in the same file.

¹³² B DFA, vol. 10, Doc. 288, Addison to Simon, 13 November 1934.

¹³³ TNA, O’Malley to Addison, private, 24 November 1934, R 6410/5311/67, and Addison to O’Malley, private, 6 December 1934, R 7137/5311/67, FO 371/18390; Eden, *Facing the Dictators*, pp. 173-174 was later to say that Czechoslovakia of Masaryk and Beneš ‘was a true democracy.’

¹³⁴ B DFA, vol. 11, Doc. 179, Memorandum on the S.H.F. (“Sudetendeutsche Heimatsfront”) and the Prospects of this Party at the forthcoming General Election on May 19, 1935, enclosed in Doc. 178, Addison to Simon, 29 April 1935.

¹³⁵ TNA, Minutes by Cheetham, 22 May 1935, Sargent, 24 May 1935, and Vansittart, 25 May 1935, R 3285/234/12, FO 371/19492.

moderation, the Sudeten party should be taken into the cabinet in place of the current German Ministers who had lost their popular support at the elections. Henlein was believed to be willing to cooperate while Beneš was suspected of an intention forcefully to suppress the German party. Any move on the part of Prague to strengthen its executive power in case of the internal trouble, such as the extending of the Extraordinary Powers Bill on 26 June 1935, was consequently dimly viewed in London: 'It is this policy of continual pinpricks which has made the Sudetendeutsche Party what it is. I cannot understand why the Czechs cannot see that it is worth their while not to go out of their way constantly and unnecessarily to irritate the German minority.'¹³⁶

Henlein skilfully exploited this feeling, not least in his conversations in the Foreign Office. After the first of these in which he left upon his interlocutors 'a strong impression of sincerity and honesty', Vansittart, convinced that it would thus be 'doing Czechoslovakia a service', urged Eden to drop a hint to the Czechs at Geneva 'to give these fellows a straighter deal, which, they say, is all that they want. It would be a stitch in time – and save a bad rent.'¹³⁷ It remains unclear how long Vansittart and other officials laboured under their mistaken impression. 'The Czechs suspected what I discovered later – that he [Henlein] was in Nazi pay' – Vansittart laconically wrote afterwards.¹³⁸ Not surprisingly, Addison confirmed Whitehall's impressions reinforcing the image of a moderate Henlein and 'the essentially legal and law-abiding nature' of

¹³⁶ TNA, Minute by Cheetham, 12 July 1935, R 4325/234/12, FO 371/19492; in answer to this question Gallop contended that the Czechs had gone too far in antagonising their Germans to renege on their policy.

¹³⁷ TNA, Minute by Norton, Record of Henlein's lecture at Chatham House, 10 December 1935, and minute by Vansittart, 16 December 1935, R 7511/234/12, FO 371/19493; There is obviously no doubt that his biographer was right in asserting that Vansittart was duped by Henlein. See Norman Rose, *Vansittart: Study of a Diplomat* (London: Heinemann, 1978), p. 223.

¹³⁸ Vansittart, *The Mist Procession*, p. 470; His successor Cadogan's remark that 'Van was soon cured of his illusion' is not really helpful. See Ian Colvin, *Vansittart in Office: an historical survey of the origins of the Second World War based on the papers of Sir Robert Vansittart* (London: Gollancz, 1965), pp. 208-209; for a fuller discussion on Henlein's activities and their impact on British policy see Bruegel, *Czechoslovakia before Munich*, pp. 132-143, 209-225; Keith Robbins, 'Konrad Henlein, the Sudeten Question and British Foreign Policy', *Historical Journal*, 12. 4 (1969), 674-697; Cornwall, 'A Fluctuating Barometer', pp. 324-330.

his movement with all the zeal of his anti-Czech bias.¹³⁹ As for Henlein's two visits to London, Addison portrayed them as the last phase of the Bohemian German struggle, their offer of cooperation having been rejected by the Czech government. They were now endeavouring to bring external pressure to bear upon Prague by enlisting British sympathy, failing which, and along with the continued and increased repression by the government, the only remaining way out of their predicament would be to turn to Berlin.

The British outlook on the internal problems of Czechoslovakia was inextricably connected with their attitude towards the new orientation of Beneš's foreign policy. In the wake of the Franco-Soviet mutual assistance pact of 2 May 1935, which was an attempt to contain Germany by facing her with the prospect of a two-front war, Czechoslovakia followed suit and two weeks later concluded a pact herself with the Soviet Union, the implementation of which was made conditional on the Franco-Soviet pact being put into effect. The majority of the Foreign Office officials, including the Foreign Secretary himself, were of the opinion that the Czechs had embarked on a highly dangerous course by overtly associating themselves with the Soviet Union.¹⁴⁰ This school of thought propounded that on account of her heterogeneous composition and inherent weakness it was a folly for Prague to pursue a forward foreign policy, especially one which was bound, by virtue of its anti-German character, to further antagonise not just the Bohemian Germans but also the Roman-Catholic Slovaks who were wary of any rapprochement with communist Moscow. On the other hand, Collier and Vansittart argued that Beneš had no alternative.¹⁴¹ The latter clearly recognised that

¹³⁹ BDFa, vol. 11, Doc. 230, Addison to Hoare, 21 December 1935.

¹⁴⁰ TNA, Minutes by Lambert, Carr and O'Malley, 20 June 1935, a collective minute by Lambert and Gallop, 9 July 1935, and minute by Simon, 11 July 1935, R 3805/3805/12, FO 371/19495; They hoped that Beneš's approach would be repudiated by what they perceived as a pro-German wing headed by the two Masaryks, the President and his son Jan, the Minister at London. See also minutes by Lambert and Carr, 15 June 1935, and Collier's marginal comments, R 3748/1/67, FO 371/19498.

¹⁴¹ TNA, Minutes by Collier, 22 July 1935, and Vansittart, 30 June 1935, *ibid*.

the Germans entertained the idea of disrupting Czechoslovakia and thus could not be conciliated.

Beneš's clumsy attempts to put a brave face on the impending troubles did not help his standing in the Foreign Office either. Addison, who described three and half million Germans in Bohemia as being 'Nazi to a man', contemptuously recorded Beneš's account of his refusal of a pact of non-aggression with Germany on the grounds that it was superfluous since there were no questions at issue between the two countries.¹⁴² Patrick Reilly of the Southern Department shared the Minister's bewilderment: 'Dr. Benes' apparently sublime confidence in face of the danger of encirclement by a hostile Germany is indeed astonishing.'¹⁴³ On another occasion the Czech professed that the German minority problem was 'not active' and that the Anschluss was not a Czech problem but rather one that concerned the Great Powers. None of these statements were taken seriously in the Foreign Office.¹⁴⁴ Nor did he seem any more credible when oozing optimism as to Czechoslovakia's prospects irrespective of whether German or Italian influence prevailed in Vienna. His utterance invoked Vansittart's scorn: 'The more I see & hear of Dr. Benes, the less I think of him.'¹⁴⁵ The Permanent Under-Secretary offered an unflattering explanation of the Foreign Minister's rhetoric: 'Dr Benes has 2 stories, one tranquillising, the other alarming. I think the former is what he really believes. But he tries to put a good face on it, and says that he has a policy for every eventuality, when really he has a policy for none. Probably the most overrated man in Europe.'¹⁴⁶

The markedly unfavourable impression of Beneš's diplomatic style was all the more unfortunate insofar as it tarnished the more sound and justifiable estimates that he

¹⁴² TNA, Addison to Simon, 3 February 1934, R 952/28/12, FO 371/18380.

¹⁴³ TNA, Minute by Reilly, 16 February 1934, *ibid*.

¹⁴⁴ TNA, Memorandum by Mr. Eden on conversation with Beneš, 23 November 1933, and minute by Reilly, 5 December 1933, C 10598/193/12, FO 371/16659.

¹⁴⁵ TNA, Minute by Vansittart, 28 September 1934, R 5181/37/3, FO 371/18356.

¹⁴⁶ TNA, Minute by Vansittart, 7 October 1935, R 5447/4371/67, FO 371/19503; W. Mack of Prague Legation dubbed Beneš 'the Little Jack Horner.' See Mack to Carr, private, 14 September 1934, R 5171/1070/12, FO 371/18382.

made of Central European politics. When Prague warned about the intention of taking forcible measures against the Socialists in Vienna, Hankey typically blamed the Czechs and Beneš in particular as ‘the villains of the piece all through Austrian affairs’ for spreading rumours and panic about the troubles ahead.¹⁴⁷ Likewise Beneš admonished Addison that Mussolini had reached an understanding with Dollfuss to send two army corps into Austria in the event of a Nazi putsch, but Gallop dismissed any such contingency as an ‘unlikely eventuality’ and proclaimed a theory that it was the talk of a war that ‘must bring that danger appreciably nearer’.¹⁴⁸ A great deal of German propaganda centred on the convention for the cooperation between the Czechoslovak and Soviet air forces, which had allegedly been signed to give effect to the military collaboration as provided for by the mutual assistance pact. British reaction to it became a supreme example of the distorted perception that took hold in Whitehall as a consequence of the unfavourable view taken of Beneš and all his works. The British Air Attaché in Moscow did not believe in the existence of such a convention and told Collier that ‘it would make no practical military difference even if there was one.’¹⁴⁹ Nevertheless, far from discounting the story, the growing tendency in the Foreign Office was to take many of the diplomatic rumours for granted.¹⁵⁰

5.5. The Little Entente and the Soviet Union

The Head of the Central Department, Ralph Wigram, described Barthou’s tour of Prague, Belgrade and Bucharest in the spring of 1934 as signifying ‘the new alignment of French foreign policy to the Little Entente.’¹⁵¹ It was part of the strategy to

¹⁴⁷ TNA, Minute by Hankey, 21 April 1933, C 3527/3311/3, FO 371/16645.

¹⁴⁸ TNA, Minute by Gallop, 14 February 1934, R 932/37/3, FO 371/18347; Drummond, on the contrary, rightly assessed that the Italians were likely to intervene. See Drummond to Simon, 2 March 1934, R 1435/37/3, FO 371/18350.

¹⁴⁹ TNA, Minute by Collier, 10 June 1935, N 3419/160/38, FO 371/19461.

¹⁵⁰ TNA, Minute by Cheetham, 15 October 1935, R 6100/5352/67, FO 371/19503.

¹⁵¹ TNA, Minute by Wigram, 8 May 1934, C 2848/1647/17, FO 371/17664.

encircle Germany with the support of the USSR, Poland and, if possible, Italy for which latter collaboration Barthou was reported to be particularly keen to work. Wigram was favourably disposed towards this new policy: 'The more it succeeds, the less important and the less immediate is likely to be the effort required from ourselves.' A successful start was made with the Czechoslovak-Soviet treaty, but it was necessary to bring Romania and Yugoslavia into the fold as well for the alignment to be completed, at least as far as the Little Entente was concerned.

