Britain and Central Europe, 1918-1932

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SHORT ABSTRACT

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This thesis is a study of British policy towards three Central European states in the wake of World War I. The aim of this thesis is to illustrate the continual British attempts to promote a union or at least economic cooperation in ‘Danubia’.

The first section concerns Anglo-Austrian relations. Chapter I. deals with British plans for the federalisation of the Habsburg Monarchy during the war. Chapter II. compares the Austrian policy of the British Delegation in Paris, the Foreign Office in London, and the Military Representative in Vienna. Chapter III. explains British involvement in the reconstruction of Austria. Chapter IV. traces the reasons for British disentanglement from Austrian affairs after the failed ‘Eastern Locarno’.

The second section deals with the ‘special relationship’ between London and Budapest. Chapter I. highlights the role of two British individuals in exploding the ‘Hungarian myth’ in London. Chapter II. shows how the Bolshevik Revolution affected British diplomatic activities in Hungary. Chapter III. documents British involvement in the establishment of the Horthy regime. Chapter IV. analyses the impact of Anglo-French rivalry in Budapest on the whole of Central Europe. Chapter V. elaborates on British economic policy and the rehabilitation of the ‘Pariah of the New Europe’. Chapter VI. illustrates the gradual cooling in Anglo-Hungarian relations.

The third section concerns Czechoslovakia. Chapter I.
examines the conflict between Czechophiles and Czechophobes in London. Chapter II. is an account of British efforts to prevent French domination in Prague. Chapter III. deals with the manoeuvres of Benes in London and Paris, and the cooling in Anglo-Czech relations. Chapter IV. explores the origins of British indifference towards Czechoslovakia, which resulted in the Munich crisis.

The thesis concludes that Britain lost interest in Central Europe because of its failed efforts to promote reconciliation in the Danubian triangle.
The purpose of this thesis is to illustrate and explain the various phases of Central Europe's continuous 'devaluation' in British foreign policy from the time of the Paris Peace Conference until Hitler's rise to power. This process is worthy of study for a number of reasons.

First of all, it shows the curious ways in which the British perception of countries and politicians changed so dramatically within a relatively short period of time.

Secondly, it gives a personal dimension to the study of British diplomatic history. On the one hand it highlights the relative importance of diplomats in the field in formulating foreign policy, while on the other hand it illuminates how a change in the line of the Foreign Office affected the personal prestige and power of these diplomats.

Thirdly, it provides us with striking examples of the exaggerated belief in the force of 'economic common sense' on the part of many British government officials. This thesis argues that Britain withdrew from Central Europe primarily because of the failure of the Danubian 'victor' and 'vanquished' states to cooperate.

Last but not least there are intriguing resemblances between Central European attitudes in the past and in the present towards any Western Power which set out to unite, integrate, or group them in any shape or form.

Contrary to the author's original intentions the geographical scope of the analysis is limited to three Danubian states, Austria, Hungary, and Czechoslovakia, the component parts
of the former Habsburg Empire. Quite apart from the constraints imposed by the copious nature of the available primary sources, this narrow definition of Central Europe is justified by the approach of the British Foreign Office, which considered these three Successor States as one geographical unit at least until Hitler's rise to power. This thesis maintains that in the 1920s British policy in the 'Sick heart of Europe' was focused on the triangle of Vienna, Budapest, and Prague. The Central Department regarded these three capitals as the keystone of British policy in the region. Although the Foreign Office openly took sides with the vanquished Austria and Hungary against the victor states, in the early 1920s the British Government cultivated friendly relations with the Czechoslovak Republic too. The French advance in Prague caused particular disquiet in London, because it thwarted any British-sponsored plans for regional integration or economic cooperation in the Danubian triangle. Against the background of deep-seated hostility between the Czechs, Magyars, and Austrians the Foreign Office expected and promoted not only the reconciliation but an eventual economic union of these three neighbouring Central European countries.

By contrast, the only comprehensive work on British policy towards the Danubian region, Maria-Luise Recker's *England und der Donauraum*, treats the whole of South-Eastern and Central Europe as a single territorial unit. The justification for Recker's approach is that the Foreign Office regarded the Danubian triangle as a bridgehead to the Southern and Eastern parts of the continent. However this may be, the German geopolitical concept of 'Südostraum' was distinctly different from the British
definition of the Danubian region. Between the two world wars Austria, Hungary and Czechoslovakia were termed Central Europe and only occasionally grouped or confused with, South Eastern Europe by the Foreign Office. The reason for this was partly 'sentimental'. For British politicians and diplomats the disappearance of the Habsburg Empire left a huge gap in the heart of Europe. Accordingly, in the early 1920s the Foreign Office made constant efforts to fill the gap and link up the states in the Danubian triangle. Vienna was considered as the most suitable centre for the region, though pro-Hungarian and pro-Czech Britons frequently challenged this assumption.