The rise of Nazism in Germany had had its repercussions in Romania where the fascist Iron Guard had gained in strength. Its illegal and subversive activities culminated in the murder of Prime Minister Duca which took place in retaliation for his dissolving the organisation. Titulescu repeatedly complained to Palairet about the hard struggle he had to endure against King Carole, who was imbued with totalitarian sympathies, and in particular his efforts to counter the influence of the king's camarilla which secretly supplied the Iron Guard with money.¹⁵² Initially the Foreign Office was not too much impressed with these utterances on account of the Romanian's notorious unreliability.¹⁵³

Nevertheless, even when it became obvious that dangerous internal undercurrents were at work in Romania, both Reilly and Carr ruminated that there was not much difference between Romanian democracy and potential fascism.¹⁵⁴ Sargent and Vansittart also discounted 'Titulescu's pessimism', but for different reasons. While the former did not believe that King Carol would promote the establishment of a fascist dictatorship which he would not be able to control, the latter disclosed the usual contempt for the military-political weight of Bucharest: 'Rumania has never counted for

¹⁵² BDFA, vol. 10, Doc. 56, Palairet to Simon, 19 January 1934; Doc. 62, Palairet to Simon, 2 February 1934; Doc. 85, Palairet to Simon, 16 March 1934; Doc. 182, Palairet to Simon, 1 March 1934.

¹⁵³ TNA, Minutes by Reilly and Carr, 12 February 1934, R 851/1/37, FO 371/18440; Sargent depicted Titulescu as suffering from megalomania while others were divided in their estimates of the Romanian. See minute by Sargent, 27 March 1935, R 1949/302/67; minutes by Carr, 9 June 1935, Collier, 11 June 1935, and Vansittart, 22 June 1935, R 3447/302/67; in FO 371/19500.

¹⁵⁴ TNA, Minutes by Reilly, 27 March 1934, and Carr, 28 March 1934, R 1836/1/37, FO 371/18440.

anything anyway, and there is no visible reason in nature why she even should count.’¹⁵⁵ Nor could such an impression be diminished on hearing news of the revelation of a serious plot to assassinate the king which originated with the army although Palairet intimated that this definite evidence of the discontent among the armed forces could be a potent deterrent to the king’s plans to introduce a dictatorship and that it might strengthen the political parties again.¹⁵⁶

According to the account given to Palairet by both Titulescu and the French Foreign Minister himself, Barthou’s visit to Bucharest in June 1934 was designed with the ulterior motive of staging a public display of friendship between the two countries that would force the hand of King Carole by demonstrating Romanian devotion to democracy and traditional pro-French leanings in foreign policy.¹⁵⁷ However, such considerations did not matter much to Whitehall diplomats. The flamboyance of the visit and the pronounced anti-revisionist rhetoric were bound, in British opinion, to make a rapprochement between Rome and Paris more difficult and moreover to antagonise Hungary. Vansittart in particular took a dim view of French policy and gave vent to his feelings by indulging in some personal abuse of Barthou who he accused of being carried away as a result of his old age. According to the Permanent Under-Secretary, the Frenchman had been ‘very foolish and impulsive’.¹⁵⁸ Still, the real position in Romania was fully appreciated by this time. The analysis of German economic and political expansion in the region acknowledged Titulescu as being a dam to the influx of German influence in Romania.¹⁵⁹ On the other hand, Vansittart

¹⁵⁵ TNA, Minutes by Sargent, 28 March 1934, and Vansittart, 29 March 1934, *ibid.*

¹⁵⁶ TNA, Palairet to Vansittart, private, 13 April 1934, R 2396/1/37, FO 371/18440.

¹⁵⁷ TNA, Minutes by Carr, 23 June 1934, and Sargent, 25 June 1934, R 3551/324/37; Clerk to FO, 26 June 1934, R 3581/324/37; in FO 371/18446; Annual Report on Roumania for 1934, R 1131/803/37, FO 371/19570; BDFA, vol. 10, Doc. 232, Palairet to Simon, 3 July 1934.

¹⁵⁸ TNA, Minutes by Vansittart, 25 June 1934, R 3551/324/37, and 4 July 1934, R 3642/324/37 in FO 371/18446.

¹⁵⁹ TNA, ‘German activities and influence in the Central and South Eastern European countries from April, 1934’, July 1935, R 5462/134/18, FO 371/18859.

recognised the unsettling activities of the Romanian sovereign: 'King Carol would be a very disturbing factor if his country were not so incapable.'¹⁶⁰

Titulescu gave clear evidence of his political orientation in conversation with Sargent by revealing his intention to open negotiations with the Soviets for the conclusion of a pact on the lines of the recent Czechoslovak-Soviet model in order to enable the execution of the latter by defining the routes through Romanian territory which the Soviet army would be able to pass on their way to Prague – pointedly excluding Bessarabia.¹⁶¹ He was also perturbed by the Yugoslav government's aversion to the recognition of the Soviet Union and even asked for British help in order to influence Prince Paul in the direction of cooperation with Moscow. His request met with an entirely non-committal reply but that did not stop Titulescu from misleading King Carol that the British were favourably disposed to Romano-Soviet and Yugoslav-Soviet rapprochement.¹⁶²

At this juncture the Yugoslav attitude towards both Germany and the Soviet Union became crucial as it had the potential to determine the stance taken by the Little Entente as a whole and thus substantially to influence the future course of events in Central Europe. That attitude had been in the making for a long time. With regard to Moscow Yugoslavia had always been an implacable opponent of any official relations with the Bolshevik regime on account of the large and influential body of White Russian refugees who had settled in the country and feelings of detestation on the part

¹⁶⁰ TNA, Minute by Vansittart, 4 July 1934, C 3808/2275/38, FO 371/18328.

¹⁶¹ TNA, Minute by Sargent, 8 July 1935, R 4477/1/67, FO 371/19499; B DFA, vol. 11, Doc. 125, Sir Samuel Hoare to Sir R. Hoare (Bucharest), 16 July 1935.

¹⁶² TNA, Minute by Vansittart, 31 July 1935, N 3776/160/38; Henderson to Hoare, 20 July 1935, N 3776/160/38; in FO 371/19461; Minutes by Cheetham and Carr, 8 October 1935, R 6009/5352/67, FO 371/19503; B DFA, vol. 11, Doc. 138, Balfour to Hoare, 5 October 1935; Titulescu's conduct in this connexion became a matter of controversy which angered Prince Paul. While many British diplomats saw his professions as an outright lie Vansittart, who also had had a conversation with Titulescu, exonerated him from such accusation and put his later utterances down to the fact that the Romanian had read more into his words than what had been actually said about the British view of a potential recognition of the Soviet Union by Yugoslavia. See TNA, O'Malley to Hoare, private, 22 November 1935, R 6752/5352/67, FO 371/19503; the language held to Titulescu was indeed very cryptic and ambiguous.

of the royal house who had close connexions with the Romanoff dynasty.¹⁶³ On the other hand, official Yugoslav opinion had long since displayed a propensity to look for a rapprochement with Germany.¹⁶⁴ Henderson recalled how Marinković had often used to tell him that it was not the Little Entente's business to prevent the Anschluss.¹⁶⁵ Moreover, Marinković had an interesting explanation for his view that the Little Entente did not depend on France but that it was rather the other way round: the Little Entente could protect its interests by aligning itself with Germany from which it had not taken 'a single village' in the peace settlement, and Berlin would without doubt enthusiastically seize such an opportunity for it would provide the Germans with an exceptionally favourable position in Central Europe.¹⁶⁶ Henderson also observed the pronounced German sympathies in King Alexander: 'Incidentally His Majesty has a great admiration for Hitler and his works. I think he would like to ally himself with Germany and that is why he is worried over the position of Czechoslovakia as his partner in the Little Entente'.¹⁶⁷ After the king's death the legacy of his foreign policy was heartily embraced by Prince Paul. The latter struck John Balfour, on his arrival at the Belgrade Legation, as not just deeply sympathetic to Germany but also as a rabid anti-Bolshevik owing to the fact that he was half White Russian himself.¹⁶⁸

Fearful of communism, the Prince Regent was firm in his decision to postpone as long as possible the establishment of diplomatic relations with Moscow and his

¹⁶³ Vuk Vinaver, 'Jugoslovensko-sovjetski odnosi 1919-1929: pitanje priznanja SSSR i uspostavljanja jugoslovensko-sovjetskih diplomatskih odnosa', *Istorija 20. veka*, 7 (1965), 93-188 and from the same author 'Prilog istoriji jugoslovensko-sovjetskih odnosa 1929-1934. godine', *Istorijski glasnik*, 1 (1965), 3-57.

¹⁶⁴ Vuk Vinaver, "'Austrijsko pitanje" i velika preorijentacija kralja Aleksandra prema Nemačkoj (1927-1932)', *Istorija 20. veka*, 3.1 (1985), 7-28 and 'Početak "nemačke orijentacije" stare Jugoslavije', *Istorijski zapisi*, 34.1-2 (1977), 785-800.

¹⁶⁵ Henderson, p. 176.

¹⁶⁶ AJ, London Legation, fascicle I, I-4 Hungary, Marinković to Luković (Budapest), 11 October 1929, confidential no. 18228, enclosed in Fotić to Djurić, 28 December 1929, confidential no. 765; A SANU, Marinković Papers, 14.439/505, Marinković's report on conversation with Grandi at Geneva on 9 September 1930.

¹⁶⁷ TNA, Henderson to Vansittart, private, 25 November 1933, C 10569/44/92, FO 371/16829; also Henderson to Vansittart, private, 22 December 1934, R 59/59/92, FO 371/18453.

¹⁶⁸ TNA, Balfour to O'Malley, private, 28 April 1935, R 2912/1/67, FO 371/19498; also Henderson to Simon, 1 April 1935, R 2292/925/67, FO 371/19502.

government were not favourable towards the French policy of alliance with the Soviets.¹⁶⁹ Nor was the French policy of rapprochement with Yugoslavia's arch-enemy Italy any more palatable to Belgrade; Henderson noticed that confidence in France had been shaken since the time of the Franco-Italian agreement in Rome.¹⁷⁰ The confusion was amplified by a new departure in German policy in the Danube valley. General Göring's visits to Budapest and Belgrade in mid-1935 signalled the beginning of a sustained effort to bring about a rapprochement between Hungary and Yugoslavia as a preliminary step to breaking up the Little Entente and the eventual dismemberment of Czechoslovakia.¹⁷¹ Sargent had predicted a German initiative in this direction as early as December 1934.¹⁷²

Weighing carefully the prospects of a closer understanding between Belgrade and Berlin, Henderson was not unduly alarmed. Despite Germany's potential usefulness as a form of insurance against Italy, the responsible political and military authorities fully realised the great menace that a dominant Germany would pose for Yugoslav interests and they were highly unlikely to proceed to a definite German alliance unless they were driven to the extreme either through abandonment by France or through further pressure from Italy.¹⁷³ Indeed, the British Military Attaché, Colonel Denis Daly, discovered that the Yugoslav General Staff believed that the Little Entente could not count on effective military assistance from France. Nevertheless, there was still no

¹⁶⁹ Ibid.; Henderson to Simon, 1 April 1935, N 1729/160/38, and Henderson to Hoare, 20 July 1935, N 3776/160/38, FO 371/19461; Balfour to O'Malley, private, 19 August 1935, R 5178/3350/92, FO 371/19580.