In the British historiography the relations of the Danubian countries and the Great Powers are rather poorly covered. In spite of the 'special relationship' between His Majesty's Government and the Horthy regime in the interwar period, and extraordinarily small number of works can be found on Anglo-Hungarian relations. Although the late Oxford historian C. A. Macartney was personally acquainted with most of the key players in Hungarian politics in the interwar period, his published works are of little assistance to the researcher of the 1920s. In comparison, Magyar historians have devoted much attention to the relations of London and Budapest, but most academic works concentrate on the time of the Paris Peace Conference and the Treaty of Trianon. There has been no attempt made so far to write the interwar history of Anglo-Hungarian relations either in English or in Hungarian.

There are comparatively more British and American publications to be found on Austrian and Czechoslovak diplomatic
history. For the Austrian chapter of this thesis F.L. Carsten's book, *The First Austrian Republic* provided some useful material, while in the Czechoslovak chapter numerous references are made to the studies of Harry Hanak and Mark Cornwall. There are several quotations in the thesis from a manuscript of my supervisor, Zbynek Zeman, on Eduard Benes's foreign policy, and extensive use has been made of a somewhat biased but well-documented German book on British policy towards Czechoslovakia, Rainer Franke's *London und Prag*. It should be also pointed out that there are no standard books in English about Anglo-Austrian or Anglo-Czech relations either. This thesis, therefore, is primarily based on original and published Foreign Office material, the private papers of diplomats, and the voluminous collections of the two historians, R.W Seton-Watson and C.A. Macartney. There are citations in this thesis from documents, which have not been used before, some of them from the Public Record Office, the Bodleian Library or Churchill College's Archive Centre, others from less known Private collections. Nevertheless, this work has been primarily based on the relevant volumes of the *Documents on British Foreign Policy* and the American publication of selected dispatches and memoranda from the Foreign Office Confidential Print, the *British Documents on Foreign Affairs*. These published sources contain a wealth of information, particularly on the 1920s. However, there are many volumes in which British policy towards Central Europe is not abundantly documented, hence the necessity to complement this material with evidence from primary sources. Even so, the originality of this thesis above all lies in its geopolitical
approach rather than in its archival basis. Against the background of the relative poverty of British historiography on Anglo-Austrian, Anglo-Hungarian, and Anglo-Czech diplomatic relations this thesis sets out to compare British involvement in the three hostile Danubian states. After all the purpose of this thesis is to document the origins of British indifference towards these 'unimportant' states and also to the wider region which, after World War II, was dubbed Eastern Europe.

The thesis begins with some general remarks on the political 'devaluation' of Central Europe in interwar Britain. The crux of the argument is that the Foreign Office supported the Hungarians and the Czechs only on condition that they come to terms with each other and show some readiness to cooperate with Austria.

Section one of this thesis deals with the First Austrian Republic, 'the monstrous child of the New Europe'. The first chapter argues that the Foreign Office supported the 'liquidation' of the Habsburg Monarchy only in the hope of the reconstitution of the economic unity of the Danubian valley in the form of a federation or a 'zollverein'. The second chapter demonstrates that similar illusions were fostered by the first British representatives in postwar Vienna. The Danubian federation idea persisted throughout the 1920s and the Central Department time and again re-examined the chances of such a union.

Another main theme of the first section is the importance of Vienna in British plans for political and economic expansion on the continent. After the Treaty of St Germain had been signed British attention was lavished on the recovery of Austria.
Although some British politicians, such as Lloyd George, had no confidence in the viability of the First Austrian Republic, His Majesty's Government took the lead in Vienna's reconstruction. The third chapter examines Britain's role in Austria's rehabilitation. The scheme of the League of Nations for the reconstruction of Austria was regarded in London as the principal success of British foreign policy in Central Europe as late as the second half of the 1920s. It is documented that the danger of the 'Anschluss' was not taken seriously in Britain so long as Vienna recovered from the war and prospered. By the late 1920s, however, the economic problems of Austria became apparent again and the British Legation's influence in Vienna was on the vain. The Foreign Office, therefore, started a cautious retreat from Austria and soon it was followed by the British withdrawal from Hungary and thereafter from the entire Danubian region. The fourth chapter briefly deals with the last, half-baked, British plans for the economic integration of the Successor States against Germany. It concludes that by the early 1930s the Foreign Office avoided any political commitments in Austria 'like poison'. By the time of the Great Depression Britain refused to give financial aid to the Austrian government and did not challenge the rapidly growing German influence in the heart of Europe.

The second section traces the origins of the 'special relationship' between the Horthy regime and the British conservatives in the interwar period. Chapter one gives an outline of Anglo-Hungarian relations from the end of World War I to the early 1920s. It emphasises the influence of R.W. Seton-
Watson, H.W. Steed and the New Europe Group at the Paris Peace Conference in drawing the frontiers of postwar Hungary. Chapter two shows that active British involvement in the establishment of the conservative government in Budapest was a direct response to the Bolshevik challenge in Budapest. Chapter three elaborates on the role of British diplomats in establishing and supporting the Horthy regime. Although the British cabinet did not encourage Hungarian national ambitions, the Foreign Office backed the revisionist Horthy-Bethlen leadership throughout the 1920s. In return the Hungarian government turned to Britain for advice, political support and financial help. Chapter three illustrates that in the teeth of French ventures in Budapest the British Government was bent on to pose as a patron of Hungary. Chapter five deals with the Hungarian loan. It is illustrated that the rehabilitation of Hungary by and large followed the Austrian Model. British financial assistance to Hungary was part of a more ambitious Central European scheme of the Bank of England. On the other hand it is urged that by 1924 the Bethlen government was Britain's main ally in the Danubian basin. The Foreign Office started to pull out of Hungary only in 1927. Chapter five argues that the British withdrawal was triggered by the ever more aggressive tone of Magyar revisionist propaganda, but the main reason for British disinterest in Hungarian affairs was the failure of the Bethlen government to promote rapprochement with Czechoslovakia.

The third section of this thesis examines Anglo-Czech relations. Chapter one explores the origins of a lasting political struggle between a Czechophile and Czechophobe group
in the British Government Service, which started as early as 1918. Chapter two describe the efforts of the first British Minister in Prague to promote Czechoslovakia as the 'hub of Central Europe'. It is contended that the circumstances did not favour active British involvement in Prague. British foreign policy was pro-Austrian and pro-Hungarian, thus Sir George Clerk’s efforts were doomed to failure. Britain could not be the patron of a revisionist country and a neighbouring 'status quo power' in Central Europe at the same time. Chapter three explains the origins of British disillusionment with the diplomacy of Benes. In line with some recent British academic works it is argued that the turning point in Anglo-Czech relations was 1924. It is suggested, however, that Czechoslovakia played an important role in British calculations about a Central European Locarno as late as the second half of the 1920s. The last chapter concludes that British nonchalance in 1938 in Munich was the result of the long 'devaluation' process, which started as early as 1921 and became explicit by the time of Locarno.

The thesis argues that British withdrawal from Vienna, Budapest, and Prague followed similar patterns. Although the Central European experts of the Foreign Office were aware of the conflicting interests of the three neighbouring Danubian states, British illusions about the eventual economic reintegration of the territory of the former Habsburg Empire persisted throughout the twenties. When these hopes were frustrated once and for all in the early 1930s, the British Government adopted an indifferent and, in the case of Czechoslovakia, even hostile attitude.
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I. The 'Devaluation' of Central Europe

The way from Budapest to London leads through Prague, thus the political choice is not between London and Berlin but Prague and Berlin.1 So said a British official to Ferenc Marosy, the chargé d'affaires of the Hungarian Legation in London, during the Sudeten crisis in the mid-thirties. The Hungarian diplomat was appalled by the advice. Writing to C.A. Macartney, the Oxford historian, he proclaimed: 'For a Hungarian it was of course no choice at all.'2 Macartney agreed and put a tick in the margin. After all he was not only a well-known British advocate of Central European rapprochement, but also a staunch ally of Hungary. He supported the idea of a Danubian federation, or a Customs Union3, but he had no illusions. In the course of his work in the Intelligence Department of the League of Nations, and in the Research Department of the Foreign Office, the scrutiny of Central European territorial and ethnic problems convinced him that the prerequisite of any cooperation in the region was a dramatic improvement in the treatment of national minorities. In 1937, in his book on Hungary and the Successor States, he concluded:

The only permanent solution of the problem of the Danube basin lies in the adoption of complete national

1 Letter from Ferenc Marosy to C.A. Macartney, January 1959, Bodleian Library, Macartney papers Box No.32. Doc 4.
2 ibid.
3 During World War II Macartney mediated between Poles and Hungarians in secret negotiations about a future Danubian federation. After the war he was in contact with a Hungarian émigré circle in the United States, which published a newsletter, The Hungarian Federalist, and promoted a Central European confederation on the American model. See Macartney Papers Box No 28–29.
equality among its inhabitants - the transformation of the area into a true 'Eastern Switzerland' in which every nationality alike can find national liberty and a national home...'

Macartney had personal knowledge of most leading Hungarian politicians, especially those 'who looked upon England as a fairy tale', so he knew very well that from the early 1930s Prague would be no alternative to Berlin in Central Europe. The Foreign Office could hardly expect Hungarians to drop their claims against Czechoslovakia in return for a vague promise of British support, particularly at a time when Czechoslovakia was dubbed an 'artificial state' and 'unimportant country' in London. As Sir Owen O'Malley, British Minister to Budapest between 1939 and 1941, put it mockingly:

'It beats me how any Central European could hope that frankness on both sides was a practicable thing where England was concerned...H.M.G. never showed any comprehension of Hungary's nature as a state or nation or of her problems; nor any disposition to be frank with Hungary.'