¹⁷⁰ BDFa, vol. 11, Doc. 77, Henderson to Simon, 10 February 1935; TNA, Henderson to Simon, 20 May 1935, R 3350/3350/92, FO 371/19580.

¹⁷¹ BDFa, vol. 11, Doc. 113, Henderson to Hoare, 10 June 1935; Doc. 190, Ramsay to Hoare, 8 June 1935; TNA, Minutes by Lambert, 18 June 1935, Carr, 19 June 1935, and Vansittart, 30 June 1935, R 3811/1/67, FO 371/19499.

¹⁷² TNA, Minute by Sargent, 8 December 1934, R 6725/1608/22, FO 371/18436.

¹⁷³ TNA, Annual Report on Yugoslavia for 1933, R 488/488/92, FO 371/18455; Annual Report on Yugoslavia for 1934, R 526/526/92, FO 371/19578; Balfour to Sargent, private, 6 September 1935, R 5583/3350/92, FO 371/19580.

indication of any tendency to jettison the French alliance in favour of an arrangement with Germany.¹⁷⁴

Henderson underscored that Britain had an important role and great weight at Belgrade: ‘Even to-day it is to a great extent the more sympathetic attitude of His Majesty’s Government towards Yugoslavia which is the chief drag on the Berlin drift, and it was always British goodwill rather than French backing which the late King sought as the most essential guarantee for any Italo-Yugoslav agreement’.¹⁷⁵ The Oxford-educated Prince Paul, whose ‘whole outlook is essentially English’, was expected to be particularly amenable to British advice.¹⁷⁶ The Foreign Office chose to offer that advice in order to prod Yugoslavia towards adhering to an anti-German Danubian pact. When Henderson wondered how to influence the Yugoslavs in that direction, pointing out Britain’s inconsistency in declining to involve herself in anti-German combinations and her disapproval of the Balkan pact, Gallop brushed aside his considerations: ‘I think, therefore, we must reply that Sir N. Henderson is to “urge Yugoslavia to come into a combination directed against Germany” but that he must use what he himself calls “the language of collective security” and wrap his advice in such euphuistic language as will best commend it to the anti-Russian and pro-German Prince Paul.’¹⁷⁷

In contrast, the question of Yugoslavia’s recognition of the Soviet Union which lay at the foundation of the wider dilemma of the eventual conclusion of mutual assistance pacts between all the members of the Little Entente and Moscow presented a notable but unutilised opportunity for exercising British influence. In reply to Henderson’s enquiry as to what attitude he should adopt when the Little Entente

¹⁷⁴ BDFa, vol. 11, Doc. 156, Campbell to Hoare, 7 December 1935.

¹⁷⁵ BDFa, vol. 11, Doc. 73, Henderson to Simon, 31 January 1935; Doc. 140, Balfour to Hoare, 5 October 1935; TNA, Balfour to Carr, private, 30 September 1935, R 6286/219/92, FO 371/19576.

¹⁷⁶ TNA, Annual Report on Yugoslavia for 1934, R 526/526/92, FO 371/19578; Report on Leading Personalities in Yugoslavia, R 3747/3747/92, FO 371/19580 [quoted]; Campbell to Sargent, private, 25 November 1935, R 7187/219/92, FO 371/19576.

¹⁷⁷ TNA, Henderson to Sargent, private, 19 June 1935, and minute by Gallop, 3 July 1935, R 4062/1/67; also Henderson to Vansittart, private, 24 June 1935, R 4209/1/67; in FO 371/19499. Emphasis in original.

conference met in Belgrade on 20 June 1935 in order to discuss the question of their relations with the Soviet Union, Vansittart instructed him to refrain from giving advice unless pressed for it. But Vansittart's musings clearly demonstrated that the Foreign Office, or rather he himself, had some definite views on the subject. Although the reappearance of Russian influence in Central Europe and the Balkans was deprecated as a matter of principle, it was admitted to be an inevitable consequence of German penetration of the region; the necessity for the Little Entente to devise a common stand was understood accordingly: 'Also it is probably better in the long run that the Little Entente should have in this matter a common policy than that they should break up over it, with the result that Czechoslovakia and Roumania would fall into the orbit of Russia and Yugoslavia into that of Germany.'¹⁷⁸ This essentially favourable attitude towards pacts with the USSR stemmed from the conviction that

it may fairly be said - as things are at present without looking too far ahead - that Russian influence is causing less apprehension as to stability and peace in Central and Southern Europe than German influence, for the latter is generally interpreted as being directed towards territorial expansion and political domination, whereas Soviet foreign policy, at present at any rate, is ranked as purely defensive or anyhow not immediately dangerous.¹⁷⁹

Vansittart was not alone in his appreciation. Collier was also convinced that a conclusion of a Romano-Soviet pact was in the British interest.¹⁸⁰

In the opinion of Balfour, the Little Entente conference at Bled at the end of August 1935 demonstrated the apparent divergence of views between Yugoslavia, on the one hand, and Czechoslovakia and Romania, on the other, as to the former's refusal to enter into relations with the Soviet Union due to reasons of internal policy and, as Balfour suspected although it was never explicitly stated, due to her unwillingness to incur German displeasure.¹⁸¹ His judgement was confirmed in a conversation with Martinac, Secretary-General of the Yugoslav Foreign Ministry, who severely criticised

¹⁷⁸ TNA, Vansittart to Henderson, private, 19 June 1935, R 4208/1/67, FO 371/19499.

¹⁷⁹ Ibid.

¹⁸⁰ TNA, Minute by Collier, 11 October 1935, R 6009/5352/67, FO 371/19503.

¹⁸¹ BDF, vol. 11, Doc. 209, Balfour to Hoare, 2 September 1935.

Beneš for his agreement with the Soviets which, in the Yugoslav view, was directly responsible for the German encouragement given to General Gömbös.¹⁸² Yugoslav opposition defeated the policy expounded by Beneš and Titulescu. When the Romanian Foreign Ministry officially denied that negotiations with Moscow providing for the passage of the Soviet troops through Romanian territory had ever taken place, Sargent remarked that Titulescu had ‘had to eat his words’, although the exact circumstances which had compelled him to give in were not clear.¹⁸³ If Sargent was somewhat reserved as to the final outcome, Carr was quite satisfied that Romania had been ‘saved from following Czechoslovakia along the rash course of military alliance with the Soviet Union.’¹⁸⁴ The latter’s comment reveals an interesting and intriguing phenomenon within the Foreign Office: a policy concerning the relations between the Little Entente states and the USSR could not be agreed, decided and acted upon, despite the fact that such collaboration, including mutual assistance pacts, had powerful advocates in the shape of the Permanent Under-Secretary Vansittart and the heads of the Central and Northern Departments, Wigram and Collier.

5.6. Yugoslavia and Italy

The Foreign Office wavered in its appreciation of Italy’s ultimate designs on Yugoslavia insofar as it came to the realisation that Rome sought to obtain control of Dalmatia. ‘Italy has thus been playing with the most dangerous fire since the disintegration of Yugoslavia and the processes by which that consummation could be achieved would gravely imperil the whole peace of Europe.’¹⁸⁵ On that basis the

¹⁸² BDFa, vol. 11, Doc. 138, Balfour to Hoare, 5 October 1935.

¹⁸³ TNA, Minute by Sargent, 22 October 1935, R 6196/5352/67, FO 371/19503.

¹⁸⁴ TNA, Minute by Carr, 18 October 1935, R 6209/5352/67, FO 371/19503.

¹⁸⁵ TNA, Foreign Office memorandum ‘Italian Foreign Policy’ (section on Italo-Yugoslav relations), 15 March 1933, C 2415/1249/22, FO 371/16809; Memorandum respecting Franco-Italo-Yugoslav Relations by Hankey, 23 January 1933, C 376/44/92, FO 371/16828; Sargent to Tyrell, private, 6 March 1933, C 1864/24/92, FO 371/16827; BDFa, vol. 9, Doc. 197, Tyrell to Simon, 13 March 1933.

integrity of Yugoslavia was recognised as an essential requirement for the maintenance of peace and, as such, a direct British interest. Although it was admitted that Italy's dangerous policy was primarily responsible for the inflammable state of relations between the two countries, the precarious dictatorship of King Alexander was deemed a source of weakness for Yugoslavia and a standing temptation for Italy. The British government found it impossible to intervene directly with advice in Belgrade as it was not willing to undertake any commitment but soundings were taken of the French as to the possibility of urging the king, perhaps in conjunction with the Czechoslovak government, to introduce a more liberal regime with a view to improving the internal situation and frustrating Italian hopes for – and underground intrigue towards – the dissolution of the country. Henderson repeated time and again his conviction that real internal troubles or revolution were not to be expected despite all the disturbing features of the dictatorial government. Indeed, after a series of worrying signs and developments which were discernible as early as February 1933 and which included dissatisfaction in Slovenia and Croatia, he even registered a distinct improvement in the situation later in the year.¹⁸⁶ From their end the Foreign Office deprecated the anti-Yugoslav propaganda that was gaining strength in the British press and among certain members of the House of Commons as it was bound to play into Italian hands. Steps were accordingly taken to draw the attention of the News Department and representatives of the press to the undesirability of prolonging such a campaign.¹⁸⁷

To Henderson's mind, however, much more was needed. He was adamant that the British government should clearly state to Mussolini their views as to Italian policy

¹⁸⁶ BDF, vol. 9, Doc. 189, Henderson to Simon, 12 February 1933; Doc. 215, Henderson to Simon, 17 April 1933; Doc. 274, Henderson to Simon, 30 September 1933; TNA, Henderson to Sargent, private, 1 March 1933, C 2182/24/92; Henderson to Simon, 26 June 1933, and Henderson to Bartlett, private, 19 June 1933, C 6041/24/92; Cowan to Simon, 7 August 1933, C 7466/24/92; in FO 371/16828.

¹⁸⁷ TNA, Minutes by Perowne, 22 February 1933, Sargent, 25 February 1933, Vansittart, 27 February 1933, Leeper, 28 February 1933, and Perown to Grant, private, 3 March 1933, C 1869/24/92, FO 371/16827; Memorandum on Political Situation in Yugoslavia, C 3864/24/92, FO 371/16828.

towards Yugoslavia and Balkans.¹⁸⁸ Another recommendation was to make an official statement in parliament to the effect that the integrity and consolidation of Yugoslavia was a British interest.¹⁸⁹ The Foreign Office thought this suggestion premature as the Yugoslav situation was deemed ‘so uncertain that it would be extremely dangerous for us to prophesy on this matter or to pit our opinion against that of Signor Mussolini’; moreover, it disliked the air of commitment that would accompany it.¹⁹⁰ Nevertheless, Henderson’s persistent warnings still produced some impression in Whitehall. In fact, Vansittart for the first time abandoned a long-held dogma that Italo-Yugoslav frictions could only be resolved through the improvement of relations between Rome and Paris and himself suggested a forward action in the former capital:

That is only a part, and a small part, of the truth – which is: that Italy is consumed with the desire, and the impending need, of expansion. She proclaims it on the house-tops. In the present state of the world this means getting or taking something that belongs to someone else. To these adventures a strong Yugoslavia is an obstacle. She would still be an obstacle in a tripartite [Franco-Italo-Yugoslav] agreement. Therefore the agreement is not desired. It is rather desired that Yugoslavia should disintegrate - or be disintegrated. And Italy believes this to be possible or imminent (with all her follies Yugoslavia does not believe this of Italy.) It is a very dangerous frame of mind... But the foregoing is the fundamental. Italy, says Sir R. Graham, wants to expand. Well, say I, not in the Balkans anyway. Where else? says Sir R. Graham... Anyway not the Balkans, for that can’t be done without an [*sic*] European war. And since, if Italy goes on with these ideas – which of course she would deny – there will quite probably be another European war at this rate, I would not be at all averse from a friendly and tactful warning to Italy that we know what is going on & that it fills us with alarm. But this must be of none [*sic*] effect unless we make it plain that in our view the Italians are more to blame for refusing the tripartite agreement than their adversaries.¹⁹¹

British action eventually amounted to an interview between the Foreign Secretary, John Simon, and Grandi, and corresponding conversation between Graham and Suvich in Rome during which the Italian side was warned about the dangers of conflict with

¹⁸⁸ TNA, Henderson to Sargent, private, 1 March 1933, C 2182/24/92, FO 371/16828.

¹⁸⁹ TNA, Henderson to Simon, 26 January 1933, C 768/44/92, FO 371/16829; B DFA, vol. 9, Doc. 195, Henderson to Simon, 22 February 1933.

¹⁹⁰ TNA, Minutes by Perowne and Sargent [quoted], 30 January 1933, and Vansittart, 31 January 1933, C 768/44/92; Minute by Perowne, 13 March 1933, C 2183/44/92; another reason for avoiding a reference to the existing frontiers of Yugoslavia was a general attitude that ‘minor revisions’ should not be excluded anywhere. See Vansittart’s marginal comments on the Foreign Office memorandum ‘Italian Policy vis-à-vis Yugoslavia’, 14 February 1933, C 1519/44/92; all in FO 371/16829.

¹⁹¹ TNA, Minute by Vansittart, 23 January 1933, and Sargent to Seymour, private, 25 January 1933, C 541/44/92, FO 371/16829.

Belgrade. The remarks and tone of the British diplomats were, however, distinctly milder than those previously contemplated,¹⁹² presumably in deference to an anticipated Four-Power solution for the problem.

In the Foreign Office's view the confrontation between Rome and Belgrade, one of the most dangerous features of international politics ever since the war, was becoming even more prominent in the context of the Italo-German trial of strength over Austria. By throwing her weight into the scales Yugoslavia could tilt the balance against one or other contender:

Her geographical position and her potential military strength may make Yugoslavia a more or less decisive factor in future developments, not only in the Balkans, but also in Central Europe; and from the point of view of our own policy it is clearly desirable that Yugoslavia, if she is faced with the choice, should cooperate with Italy rather than with Germany. Close Germano-Yugoslav cooperation directed against Italy would seriously alter the balance of power in Central Europe, and constitute a disturbing element which might well hamper all attempts at pacification. It is a thousand pities that this should happen at a moment when Italy (no doubt from interested motives) has at last showed some fitful readiness to bury the hatchet and bring all her neighbours into a system of central European cooperation.¹⁹³

Vansittart accordingly instructed Henderson to exert all his influence in Belgrade to promote reconciliation with Italy and win the Yugoslavs over for 'the Italian as opposed to the German solution of the central European problem.'¹⁹⁴

The Southern Department's task in this respect was not made any easier by the differing appreciations coming from the Rome Embassy and the Belgrade Legation as to the real position. Drummond described the Italian attitude towards Yugoslavia as an aberration from an otherwise sensible foreign policy and he was still hopeful of some satisfactory solution.¹⁹⁵ Having discussed the problems of Italo-French and Italo-Yugoslav relations with both Suvich and the Duce, Drummond was left 'with a firm conviction that Signor Mussolini was undoubtedly and sincerely desirous of coming to

¹⁹² TNA, Simon to Graham, 18 February 1933, C 1519/44/92, and Graham to Vansittart, private, 18 February 1933, C 1952/44/92, FO 371/16829.

¹⁹³ TNA, Vansittart to Henderson, private, 28 March 1934, R 1422/59/92, FO 371/18453.

¹⁹⁴ *Ibid.*

¹⁹⁵ DBFP, ser. II, vol. VI, No. 380, Drummond to Simon, 7 April 1934.

terms with his two neighbours.’¹⁹⁶ Henderson, however, believed that an agreement was further off than it had ever been for the previous four years.¹⁹⁷ He was positive that Yugoslavia would never trust the Italians to come to an exclusive arrangement with them and that therefore the only possibility was a tripartite agreement including France.¹⁹⁸ Henderson thus suggested to Vansittart that Suvich should be pressed for a tripartite agreement during his impending visit to London and assured him that he had already been endeavouring to dissuade the Yugoslavs from a pro-German orientation. Vansittart concurred and, despite reservations voiced by Sargent and Carr, recommended that the question should be raised during Suvich’s visit.¹⁹⁹ Indeed, Simon and Vansittart did so, but the Italian was not forthcoming.²⁰⁰ The impression that Yugoslavia was gradually drifting towards Germany made Vansittart determined to persevere in his efforts. He again mooted the suggestion of a tripartite agreement, both to the French and the Italian Ambassador, but without results.²⁰¹ There was one more suggestion that aimed at solving Italo-Yugoslav tensions in a wider framework. Henderson and Waterlow argued that a concoction of a ‘Mediterranean Locarno’ with some form of British participation or at least blessing would be highly conducive to

¹⁹⁶ TNA, Drummond to Simon, 7 November 1934, R 6324/1608/22, FO 371/18436; Drummond to Simon, 12 May 1935, R 3197/241/92, and Drummond to Hoare, 9 July 1935, R 4345/241/92, in FO 371/19577; Another member of the Rome Embassy doubted ‘whether to-day Italy really aspires to a position of supremacy in the Balkans.’ See Murray to Carr, private, 17 August 1934, R 4657/1608/22, FO 371/18436.

¹⁹⁷ TNA, Henderson to Carr, private, 1 March 1934, R 1481/59/92, FO 371/18453.

¹⁹⁸ TNA, Henderson to Vansittart, private, 9 April 1934, R 2295/59/92, and Henderson to Sargent, private, 26 April 1934, R 2644/59/92, FO 371/18453; Henderson’s Memorandum on Conversation with King Alexander, enclosed in Henderson to Simon, 6 May 1934, R 2934/2934/92, FO 371/18457.

¹⁹⁹ TNA, Minutes by Vansittart, 22 April 1934, R 2178/59/92 and 19 April 1934, R 2295/59/92; Minutes by Vansittart, 22 April 1934, Carr and Sargent, 20 April 1934, R 2515/59/92; also minutes by Gallop, 20 April 1934, and Lambert, 21 April 1934, R 2516/59/92; minute by Vansittart, 24 April 1934, R 2517/59/92; all in FO 371/18453.

²⁰⁰ TNA, Note by Sir R. Vansittart, 25 April 1934, R 2496/59/92, FO 371/18453.

²⁰¹ TNA, Minutes by Vansittart, 9 May 1934, R 2712/59/92 and 10 May 1934, R 2727/59/92, FO 371/18453; In the meanwhile Henderson learned from King Alexander of another unofficial Mussolini’s proposal for an agreement with Yugoslavia of the late autumn 1933 which contained unacceptable terms and was consequently not taken notice of. See Memorandum enclosed in Henderson to Simon, 6 May 1934, R 2933/59/92 and extract from Henderson to Oliphant, private, 20 June 1934, R 3740/59/92, FO 371/18453.

fostering a sense of security in the region.²⁰² However, the proposal was not deemed practical politics in Whitehall.

Despite Italian unresponsiveness, the Foreign Office did not lose hope of an agreement on the calculation that Rome was becoming increasingly frightened of the German danger and was thus serious in its self-proclaimed wish to come to terms with Belgrade. Henderson cautioned against Italian duplicity and particularly repudiated the accusation that Yugoslavia wanted to wreck the Franco-Italian rapprochement or coveted any immediate agreement with Berlin.²⁰³ But there were certainly many difficulties in the way of the materialisation of a Franco-Italo-Yugoslav combination which stemmed from the apparent suspiciousness and reserve that Belgrade showed even towards France in this respect. Carr observed that relations between the French and Yugoslav delegations at Geneva had grown decidedly cool and that the latter was increasingly prone to seek British sympathy in consequence, a development which he found somewhat embarrassing.²⁰⁴ Having conversed with King Alexander on the eve of his fateful departure for Paris, Henderson noticed that the monarch was 'not particularly pleased at the moment with his French allies' and predicted that he could prove even less tractable in terms of any modification of his country's attitude towards Italy 'lest it give the impression of being due to French pressure and insistence. In fact the reverse is more likely to be the case.'²⁰⁵

The assassination of King Alexander threatened irreparably to stall the prospects of conciliation. Although he was personally convinced that Mussolini had stopped hankering after the dissolution of Yugoslavia, Sargent feared that he could revert to his previous policy at the slightest sign of disintegration following the tragedy in

²⁰² BDFA, vol. 10, Doc. 109, Henderson to Simon, 6 July 1934; Doc. 112, Waterlow to Simon, 18 July 1934.

²⁰³ TNA, Henderson to Simon, 27 September 1934, R 5353/59/92 and Henderson to Simon, 30 September 1934, R 5429/59/92, FO 371/18454.

²⁰⁴ TNA, Carr to Henderson, private, 27 September 1934, R 5346/1708/92, FO 371/18457.

²⁰⁵ TNA, Henderson to FO, 6 October 1934, R 5482/5482/92, FO 371/18458.