The political rapprochement and economic cooperation between

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2 Macartney Papers, Box No.32. Doc.4.
3 This scornful expression was often used by J. Addison, British Minister in Prague, from 1930 to 1936. See Mark Cornwall: 'A Fluctuating Barometer: British Diplomatic Views on the Czech-German Relationship in Czechoslovakia, 1918-1938', in Schmidt-Hartmann, E. - Winters, S. B. ed. (1991), Großbritannien die Vereinigten Staaten von Amerika und die böhmischen Länder, Oldenbourg Verlag, München, pp.318.
5 O'Malley to Macartney, March 23, 1951, Macartney Papers, Box No.32. Doc.13.
Prague, Budapest, and Vienna were recurrent themes of British foreign policy in Central Europe throughout the interwar period. Nonetheless, by the second half of the 1930s the chances of a Czechoslovak-Hungarian rapprochement were not taken seriously in London either.

Marosy recalled that Sir Orme Sargent, head of the Central Department in the Foreign Office, had been deeply concerned about the 'effervescence' that existed amongst the Sudeten Germans, but remained lukewarm when the issue of Czechoslovak-Hungarian relations was raised. The Hungarian chargé d'affaires scarcely met with more success in his bid to improve economic relations between London and Budapest.

Mr Ashton Gwatkin when transmitting him the offer that England should buy up the Hungarian wheat surplus whilst flatly refusing that, gave me the advice, why not insist that Germany should pay in gold her purchases in Hungary!

The rejection of all Hungarian diplomatic overtures by London and the apparent unwillingness to challenge German economic and political predominance in the region were clear signals that the Foreign Office, after a long process of 'geopolitical devaluation', had finally relinquished responsibility for the whole trouble zone of Central Europe. The following thesis documents the various stages, and analyses the causes and consequences, of this gradual shift in British foreign policy. The Legation dispatches and Foreign Office memoranda reveal that British diplomats and Central European experts figured not only as agents but also as victims of this dramatic

1 Letter from Ferenc Marosy to C. A. Macartney, January 1959, Bodleian Library, Macartney Papers, Box No.32. Doc.4.
change. During the prolonged reevaluation and depreciation of Central Europe, a number of prestigious British diplomats serving in the region lost much of their influence in the Foreign Office. Sir Owen O'Malley, for example, years after his return to London, was furious to discover that during his two years in Budapest no one above the rank of an under-secretary had ever read, initialled or minuted any of his telegrams or dispatches. As Bruce Lockhart put it in his memoirs, the expert memoranda on the Danubian countries were all 'gathering dust' either in the Foreign Office or in the filing cabinets of London Banks. Of the 'thousands of excellent reports on Central Europe', Lockhart observed that 'none had any influence on Central European policies' or 'retarded for one instant the process of European disintegration'.

Some considerable efforts have been made to explain this devaluation process, mainly through case-studies of interwar Czechoslovakia. The growing British distaste for Central Europe was well illustrated by the waning prestige of Masaryk in England, and by the slowly evaporating influence of R.W. Seton-

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1 Owen St Clair O'Malley, British Minister to Hungary, 1939-41
2 O'Malley to Macartney, November 26, 1951, Macartney Papers, Box No.32. Doc.13.
4 ibid.
5 On the 'sinking stock of Czechoslovakia' see Schmidt-Hartmann, E. - Winters, S.B. op.cit.
Watson's New Europe in British official circles'. There is also some documentation on the deteriorating British view of Benes's foreign policy, as well as on the growing British concern over minority issues in Czechoslovakia. Several analyses came to the conclusion that the gradual shift in the British attitude towards 'Czecholand' was caused by the treatment of the Sudeten Germans. Mark Cornwall has demonstrated that this growing concern was partly due to the influence of Joseph Addison, a British Minister in Prague, who unlike his predecessors was deeply hostile to Czechoslovakia. The vacillations of the British Legation staff in their evaluation of the countries of Central Europe had a significant impact on the attitude of the Foreign Office, just as the changes in London affected the style of the Legation's dispatches and telegrams. Assuredly, the Czechoslovak case provides the best example of a sea change in interwar British foreign policy in Central Europe. Nevertheless, it neither furnishes us with a comprehensive picture nor a coherent explanation of why the Foreign Office shelved its various earlier projects to play a pivotal role in the political consolidation

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3 The expression of the British Minister to Prague, Sir George Clerk.