Marseilles.²⁰⁶ In order to pre-empt any such contingency the Foreign Office instructed Drummond to impress upon the Duce the British hope that he would resume his conciliatory efforts.²⁰⁷ To reinforce this point the Foreign Secretary even stated in his speech at Northampton on 19 October 1934 that a united and prosperous Yugoslavia was in both the British and the general European interest.²⁰⁸ The divergence of views between Drummond and Henderson resurfaced on this occasion. Drummond sent reassuring reports that the Italians did not seem to have contemplated any change of policy and stressed the necessity of handling them carefully.²⁰⁹ In contrast, Henderson was all in favour of plain speaking and taking a lead in bringing the Italians round to the realities of the situation. If an agreement was ever to be made, the Minister was convinced, Italy would have to forego her political ambitions in Albania and cease intriguing in the Balkans.²¹⁰ He wanted the British government to step boldly and make a communication to Rome requesting an effective neutralisation of Albania. Drummond disagreed fearing that any such step might throw Italy into the German embrace. The Foreign Office decided not to take any action on the grounds that ‘a demarche would be difficult to make and would serve no useful purpose.’²¹¹

The situation exasperated British diplomats and Gallop opined that more resolute action might be needed: ‘The time will soon come when we shall have to consider telling Sig. Mussolini outright that we consider Italian provocation of Yugoslavia the most dangerous factor in the whole European situation.’²¹² The Foreign Office approved of Henderson’s thesis and instructed Drummond to make it clear to

²⁰⁶ TNA, Minute by Sargent, 10 October 1934, R 5429/59/92, FO 371/18454.

²⁰⁷ TNA, Sargent to Vansittart, 12 October 1934, R 5583/59/92, FO 371/18454.

²⁰⁸ TNA, Suggestions for Simon’s speech and the final version of it is given in R 5630/59/92, FO 371/18454.

²⁰⁹ TNA, Drummond to FO, 12 October 1934, R 5616/59/92; Drummond to FO, 13 October 1934, R 5635/59/92 and Drummond to Simon, 22 October 1934, R 6005/59/92; in FO 371/18454.

²¹⁰ TNA, Henderson to FO, 15 October 1934, R 5673/59/92; Henderson to Simon, 24 October 1934, R 6071/59/92; in FO 371/18454; Henderson to Simon, 15 January 1935, R 530/241/92, FO 371/19576; B DFA, vol. 10, Doc. 141, Henderson to Simon, 22 October 1934.

²¹¹ TNA, Drummond to Hoare, 3 August 1935, and minute by Gallop, 13 August 1935, R 4943/878/90, FO 371/19477.

²¹² TNA, Minute by Gallop, 15 September 1934, R 5069/59/92, FO 371/18454.

Mussolini that in the British view it was the Italian attitude that was responsible for Yugoslavia's flirtation with Germany. In carrying out this instruction Drummond considerably watered down his remarks, but his language was approved in Whitehall which was inclined to make allowance for the discretion of the man on the spot.²¹³

It was a measure of British exasperation that the Foreign Office was easily led to take at face value another Italian pretence which was presented as a change of tactics. When Mussolini offered Prince Paul a renewal of negotiations, which were to be pursued independently of France, through the same unofficial channel he had used in his abortive communication with the late king in 1931-32, the Foreign Office wholeheartedly encouraged Prince Paul to receive the proposals sympathetically.²¹⁴ The wish being father to the thought, the Southern Department was again easily swung to the opinion, upheld by Drummond and acquiesced in by Henderson, that it was 'no longer in any way true to say that Italy pursues a disruptive policy towards Yugoslavia.'²¹⁵ Contrary to what he had said, and even put into writing, to Prince Paul as his private views concerning the prospective Yugoslav attitude towards Italian feelers for negotiations, Henderson was instructed to influence the regent along the lines of greater leniency towards Mussolini.

The Duce's overtures were not followed up; nor was it clear what would be the most appropriate method by which Rome and Belgrade might come to terms. On this point Henderson and Drummond differed once again. Henderson strongly felt that Italy should take the initiative and reach a bilateral agreement with Yugoslavia as a

²¹³ TNA, Drummond to FO, 16 October 1934, and minutes by Gallop, O'Malley and Sargent, 17 October 1934, R 5700/59/92, FO 371/18454.

²¹⁴ TNA, Vansittart to Henderson, 11 December 1934, and Simon to Henderson, 12 December 1934, R 7051/59/92; minutes by Sargent and Vansittart, 17 December 1934, R 7155/59/92; Vansittart to Henderson, private, 27 December 1934, R 7385/59/92; Eden was sceptical that any Yugoslav government could reach an understanding with Italy 'at this time.' See Minute by Eden, 20 December 1934, R 7155/56/92; all in FO 371/18454.

²¹⁵ TNA, Minutes by Carr and O'Malley, 25 January 1935, Sargent, 30 January 1935, and Vansittart, 31 January 1935; Henderson to Vansittart, private, 19 January 1935, with enclosed letter from Henderson to Prince Paul, 16 January 1935; Vansittart to Henderson, private, 31 January 1935; all in R 584/245/92, FO 371/19576.

preliminary for their cooperation within the framework of a Danubian pact. Such a pact might take a long time to be realised and, even if it were realised, it would hardly be accepted by the Yugoslavs with confidence or sincerity without prior and specific Italian assurances as to their good faith in respect of Yugoslav integrity; Drummond, in contrast, contended that a multilateral pact of mutual non-interference in the domestic affairs of the contracting parties should bring about an Italo-Yugoslav rapprochement and suffice to allay the mistrust of Belgrade.²¹⁶ The Foreign Office staff was in favour of Henderson's viewpoint and suggested that it should be conveyed to Grandi by the Foreign Secretary. Nevertheless, as had happened so many times before, the matter was not pursued.²¹⁷ This time it was probably a concern not to interfere with Italian susceptibilities and jeopardise the Franco-Italian Danubian policy that accounted for the inaction. Later that year the Italian campaign in Abyssinia extinguished any prospect of either a direct agreement between Rome and Belgrade or a settlement between the two countries through the agency of a wider Danubian pact.

5.7. The Rhineland Crisis and Danubian Europe

Following the complications caused by Italy's aggression against Abyssinia, Hitler's forward action in Europe marked a watershed in the international relations of the interwar period. On 7 March 1936 German troops re-occupied the Rhineland in clear violation of the stipulations of both the Versailles and Locarno treaties. This profoundly improved the strategic situation of Germany in Europe by making her position much stronger in the event of a French offensive on German soil and, by implication, left her

²¹⁶ TNA, Henderson to Drummond, private, 13 February 1935, R 1166/241/92, FO 371/19577; Henderson to Simon, 15 January 1935, R 530/241/92; Drummond to Vansittart, private, 8 January 1935, R 568/241/92; Henderson to Vansittart, private, 19 January 1935, R 584/241/92; Drummond to Sargent, private, 29 January 1935, R 784/241/92; in FO 371/19576; BDF, vol. 11, Doc. 73, Henderson to Simon, 31 February 1935; Doc. 120, Henderson to Hoare, 1 July 1935.

²¹⁷ TNA, Minutes by Gallop, 6 February 1935, Sargent, 7 February 1935, and Vansittart, 8 February 1935, R 784/241/92, FO 371/19576.

with the initiative to turn her attention in the direction of Central Europe. Therefore, although the crisis erupted in Western Europe, its immediate consequences were most acutely felt among the smaller countries in the Danube basin and the Balkans.

The Yugoslav General Staff produced an analysis of the effects on Yugoslavia of the German breach of the Locarno agreement. It adduced a number of drawbacks: the principle of the territorial *status quo* had been disputed which could not but fail to react unfavourably on the stability of the stipulations concerning the Yugoslav frontiers; the position of France, the only unequivocally anti-revisionist Great Power, had been weakened; Czechoslovakia would henceforth be absolutely absorbed by the German threat to her existence and would have to leave 'all the Little Entente's work entirely in the hands of the Romanians and ourselves'; this, in turn, would encourage Budapest to try and make the best of her improved situation.²¹⁸ The conclusion was obvious: 'Therefore, the denunciation of the Locarno agreement is an unfavourable fact to us, and all the consequences, which will stem from it, will in general be detrimental to our country.'²¹⁹ According to the Yugoslav military's appreciation, the futile negotiations for the conclusion of a 'New Locarno' were calculated to provide for the protection of France and Belgium alone while Germany would be given a free hand towards the east and south of Europe. That meant that if the question of revision were to be eventually introduced, it would be solely 'directed at the expense of the states of the Little Entente and the Balkan Entente.'²²⁰ Another consideration of the Yugoslav army concerned the ever present Italian danger: in the new circumstances, France was forced to rely even

²¹⁸ A VII [the Archives of the Institute for Military History which is the previous name of the Military Archives], Memorandum of the Great General Staff on the occupation of the demilitarised zone in the Rhineland, 13 March 1936, strictly confidential no. 789, unregistered documents on microfilm, quoted in Živko Avramovski, *Balkanske zemlje i velike sile, 1935-1937: od italijanske agresije na Etiopiju do jugoslovenko-italijanskog pakta* (Beograd: Prosveta, 1968), pp. 142-143.

²¹⁹ Ibid.

²²⁰ A VII, General Bogoljub Ilić [the Deputy Chief of the Great General Staff] to the Minister of the Army and Navy, 26 March 1936, unregistered documents on microfilm, quoted in Avramovski, *Balkanske zemlje i velike sile*, p. 156.

more on Rome's help against Germany and, for that reason, might sacrifice Yugoslavia's interests.²²¹

However, it did not follow from this appreciation that the countries of the Little and Balkan Ententes would be able to present a united front. The cracks in their solidarity in respect of the policy to be adopted towards Germany were becoming more apparent. Czechoslovakia, being the most exposed to German might, was prepared to follow a French lead in asserting a stiffer policy towards Hitler, including economic sanctions. Titulescu was also in favour of the overt support of the French standpoint. On his way to London, where a session of the League of Nations Council had been summoned to deal with the Rhineland crisis, he presided over a joint meeting between the representatives of the Little and Balkan Ententes on 11 March at Geneva. After the meeting a communiqué was issued stating that the two ententes fully accepted the French and Belgian stance on the violation of the Locarno treaty and the reoccupation of the Rhineland and were moreover willing to uphold the application of the peace treaties.

Yugoslavia was, however, resolutely opposed to Titulescu's policy. Convinced that France and Britain would acquiesce in the German action and in keeping with the Yugoslav policy of propitiating Berlin, Prime Minister, Milan Stojadinović, backed by his two partners in the Balkan Entente, Greece and Turkey, proceeded to scotch Titulescu's manoeuvres: he instructed Purić, the Yugoslav representative at the League's deliberations in London, to act accordingly.²²² Furthermore, Stojadinović procrastinated and evaded a Czechoslovak initiative to summon a new and urgent meeting of the Little Entente; he wanted to associate Yugoslavia with the conciliatory British attitude towards Germany.²²³

Sir Ronald Campbell, the new British Minister in Belgrade, was told that the intention of the Yugoslav government was 'to lie low and play the modest part of a

²²¹ Avramovski, *Balkanske zemlje i velike sile*, p. 144.

²²² *Ibid.*, pp. 145, 150-152.