or, at least, in the economic reconstruction of Central Europe. Why in the 1930s did Britain yield to German economic and diplomatic pressure in a region where a decade earlier the Foreign Office effectively blocked the German drive for Anschluss and thwarted every ambitious French and Italian design? What were the most important stages of the gradual shift in British attitude towards the Danubian people and their governments? This thesis tries to answer the above questions with a comparative study of diplomatic correspondence between the Foreign Office and the British legations in Vienna, Budapest, and Prague. The assumption made here is that the Foreign Office lost interest in Central Europe as a consequence of the repeated frustrations of its plans for regional cooperation in Danubian Europe, at least in the triangle of Austria, Hungary, and Czechoslovakia.
II. 'Austria Infelix'

1. The 'Monstrous Child' of the New Europe

The Europe which we have known has gone beyond recall; the New Europe which is coming to birth will be scarcely recognisable to those who have known its predecessor...¹

By 1919 this wartime prophecy of R.W. Seton-Watson proved to be well-founded; in Churchill's words 'a drizzle of Empires were falling through the air'². Nevertheless, the optimism about the 'New Europe' was misplaced. Less than four years after the dramatic reorganisation of the continent Seton-Watson himself had to admit: 'As to the general situation I feel very gloomy'. British diplomats and military representatives were particularly struck by the misery and 'semi-Soviet conditions'³ to be found in the vanquished Danubian states, particularly in the former centres of the Dual Monarchy, Vienna and Budapest. Even ardent supporters of independent Czechoslovakia, like Bruce Lockhart, the Commercial Secretary of the British Legation in Prague, were depressed and demoralised by the decay of a once flourishing civilisation:

The Austro-Hungarian Monarchy had not crashed in the

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⁴ An expression used by C.K. Butler, Chief of the British Relief Mission to Austria, see Carsten, F.L. (1986), The First Austrian Republic, Gower, Aldershot, pp.22.
storm of war like a giant oak. Rather was it in course of decomposition, and them ants, tumbling and pushing each other out of the way, were now busy with the corpse. It was a demoralising atmosphere - noxious both to the foreign visitor and to the local population. It affected adversely all the Allied representatives in Central Europe. It affected most of all the English and Americans....

The break-up of the Habsburg Empire created not only a power vacuum, Bolshevik menace, small and mutually hostile states, but also economic chaos and starvation; the last two were major causes for British concern for at least five years after the war. Winston Churchill, the Minister of War, coined the phrase 'Starvation means Bolshevism' and intelligence reports confirmed his views. General Bridges notified Churchill on the way back from Soviet Russia through Central Europe in 1919:

These new republics and budding democracies through which I am now travelling are sad and ugly places. The poor people are just beginning to find out that there is no liberty, only a change of master. Austria is especially sad. Like some beautiful and gracious Mother who has died in giving birth to a monstrous child...

Churchill had little sympathy for the 'old and feeble powers of Eastern Europe', but he was even less impressed by the new states.

The belt of little States we are now calling into being will be quaking with terror and no doubt

1 Bruce Lockhart, R.H. (1934), Retreat From Glory, Putnam, London, pp.118.
2 Gilbert, M. op.cit. pp.308.
4 Gilbert op.cit. pp.308.
misconducting themselves in every possible way."

Churchill’s profound hostility towards the Successor States had its roots in his preoccupation with the Bolshevik peril in ‘the famine areas of Central Europe’. And yet, his disparaging remarks about the gloomy future of the ‘down-trodden people of Central and Eastern Europe’ also demonstrated his critical attitude towards the British foreign policy pursued at the Peace Conference. Contrary to the conclusion of a recent study on the ‘remarkably clear-sighted strategy’ of the British Delegation in Paris, this thesis contends that the last battle of the great war, at the conference table, brought no victory for England. The confusion and failure in British planning of postwar Europe was probably the most conspicuous in the case of Austria.

The dissolution of the Habsburg Monarchy was by no means a war aim of Great Britain. Quite the opposite: as late as January 4, 1918, the War Cabinet proclaimed that after the war Austria-Hungary should be in a position to exercise a powerful influence in South-East Europe. Although ‘there was no tenderness towards

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1 Draft letter to Lloyd George, which Churchill finally decided not to send. See Gilbert, M. op.cit. pp.260.
2 Churchill’s memorandum to the Director of Military Intelligence, May 19, 1920, see Gilbert, M. op.cit. pp.396.
Austria-Hungary' in London, there was no 'vendetta' planned in British governmental circles against the Danubian Monarchy, admittedly the lesser enemy. An Austrian historian went as far as stating that the Lloyd George government in the first half of 1918 was 'distinctly pro-Austrian in nature'. Only after the Smuts-Mensdorff negotiations had resulted in failure did anti-Austrian feeling prevail in certain British diplomatic circles. Sir Horace Rumbold, a former friend of the Habsburg Empire and one of the British mediators during the secret negotiations in Switzerland, became annoyed by the tactics of Mensdorff and claimed in April 1918:

If there is to be any justice in the world the Central Empires ought to be completely smashed... I find it difficult to decide which is the stronger feeling in my mind, ie. the hatred of Germany or the contempt of Austria. They are a pretty pair and I still believe that they will receive proper chastisement...'