²²³ *Ibid.*, pp. 145-147.

small Power.²²⁴ Belgrade was anxious for a peaceful solution to be found and was especially alarmed about the possibility of applying economic sanctions against Germany, which would be unbearable coming in the wake of the considerable sacrifice that had been endured as the result of the application of sanctions against Italy, Yugoslavia's best customer, during the Abyssinian conflict. Campbell rightly surmised that the Yugoslavs were prepared quietly to support any conciliatory policy adopted by British government. The divergence of views between Yugoslavia and her Little Entente partners was duly noted in the Foreign Office. 'It is a pity that people talk about the "Little Entente" as if it were still a body with a common policy', Sargent remarked.²²⁵

He also mused as to whether the British should ask France to free herself from the obligations she had undertaken towards her eastern allies in return for a more binding and automatic guarantee of French territory than that provided for under the Locarno agreement. This, he believed, would at least be more palatable to British public opinion.²²⁶ Sargent clearly recognised that France was in such a pacific mood that she would repudiate her eventual obligations rather than fight Germany; but he warned that that mood could change in the different conditions brought about by British military alliance. Indeed, in October 1935, a prominent French politician, Pierre-Étienne Flandin, had had no qualms about admitting that the true state of feeling in France was such that she would never 'incur the risk of war for Austria and Czechoslovakia'.²²⁷ His confession caused no surprise in the Foreign Office.²²⁸

The French tried to counter the reoccupation and the expected refortification of the Rhineland with the conclusion of a general European security agreement which

²²⁴ DBFP, ser. II, vol. XVI, No. 66, Campbell to Simon, 11 March 1936.

²²⁵ TNA, Minute by Carr, 17 March 1936, C 1794/4/18, FO 371/19890.

²²⁶ TNA, Minute by Sargent, 16 March 1936, C 2134/4/18, FO 371/19895.

²²⁷ TNA, Memorandum by Lloyd Thomas, 7 October 1935, C 7110/6562/62, FO 371/18811.

²²⁸ TNA, Minutes by Wigram, 10 October 1935, Sargent, 11 October 1935, and Vansittart, 12 October 1935, *ibid.*

would prevent German aggression in Central Europe.²²⁹ The proposal amounted, as Sargent made plain, to a British guarantee of Austria, Czechoslovakia, Poland and Lithuania. He considered it a better alternative to economic sanctions against Germany, but impractical of application for two reasons. The first was the standard argument of the impossibility of making material commitments in regard to frontiers which the British public did not perceive as being direct British interests; the second revealed the fundamental lack of confidence which the stability of Central European countries inspired in Whitehall:

Besides, by giving these guarantees we would be definitely pledging ourselves to the policy of the status quo (e.g. as regards Danzig, Memel, and the Corridor) and at the same time making ourselves responsible for the government or misgovernment of Austria and Czechoslovakia (e.g. suppression of Liberals and Social Democrats by Austrian dictatorship; ill-treatment of Sudetendeutsche in Czechoslovakia).²³⁰

Germany was thus left to reap the benefits of her successful coup. After two months, having observed the impact of the Rhineland crisis, Campbell confirmed that German interests in South-Eastern Europe were promoted by sowing dissension between France and Yugoslavia and loosening the cohesion of the Little and Balkan Ententes as an effective bulwark to Berlin's political expansion eastwards.²³¹ The road was now open for the further strengthening of the German grip on the smaller countries of the region.

Conclusion

The German danger to the peace of Europe which became so evident after the Nazi takeover made an already unstable Central European situation bristle with additional uncertainty. The Foreign Office navigated the course between the reorganised Little Entente, which closed ranks and stiffened its front against the revisionist

²²⁹ DBFP, ser. II, vol. XVI, No. 223, Record of Anglo-French Conversations held at Geneva on 8 April 1936, enclosed in Edmond (Geneva) to Foreign Office, 8 April 1936.

²³⁰ TNA, Minute by Sargent, 10 April 1936, C 2827/4/18, FO 371/19902.

²³¹ BDFFA, vol. 12, Doc. 95, Campbell to Eden, 7 May 1936.

tendencies, and Mussolini's Four-Power project which promoted those very tendencies. The British attitude reflected the indefinite and unresolved nature of British policy in the region. On the one hand, the Foreign Office was careful in handling the Little Entente and studiously avoided giving it any reason for concern in respect of treaty revision. On the other, it actually favoured the Italian suggestion in principle as offering a reasonable way of breaking the deadlock and surmounting the intransigence of the anti-revisionists. That being so, it was understood that the Polish Corridor would be the primary intended object of the Four-Power mechanism. Although there was a feeling in Whitehall that something would eventually have to be done to redress Hungarian grievances as well, it was not thought to be practical politics as yet and Mussolini would have to be persuaded accordingly.

The most pressing issue was Austria and it presented something of a quandary. To begin with, the Foreign Office could not agree on the urgency and significance of the Austrian question. While Vansittart incessantly reiterated that Austrian independence was a vital British interest, there were others who did not subscribe to this viewpoint and who furthermore doubted that any solution for Vienna except domination by Germans was viable and tenable in the long run. In addition to the impasse in the Foreign Office, the unhelpful attitude of other departments in the matter of economic help to the Dollfuss government and the unfavourable stance of both the government and the public made sure that any prospect of active assistance to Vienna was drastically curtailed. In the circumstances the only open avenue seemed to have been a common stand of France, Italy and Britain which should have been formidable enough to deter the Germans. Since there was no question of any British commitment, responsibility for the defence of Austria had to be shouldered by Paris and Rome. Britain nevertheless still had an important role to play in using its considerable influence to facilitate the agreement between the prospective guardians of Austria. The greatest obstacle to

Franco-Italian cooperation was the conflict of interests between Italy and the Little Entente. In endeavouring to bring them together the Foreign Office operated under the same misperceptions as previously. While Italy was habitually credited with far more sincerity than was due to her in view of her policy which put thwarting the Little Entente before the necessities of the defence of Austria, the Little Entente was, as usual if not more so, condemned for not pulling its weight in the Austrian matter. In fact, the Little Entente was taken to be purposely obstructive in the essentials which were indispensable for the improvement of the Austrian situation – economic cooperation, the negotiated re-armament of the ex-enemy states and the refusal to denounce the use of force in case of a Habsburg restoration or unilateral rearmament. There was certainly some substance to the accusations, but they completely ignored the basic fact that the Little Entente could hardly be expected to make concessions without getting anything tangible in the way of their own security. Italian control over Vienna, which the British were willing to condone in the last resort, could hardly appeal to the three allies and be conducive to their cooperation.

In the Balkans the Foreign Office still favoured the all-round appeasement. While diplomatic activity was underway for the conclusion of a Balkan pact the British insisted on Bulgarian participation and let it be known that every effort should be exerted to attain this object.

The outlook on Czechoslovakia presented another and supreme instance of misperception which heavily influenced policy-making. The mounting German minority problem in that country was deemed to be the result of Czech mismanagement; the possibility of enticement from Nazi Germany was categorically discounted. This was a natural corollary of a stream of impassioned reports from Addison which seriously undermined British faith in the viability and durability of Czechoslovakia. Czech foreign policy was viewed in the light of this domestic instability. Beneš's

rapprochement with the Soviet Union was deplored as a risky and dangerous path that could precipitate a disaster. Although this school of thought took hold in the Foreign Office, it was not unanimous: Vansittart and Collier maintained that Prague did not really have a choice.

It was certainly not a coincidence that the same two men – and Wigram as well – favoured the conclusion of mutual assistance pacts with the USSR by the other two members of the Little Entente. Once more a clear divergence of views emerged regarding the policy towards the alliance as a whole between those who disliked the idea of its active involvement in the containment of Germany and those who favoured it. This divergence seems to have prevented the formulation of a definite policy and a non-committal attitude was adopted in consequence. That meant that an opportunity to influence events was consciously abandoned, despite the fact that Britain's advice would have carried great weight in the circumstances even without assuming any commitment.

The attitude towards the Italo-Yugoslav imbroglio put in a nutshell the dilemmas of Whitehall's Central European policy. After a long time the Foreign Office came fully to realise that Italy indeed nurtured territorial ambitions against Yugoslavia and therefore wanted her disruption. At the same time a rapprochement between Yugoslavia and Italy became ever more important as a prerequisite for a Danubian pact which would safeguard Austrian independence. If there was to be any prospect of bringing the two countries together a more decisive British stance was necessary to break the vicious circle of their enmity - which meant applying additional pressure on Italy. Although it was often contemplated, a firm expression of the British attitude as to the detrimental effect of Italian policy was never delivered in Rome for a variety of reasons: the belief that Italy really wanted a *détente* herself, deference to Italian susceptibility and not least the customary disinclination of the Rome Embassy to employ stronger language in its

dealings with Mussolini. It was also due to an unwillingness to make any pronouncement whatsoever in favour of Yugoslav integrity due to the internal difficulties in that country and a general ambiguity in relation to frontier revision. To cap it all, the cart was put before the horse in a persistently fostered illusion that instead of dealing with the problem it could be subsumed into the even more complex issue of the defence of Austria through a wider Danubian pact when in reality the Italo-Yugoslav conflict was one of the principal obstacles to the materialisation of any such instrument. The final failure of a Danubian combination directed against Germany due to the repercussions of Italy's Abyssinian adventure was compounded by the German re-occupation of the Rhineland which fundamentally changed the position of the Danubian states.

CONCLUSION

The problems arising from the post-war settlement in Central Europe commanded the attention of policy-makers in the Foreign Office even before the end of the Great War. The contentious issues were clearly recognised and anticipated, but it was nevertheless well-nigh impossible to opt for any particular policy. The pace of events in the wake of the armistice created a *fait accompli* which – to the peace-makers assembled in Paris – it did not seem opportune or desirable to interfere with. In Britain, the New Europe group inspired by the liberal nationalist ideas of Professor Seton-Watson was influential in the Foreign Office and lent its support to the promotion of the new successor states. According to its view, those countries were bound to be the pillars of the new order established on the ruins of Austria-Hungary. This view was by no means unanimous and, in fact, faced opposition from many quarters – among them a number of British political and military officials stationed in Central European countries and the Prime Minister Lloyd George and his entourage.

This dichotomy in the British outlook on the new configuration of the region and the practical problems which sprang from it thus manifested itself from the very outset and remained a permanent feature of Foreign Office policy. In November 1919, commenting on Cyril Butler's suggestion that Britain should embark on a policy independent of its Entente Allies and work for the carving out of a nucleus of a Central European federation which would become 'a bulwark against the Germany of the future', Sir Eyre Crowe indignantly stated:

It would, in my opinion, have the most disastrous effect, alike on the general situation and on the position of British prestige in the countries in question, were the conviction to be spread that His Majesty's Government, while officially supporting the new Czecho-Slovak Republic, were in fact behind their backs offering any sort of support to such elements as were working for disruption there. Such suspicions of British policy have, unfortunately, been spread alike in Czecho-Slovakia and in Roumania by interested parties, and I venture to urge that every

possible opportunity be taken for dispelling them and for reassuring our somewhat susceptible allies with regard to this.¹

However, Crowe's recommendations were never going to be wholeheartedly accepted, still less implemented.

The reasons for the pronounced ambiguity of the British attitude lay in the basis of British policy towards Central Europe throughout the interwar period. In short, Whitehall viewed the group of the new smaller states - the members of the Little Entente - with profound mistrust as to the solidity and permanence of their foundation. The extent and the exact nature of the faults found with the new countries varied from one to another and depended on the present circumstances, and, not least, on the outlook of the individual observer. Nevertheless, there were certain common perceptions which cropped up time and again: the Little Entente states were seen as unsettled in terms of the disharmony among their different nationalities; their governments, particularly in the case of Romania and Yugoslavia, were deemed lamentably lacking in honesty and efficiency; their economic policies were deplored in London as being unreasonably and unwisely protectionist, and, as such, these policies were thought to be hampering the economic recovery of Danubian Europe to the detriment of themselves and their antagonistic neighbours; finally, their foreign policies, individually and as a group, were not considered to have been conducive to that all-round appeasement policy which Britain pursued across the continent, and in the case of Yugoslavia, at least during the 1920s, even dangerous. Indeed, after a short period of time following the formation of the Little Entente, which had initially been greeted as a stabilising factor in a still unsettled Central Europe, the Foreign Office's view underwent a substantial change. The events in connexion with the second putsch of Karl Habsburg were a catalyst in this turnabout.

¹ DBFP, ser. I, vol. VI, No. 212, footnote 3, Butler (Budapest) to Hardinge, private, 15 October 1919.

In contrast, the ex-enemy countries, Austria and Hungary, were treated with a great deal of sympathy. The former country appeared to be resigned to her new status as a small and insignificant state in the middle of Europe and did not pose a threat to peace by nurturing any revisionist ambitions. Her economic plight spurred the British to extend as much help as possible and constituted the most convincing argument for the necessity of restoring the economic unity of the Danubian region. No wonder then that the Habsburg supporters always tried to impress upon their British interlocutors the commercial advantages of a monarchical restoration. In the political sphere, there was the prospect of a union between Vienna and Berlin which would bristle with potential difficulties, but it did not rise in an acute form until Hitler's advent to power in Germany.

Unlike Austria, Hungary was devoutly revisionist and it was her implacable opposition to the Trianon settlement that constituted the chief danger to peace in Central Europe. Although the Foreign Office had no illusions on this score, it took a favourable view of the regime established under Regent Horthy and Prime Minister Bethlen to the creation and maintenance of which it had contributed a fair share. The Foreign Office was prodded and sometimes led in this direction by the powerful influence of the Treasury and the Bank of England which pursued their own schemes for the economic rehabilitation of Central Europe, as evidenced by the Hungarian reconstruction loan affair. The Horthy-Bethlen government was believed to be a solid conservative creation which maintained an orderly administration in the country and kept under control the inflammatory forces of irredentism, thus conducting, despite occasional fiery rhetoric and other appearances to the contrary, a moderate and sensible foreign policy. In this respect, the British perception of the Hungarian government bore a striking resemblance to that of Mussolini's fascist regime. It was no doubt further strengthened by the

favourable comparison it made with the governments in Romania and Yugoslavia with their reputation of corruption and maladministration.

Finally, the inertia of views regarding the time-honoured distribution of power among the nations in the defunct Habsburg monarchy combined with strong racial prejudices to make some of the most influential officials doubt the permanence of the new order. As late as mid-1926, Miles Lampson did not hesitate to put on record the following prediction: ‘But my prophesy is that sooner or later the Hungarian will be on top again, when he will (as usual, for he is a tactless fellow!) let his neighbours know it. He is a far more virile creature than any of his neighbours, with the possible exemption of the Serb who has the strength & mentality of a bear.’²

Another failing of the Little Entente, in the eyes of Whitehall, concerned its connexions with Paris. French Premier Poincaré was determined firmly to incorporate the Little Entente into the French security system which was naturally built up with a view to containing Germany. This endeavour, and the fact that it was made at the time of the Ruhr crisis when Anglo-French relations reached their low point, accounted for the singularly frosty reception in London. The outlook on the Franco-Czechoslovak treaty of 1924 bore witness to the ill-feeling prevalent in the Foreign Office. To begin with, the treaty was disliked for its resemblance, like the Little Entente itself, to ‘a system of alliances reminiscent of pre-war methods’³ which became so unpopular in post-war Britain. Furthermore, while Masaryk and Beneš did everything in their power to avoid any military commitments towards France, and indeed succeeded in doing so, they were suspected of doing exactly the opposite. This was part of the wider tendency to entertain greatly exaggerated and distorted views of the depth and nature of the relations existing between France and the Little Entente countries. Admittedly, the

² TNA, Minute by Lampson, 24 June 1926, C 7009/2786/21, FO 371/11372. Emphasis in original.

³ Hughe Knatchbull-Hugessen, *Diplomat in Peace and War* (London: J. Murray, 1949), p. 59

Franco-Romanian treaty of 1926 did not cause that much resentment but this was only due to the propensity to disparage the importance of Romania.

All these essential elements of the British appreciation of the situation in Danubian Europe were duly demonstrated in connexion with the attempts to bring about a Central European and a Balkan Locarno. Headlam-Morley's compelling case for the indivisibility of peace on the continent and the need to provide for the security of the successor states fell on deaf ears. His suggestion that the successor states would have to be assured of their existence in terms of external threats in order to be able to settle down peacefully to the work of internal consolidation and economic development had no chance of being seriously entertained. In the predominant British perspective, those states had to make a success of themselves by means of domestic improvement - and they had to do it on their own. 'Apart from Germany and Russia, the real danger to the security of the new States is not external, but internal', Headlam-Morley himself proclaimed.⁴

The abortive attempts at Locarno-modelled agreements showed another conspicuous feature of British policy. Apart from the direct confrontation between the Little Entente and Hungary, the former played a prominent part in the Franco-Italian rivalry in Central Europe. By virtue of their common interest in the preservation of the *status quo* the Little Entente and France maintained close ties of friendship which Mussolini saw as a thorn in his flesh in pursuit of the ambitious designs of Italian preponderance in that region. In the appreciation of this trial of strength, in which the Duce was the aggressive party bent on the disruption of Yugoslavia as a prerequisite for Italian expansion, and of the policy that followed from it, the Foreign Office, and particularly Foreign Secretary Chamberlain, operated on entirely fallacious premises. They were convinced that, despite the militant cries of fascist jingoists, Mussolini

⁴ Headlam-Morley, *Studies in Diplomatic History*, p. 191.

himself was a responsible and sensible statesman who could be counted on not to allow his country to be plunged in an armed adventure. On the other hand, it was Yugoslavia which was perceived as an *enfant terrible* with her high-handed methods and dangerous turns in foreign policy, the origin of which was believed to have derived from the militarism of an obscure and restless clique of officers who exercised an invisible but powerful influence with the king.

Chamberlain's policy was based on the assumption that Mussolini could be lured into loyal cooperation with Britain and France which would ensure that the smaller countries would adhere to a Locarno-like settlement. The fault for the failure of the attempt was placed at the door of the Yugoslavs who were thought not to have approached their neighbourings in the right conciliatory spirit. The British outlook did not waver with the oncoming deterioration of the situation in Central Europe. The Foreign Office supported Mussolini in his rejection of a tripartite agreement between France, Italy and Yugoslavia because its formula fell short of the Locarno ideal, a circumstance of which the Duce made great propaganda use. The Albanian crisis brought to light the menace which poor Italo-Yugoslav relations presented for the peace of Europe. It was followed by the conclusion of the Franco-Yugoslav treaty of 1927 which underlined the tendency of the Danubian countries to divide into hostile blocs. It was exactly the avoidance of such an outcome that was the avowed object of British diplomacy.

Throughout these events Whitehall backed the Italian standpoint. The underlying reason lay in the fact that, in the view of the Foreign Office, Italy was not acting according to a premeditated, still less aggressive, plan, but out of fear and insecurity faced with a solid Little Entente bloc which was directed by France – the most powerful continental state. It was thus France and the Little Entente that were the true offenders: they were giving needless provocation to Italy, a young and susceptible

power still trying to find its feet. It is rather obvious that the negative image of the Little Entente and Yugoslavia in particular, which had already taken root in London, had a lot to do with such estimation. Even the growing body of evidence about surreptitious Italian machinations did little to alter the Foreign Office's perception of Mussolini's ultimate objectives. He was still excused on the grounds of his having to contend with the extremist faction of his party and also having to take up an essentially defensive stance towards what was perceived to be a policy of containment by France and her smaller allies, particularly Yugoslavia. Neville Henderson's emphatic assurances from Belgrade to the effect that Yugoslavia was not a danger point, and that she, in fact, lived in a constant fear of Italy's aggression, were in time accepted, but did not change the fundamental outlook.

When the Little Entente closed its ranks at the turn of 1932-1933 by transforming itself into a more compact body under the new Organisation Pact for fear of what future might hold in store, it met with reprobation in London, although these feelings were not publically expressed. This poor view of the new arrangements was founded on the same premise as ever: the publically promoted strengthening of the alliance presented a continued provocation to Hungary instead of conciliating her and did it on the unpalatable 'Old Adam' pattern. This reaction was a natural corollary of the steadily deteriorating impression of the Little Entente which had been taking hold for some years past. There were two main irritants which were responsible for the Foreign Office's distaste for what it saw as an ill-assorted trio. The first was the annoying connexion with Paris, especially since it was believed to have amounted to much more than was actually the case. The second irritant was the growing conviction that the Little Entente was the worst offender in the matter of protectionist economic policy which thwarted economic intercourse between the Danubian countries. Foreign Secretary Simon put it as follows: 'Incidentally, such pious hopes of economic co-

operation, &c., between the Little Entente and Hungary had been for the last ten years the usual stock-in-trade of Little Entente statesmen. Needless to say, they had never even begun to take practical shape.’⁵ Since Beneš was widely regarded as the moving spirit of the Little Entente it was not surprising that the incurred odium for both of the irritants was unanimously laid at his feet. The rising dissatisfaction with Beneš and all his works could be fairly accurately gauged by the increasingly violent and vituperative language employed at his expense.

As sensible as it sounded, all the talk of economic cooperation as a panacea for the ills of Danubian Europe amounted to very little and served only to conceal the lack of a proper policy. The question really turned on the crucial dilemma as to how to achieve a measure of political stability which would allow for the restoration of unrestricted economic intercourse. Henderson tackled this question by disputing Robert Vansittart’s accusations that the Little Entente was the chief offender: he put forward a thesis that it was impossible to obtain economic reconstruction unless political pacification had been achieved ‘first or at least simultaneously’.⁶ That opened up the question of Britain’s attitude towards the successor states. Henderson took care not to appear out of step with the predominant current of thought in Whitehall when he stated: ‘An Anglo-Little Entente bloc would indeed be a monstrosity, fortunately an inconceivable one, but between that and too little attention to Yugoslavia there is a “via media”, which I recommend to your consideration.’⁷ Henderson’s guarded remarks, especially if taken in the context of his whole political credo while he was in Belgrade, seem to have hinted at the necessity for a more positive British attitude.