In spite of the growing influence of R.W Seton-Watson, and H. Wickham Steed - 'a dangerous combination of megalomania, self-

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3 Rumbold represented the traditional British diplomatic school, which attached great importance to friendly Anglo-Austrian relations. At the early stages of his career, he was Second Secretary of the British Legation in Vienna, between 1897 and 1900. During the war he gradually lost his sympathy towards the Habsburg Monarchy and on October 14, 1919, he remarked to Tyrell: 'much as I liked the Austrians as compared with the North Germans I do not think that any one of our enemies played such a contemptible part in the war as Austria has done.' See Rumbold Papers, Bodleian Library, Oxford, Box no.25, fol.126.
4 Sir H. Rumbold to Sir Maurice de Bunsen, April 15, 1918, Rumbold Papers, Bodleian Library, Oxford, see also Gilbert, M. (1973), Sir Horace Rumbold, Heinemann, London pp.173.
righteousness and crusading spirit" - most senior members of the War Cabinet opposed, or, at least, disliked the idea of the Habsburg Empire's dismemberment even in the last months of the war. There is ample evidence that in November 1918 the government's stance on the issue of national self-determination was the product of pragmatic decisions made to solve immediate problems in the conduct of the war rather than the product of calculations of what long-term political advantages there would be for Britain in the reorganising of Central and Eastern Europe. Moreover, British opinion was profoundly influenced by the 'pathetic proposals' of the 'Austrian peace-feelers', which confirmed Rumbold's observation that the Catholic Empire seemed to be 'on the point of dissolution'. Seton-Watson styled the Manifesto of Emperor Charles on the last minute federalization of the Monarchy as 'Austria's Death repentance'. By the autumn of 1918 the naive reference of some Viennese aristocrats to the traditional Anglo-Austrian friendship made them a laughing stock

1 Calder, K.J. (1976), Britain and the Origins of the New Europe, 1914-1918, Cambridge University Press
2 ibid.
3 Rumbold to Cecil, Berne, October 7, 1918, and Rumbold to Tyrell, Berne, October 14, 1918, Simon Papers, Box no.25. fols. 112, 126.
4 Rumbold's dispatch, Berne, September 21, 1918, Rumbold Papers, Box no.25. fols.92-93
in the Foreign Office'. Even so, the creation of independent states on the ruins of the Habsburg Empire was a much disputed war aim in London.

Although a group of historians in the Political Intelligence Department advocated that the 'ultimate aim of the Allies must be the reorganisation of Europe in accordance, as nearly as possible, with the principles of nationality', this argument failed to impress the greater part of professional, 'non-academic' staff at the Foreign Office. Only a few influential officials, like Sir George Clerk and Sir Eyre Crowe, were receptive to the idea of national self-determination in Central Europe. Crowe advocated as early as August 5, 1914, that Austria and Germany should be 'shut off' from the rest of the

1 Rumbold to Tyrell op.cit.

2 Most of them, like the 'doyen' J. Headlam-Morley, Harold W. Temperley, R.W. Seton-Watson, H. Wickham Steed, Alfred Zimmer, Allan Leeper, Arnold Toynbee, and Lewis Namier became members of the Royal Institute of International Affairs, which was established on June 17, 1919, during the Peace Conference in Paris by various members of the American and British Delegations.

3 Draft of a PID Memorandum by Headlam-Morley to Balfour (undated), Headlam-Morley Papers, Churchill Archives Centre, Cambridge HDLM ACC 727, Box 16 (Political Office Papers)

4 Sir George Russell Clerk, a senior member of the War Department of the Foreign Office, was the most influential contact of Seton-Watson and Masaryk during World War I. From 1920 to 1926 he was British Minister to Prague.

5 Sir Eyre Crowe during the war served in the Contraband Department. At the time of the Peace Conference, he was Assistant Under-Secretary for Foreign Affairs, and from June 1919 he was head of the political section of the British Delegation. Between 1920 and 1925 he was Permanent Under-Secretary of State. See Crowe, S. - Corp, E. (1993) Our Ablest Public Servant, Merlin, Braunton Devon
world by 'a ring of states'. By contrast, Clerk himself was not a champion of the dissolution of the Habsburg Monarchy. In 1915 he declared that 'We did not set out on a Nationality Crusade'. Moreover his support of the Polish cause stopped short when excessive territorial claims were made. In August 1918 he declared that 'most if not all Poles are liars'. The sympathy of the head of the War Department was greatest towards the leaders of Czechoslovakia, but soon after the war had ended he became fairly indiscriminate in his contempt of all Central Europeans. This attitude was taken to the extreme in his infamous pronouncement that 'the whole lot, Czechs, Magyars, Poles, Jugos, Roumanians should be put in a bag and shaken up and handed over to a decent Briton to administer'. Clerk's mockery of the native Danubians' incompetence did not only stem from sheer arrogance. It typified the frustration of many British diplomats, who had hoped that after the shock of the war the Successor States would inevitably find some ways for rapprochement with the 'vanquished'. The fragmentation of Central Europe was by no means the aim of Sir George when he gave his support to the New Europe