However, other British diplomats arrived at completely different appreciations. Commenting on Beneš’s statement that Czechoslovakia was the key to the whole post-war structure of Central Europe, Joseph Addison expressed his ‘doubt whether the

⁵ DBFP, ser. II, vol. V, No. 84, Simon to Palaret, 20 April 1933.

⁶ TNA, Henderson to Sargent, private, 17 August 1935, R 4617/662/3, FO 371/19483.

⁷ DBFP, ser. II, vol. XII, No. 133, Henderson to Carr, private, 8 October 1934.

maintenance of this post-war structure is conducive to peace.’⁸ He had long been clear in his mind, contrary to the trend of thought in Whitehall, that there could be no lasting settlement in Central Europe without previous or simultaneous territorial readjustments.⁹ ‘In short, the troubles of Central Europe are much more political than economic to the extent that economics are dependent upon politics and the outcome of political reactions.’¹⁰ Addison was not alone in his thinking. By May 1936 Alexander Cadogan came to conclusion that the Covenant of the League was not working for the reason of its inherent fault of being built on the rotten foundation of the peace settlement of 1919-1920. If a new and enduring peace structure was to be erected, he argued, this fundamental problem had to be addressed: the Treaty of Versailles was the most pressing issue and thus had to be recast first, followed by the revision of the other peace treaties and ‘particularly in the case of the Treaty of Trianon, the territorial settlement certainly would be called in question!’¹¹ Therefore, another school of thought also propounded a theory that half-measures were not satisfactory but sought a solution in the opposite direction; if the ‘post-war structure’ had been proven to be untenable, it contended, it should be thoroughly dismantled and a new and feasible solution be implemented in its place.

The official policy, however, kept pursuing a middle course. Vansittart did not pay attention to Henderson’s ideas. He was equally not enamoured with Cadogan’s proposal: ‘I fear, however, that your remedy would probably prove to be too heroic and far-reaching to be practical politics, anyhow at present.’¹² As to the practical manner in which the smouldering conflict between Hungary and the Little Entente should be handled, the Foreign Office remained at a loss. Vansittart alone professed what the

⁸ DBFP, ser. II, vol. XV, No. 209, Addison to Hoare, 11 November 1935.

⁹ BDFFA, vol. 3, Doc. 264, Addison to Simon, 11 November 1933.

¹⁰ Ibid.

¹¹ Cambridge, Churchill Archives Centre, The Papers of Sir Alexander Cadogan [hereafter ACAD], 4/1, Cadogan to Eden, private, 13 May 1936. Emphasis in original.

¹² Cambridge, Churchill Archives Centre, ACAD 4/1, Vansittart to Cadogan, private, 14 May 1936.

others preferred not to state out loud: he called for some sort of treaty revision which would finally enable Europe to settle down, but he did not proffer any suggestion as to the concrete form that this policy should take, apart from the vague notion that it needed to be done peacefully and within the framework of the League of Nations. The same vagueness and ambiguity was visible in the British approach to Mussolini's Four-Power Pact and the prospect of revision it entailed. Likewise, British attitude towards Habsburg restoration became highly ambiguous torn between the realisation that it was a possible antidote to the Anschluss and the fear of the successor states' violent reaction.

Hitler's accession to power put the whole Central European imbroglio into an entirely new perspective. The Foreign Office approached it now with a view to organising the Danubian countries into a united front for the sake of supporting Austria in her struggle for the preservation of her independence against the subversion coming from Nazi Germany. This entailed the necessity of not only France and Italy composing their differences and acting in unison with each other, but also the Little Entente and Hungary, which had hitherto been at loggerheads with the support of Paris and Rome respectively. British diplomacy endeavoured to promote a comprehensive Danubian security pact through the agency of which its goal might be accomplished. The attempt was somewhat half-hearted. This was not just because of the obvious reluctance to undertake any commitments which British public opinion would not stand for. In fact, the reluctance itself seems to have had something to do with the absence of feasible alternatives for policy-makers.

Vansittart voiced his doubts as to the utility of the Little Entente in an endeavour to contain Germany: 'Events are going to move fast, if we are not resolute, too fast for the newly-united Little Entente to grow up... but I do not think that the Little Entente, with the exception of Yugoslavia, could ever be of much military value. The

Czechoslovak army is too dangerously mixed, the Roumanian too ill-officered.’¹³ Nevertheless, Ralph Wigram tried to counter the unpopularity of the Little Entente on account of its being perceived, in the well-known words of Winston Churchill, as a ‘pack of small nations on a leash to France’.¹⁴ In one of his lectures on foreign policy Wigram reminded his audience that the three small countries had the potential to be a significant factor in international relations:

Yet their growing population, the increasing length of their experience and the closer association of the three Little Entente Powers elaborated under the influence of Benes early this year [1933], are elements of great interest. We should not lose sight of the fact that, if their stability and existence can be assured, they may well provide a counterweight to the risks of any fresh German adventures in Europe.¹⁵

In view of the true disposition in the Foreign Office towards Beneš and his allies Wigram’s task appears to have been an exceedingly difficult one and his words sounded somewhat hollow.

In addition, the Little Entente was also perceived as something of a stumbling-block in the attempts to help Austria on account of its economic protectionism, resistance to the agreed re-armament of Austria and Hungary and its definite stand against a Habsburg restoration. Indeed, there was an air of strange unreality surrounding the attitude towards the Little Entente which was expected to make all the concessions without receiving anything concrete in the way of its own security. According to the British ideas, the conflict between the policies of the Little Entente and Italy in Central Europe was not to be resolved first in order to make possible their alignment in support of Austria, but submerged in a comprehensive Danubian pact which should by the sheer virtue of its existence smooth away the existing differences.

A glance at the British handling of the troubled Italo-Franco-Yugoslav relations provides another instance of the Foreign Office’s mismanagement and its hopeless

¹³ DBFP, ser. II, vol. V, No. 371, Memorandum by Sir R. Vansittart on the Present and Future Position in Europe, 28 August 1933.

¹⁴ Churchill to A. Chamberlain, 1 December 1924, quoted from Martin Gilbert, *Winston S. Churchill*, Companion, vol. V, part I, The Exchequer Years, 1922-1929 (London: Heinemann, 1967-82), p. 279.

¹⁵ TNA, Private Office Papers of Ralph Wigram, Lecture by Wigram at the Royal Naval War College, 17 July 1933, FO 800/292 [on microfilm]

lagging behind the events: the support given to Mussolini in his rejection of a tripartite agreement in 1926 was bitterly regretted in 1930 but still on grounds that 'Italy's suspicions and fears of French policy in Central Europe would never have reached the pitch which now makes all attempts at conciliation so difficult'¹⁶; in 1933 it was finally recognised that the Italians were intent on expansion in the Balkans, that they found Yugoslavia to be an obstacle to their designs and that they thus did not want to conclude a tripartite agreement; nevertheless, in 1934 it was precisely for a tripartite treaty that the British pressed Rome and Belgrade as a means of creating a united front for the protection of Austria against Germany.

Once again, the lack of confidence in one of the successor states, in this case Yugoslavia, can be detected as one of the crucial reasons for the British disinclination at least to speak more resolutely in Rome against Italian policy. The Foreign Office fully realised that it was Mussolini's conviction and hope that Yugoslavia would collapse which made him persevere in his anti-Yugoslav policy and it did not underestimate the serious repercussions which the break-up of that country would have in Central Europe. Still, despite Henderson's emphatic assurances that the disruption of Yugoslavia was not to be, Whitehall decided that it would not be safe 'to prophesy on this matter or to pit our opinion against that of Signor Mussolini'.¹⁷

The same sort of consideration was much more conspicuous in the case of Czechoslovakia. The viability of that country was viewed with growing suspicion in the light of the stream of reports from Joseph Addison who presented in scathing terms all aspects of Prague's internal and external policies. The rise of Henlein's party was interpreted as a natural consequence of Czech oppression and any notion of interference from Hitler's Nazis was dismissed out of hand. The Foreign Office was quite receptive to this extremely biased depiction which to a large extent shaped its outlook on Beneš's

¹⁶ TNA, Vansittart to Tyrell, private, 2 August 1930, C 5970/29/22, FO 371/14406.

¹⁷ TNA, Minute by Sargent, 30 January 1933, C 768/44/92, FO 371/16829.

endeavours to secure his country against German attack by conclusion of mutual assistance pacts with France and the USSR. Many an official and the Foreign Secretary himself regarded Beneš's policy as a dangerous one which was incompatible with the precarious domestic conditions in Czechoslovakia. The Foreign Office was so possessed of a strong anti-Czech sentiment that it tended to take seriously the fantastic stories spread by the Germans about the alleged cooperation between the Czechoslovak and Soviet air forces.

It is against this background that British policy on the eve of the Munich agreement may be understood in all its proper dimensions. It was in this frame of mind that the Permanent Under-Secretary, Alexander Cadogan, succinctly noted in his diary his impressions of the Cabinet's discussion concerning the Czechoslovak crisis: 'Cabinet quite sensible, - and anti-Czech!'¹⁸ It was in the same frame of mind that in September 1938 Nevile Henderson, the arch-appeasing British Ambassador in Berlin before the outbreak of the Second World War delivered to his fellow diplomat, Ian Colvin, one of his 'interminable attacks on Dr. Benes, the [then] Czechoslovak president, culminating with the exclamation, "Benes is a traitor, a traitor to his people."¹⁹ In an interesting reversal of roles, Vansittart, once a staunch proponent of the need for revision, but now marginalised in the policy-making process on the grounds of his resistance to the German demands for revision, opposed the proposal for a Four-Power Conference that was eventually to take place in Munich, arguing that it was the redressing of the Sudeten Germans' grievances that was in question rather than 'revising Versailles'.²⁰

A word of caution is necessary here. It would certainly be going too far to say that the British lack of confidence in the successor states and the new Central European

¹⁸ *The Diaries of Sir Alexander Cadogan, 1938-1945*, ed. by David Dilks (London: Cassel, 1971), entry on 22 May 1938, p. 79.

¹⁹ Colvin, p. 239.

²⁰ *Ibid.*, p. 248.

order constituted a chief reason for bowing to German force in Munich. No doubt the wish to avoid war for the sake of something that was perceived as a doubtful British interest, coupled with Britain's military unpreparedness, would be more than enough reason to back down in front of a determined Hitler. Yet the widespread conviction that the rectification of the Central European settlement was justified on its merits and long overdue was a distinct feature of the British policy on the eve of the Munich conference. It certainly accounted, to a large extent, for the failure to engage more effectively with the security issues in the region during the earlier period when the Nazi shadow was not cast on the banks of Danube.

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