1 Hanak H, op.cit. pp.163.
3 Sir G.Clerk to Sir H. Rumbold, Foreign Office, August 30, 1918, Rumbold Papers, Deposit in the Bodleian Library, Oxford, Box no.25, fol.68.
of Masaryk and Seton-Watson. He savagely criticised the chauvinism of the 'victors'. After his two missions to Budapest, Clerk, a renowned devotee of Masaryk and, in the early twenties, a regular tennis partner of the Czechoslovak Foreign Minister, described Hungary as:

...a higher civilisation hopelessly manhandled by those who are still learners in the art of government...'

It can be argued that the economic nationalism of the new Danubian states came as a nasty shock to London despite the constant warning signals during the last year of the war. The Under-Secretary, Sir Robert Cecil forewarned the Cabinet in 1917 that the fatal fragmentation of the Danubian basin was 'inherent in any plan to destroy Austria-Hungary'. Cecil was no expert on the Habsburg Monarchy. During the war, Namier was shocked to learn that Cecil thought that Galicia was part of Hungary - not of Austria'. However, Sir Robert, as a well-known advocate of the League of Nations, abhorred the idea of Central European disintegration. He urged the federalisation of the Habsburg Empire, 'unless we are to face disasters too horrible to

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Leo Amery wrote a memorandum, as late as October 20, 1918, strongly cautioning against the dismemberment of the Dual Monarchy and the 'Balkanisation of Central Europe'. He suggested as well, the creation of a Danubian confederation, including Austria, the Czech Lands, Hungary, Jugoslavia, Rumania, and possibly also Bulgaria, as a panacea against disruptive nationalist forces. The recommendation was not given much consideration in the Foreign Office, because by this time the dissolution of the Monarchy was a fact accompli. Yet, it should be noted that only a couple of months earlier a similar proposal was supported by both the Political Intelligence Department of the Foreign Office and the Propaganda experts of the Ministry of Information. On May 31, 1918, H.G. Wells presented a memorandum at Crewe House at the third meeting of the Committee for Propaganda in Enemy Countries, in which he argued that:

...the war aim of the Allies in Eastern Europe is to create in the place of the present Austro-Hungarian Empire a larger synthesis of Associated States, something in the nature of an 'East Central European League', within the League of Nations, a confederation that might possibly reach from Poland to the Black and Adriatic Seas and have also access to, if not a port upon the Baltic at Danzig....

The Wells memorandum remained extremely vague as to the

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1 Hanak, H., op.cit. pp.188.
3 Minutes of the Third Meeting held at Crewe House, Curzon Street, on Friday, May 31, 1918, Headlam-Morley Papers, HDLM ACC 727 Box 16.
territorial extent of the proposed association of states. Initially it referred to the lands of the Danubian Monarchy, only later to confuse the issue by employing the conflicting geopolitical terms 'Eastern Europe' and 'East-Central Europe'. Nevertheless the bold ideas of Wells were approved by the Committee, chaired by Seton-Watson's closest political friend, H.W Steed, and the proposal was submitted to Balfour by Headlam-Morley, the doyen of the Political Intelligence Department. The 'New Europe group', the young and ambitious intelligence 'gang' in the Foreign Office and the Ministry of Information, did not oppose the confederation idea. At the same time it has to be stated that Headlam-Morley and his colleagues were firmly convinced by early 1918 that the Habsburg Monarchy would be abolished after the war. Unlike Amery's memorandum, which proposed that the unity of the Habsburg Empire be preserved by its federalisation, the Political Intelligence Department had no other interest than the confederation of newly created states. Moreover, it is possible that Headlam-Morley adopted the idea of Danubian confederation merely as an effective propaganda weapon. In a draft memorandum to Balfour, he admitted that his advocacy of the federal solution in Central Europe was to produce a counterpart of the German 'Mittel-Europa' plan. Meanwhile, Seton-Watson's enterprise, the publication of his propaganda

\[1\]
The expression was used by A.W.A. Leeper in a letter to R.W. Seton-Watson dated September 14, 1930, see Seton-Watson Papers, SSEES, Personal Correspondence files, Box no. 14.

\[2\]
Headlam-Morley to Balfour, Crewe House, undated, Headlam-Morley Papers, HDLM ACC727 Box 11. (Peace Conference)
organ the *New Europe*, openly served the same purpose, to thwart German plans for the reorganisation of Central Europe.¹ Many British Liberals shared the gloomy vision of Thomas G. Masaryk that:

> Once Germany has achieved 'Central Europe', the time for a blow at Britain would soon come. Germany with Austria-Hungary, the Balkans and Turkey at her disposal, has a free path to Egypt and India, and nothing could then stop her march into Holland and Belgium and the maritime North of France....²

Friedrich Neumann's book, *Mitteleuropa*, which was published in 1915 in German, and less than a year later in English, in Headlam-Morley's words 'attracted far more attention in enemy and Allied countries, and has been more freely discussed, than any official or ministerial pronouncement'.³

Nevertheless, quite apart from the propaganda value of the Central European federation plans, Headlam-Morley and Seton-Watson were holding even at the Peace Conference in 1919 that an economic union between the Danubian states was 'quite probable' and 'desirable'.⁴ Therefore, it can be maintained that in the Foreign Office even those who were convinced that the Habsburg Empire was an obsolete state formation which had to be replaced by 'national states' were aware of the dangers in creating a zone

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³ Headlam-Morley to Balfour op.cit.

of weak and hostile countries. Lord Curzon minuted in December 1918:

Unless we can induce the small states we are setting up to federate with one another, the last state of Europe may well be worse than the first...'

Curzon was no federalist, but his above comment proves that self-determination was accepted in the Foreign office with strong reservations, and only along the lines of Masaryk’s pamphlet The New Europe, which linked the Czechoslovak cause to the idealist aim of the ‘final organisation of the whole of mankind’: ‘Association is the watchword of our era: the federation, the free federation of small nations and states’, proclaimed Masaryk in 1918.' Even those who questioned the viability of a regional political association in Central Europe were in no doubt that economic interest would link the hostile states at least in the long run. The chief of the Austrian Relief Mission, C.K. Butler, declared during the autumn of 1919:

I am quite convinced that some reunion between these countries is inevitable in the course of the next few years. The first reunion may be between Hungary and Austria...'

The nationalism, political hostility, and total economic

1
Public Record Office FO371/3136/177223
2
Masaryk, T.G.(1918), The New Europe (The Slav Standpoint), for private circulation, London
3
ibid.
4
isolation of postwar Central Europe clearly undermined this assumption and cast serious doubts on the British role in the dismemberment of the Dual Monarchy. Hence, the reports about the growing economic distress of Austria were received in Britain with obvious signs of guilt or pity. On June 3, 1919, Sir Francis Oppenheimer's memorandum on the grave situation in Austria impelled Curzon to send a cable to the British Delegation in Paris and declare:

In the case of Germany, the peace terms were drafted to check recovery; in the case of Austria, they must encourage it...

British sympathy, however, did not mean that the Foreign Office was quick in promoting postwar Vienna as the cornerstone of British foreign policy. The assistant director of the Political Intelligence Department, Sir James Headlam-Morley, was constantly complaining of a lack of first-hand information about Austrian matters. He claimed to Lewis Namier, the only PID member in charge of monitoring the Austrian news, that 'there is practically no one on the spot who has really sound knowledge and experience.' In March 1919 he instructed Lewis Namier to pay more attention to the revolutionary events in Austria,' but Namier was far more involved in Polish matters.' Besides, by

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1 Curzon to Balfour, July 9, 1919, in Documents on British Foreign Policy 1919-1939, Vol. VI. pp.46.

2 Headlam-Morley to Namier, November 11, 1919, Headlam-Morley Papers HDLM ACC 688 Box 2.

3 Headlam-Morley to Namier, March 5, 1919, Headlam-Morley Papers, HDLM ACC 688 Box 2.
August 1919 the latter was expressing his wish to resume his academic life and move 'for a quiet two years to Oxford'. In response to Headlam-Morley's complaints, the PID in January 1920 borrowed the part-time services of Major Harold Temperley, a Central European expert from Military Intelligence, but the Department still had no people on the ground and no reliable first-hand information on Austrian matters. 2

In the early months of 1919, Headlam-Morley's concern about Austrian and Hungarian affairs met with the indifference of the Foreign Office and the British delegation at the Peace Conference. 'It is almost hopeless to attempt here to get any serious interest taken in Austria', he wrote to Namier from the Hotel Astoria, the headquarters of the British politicians in Paris. 3 Hence, the Austrian Treaty was drafted by politicians who were on the one hand unsympathetic towards Vienna and on the other hand had no interest or knowledge of Central European matters. In May 1919, Headlam-Morley admitted defeat in a private and confidential letter to Seton-Watson:

I wish you were here to give us advice about Austrian

4 (...continued)

Namier, whose original family name was Bernstein, was a Polish national of Jewish origin. In 1919 he became increasingly concerned about Polish antisemitism; this emerged as the recurrent motif of his PID memoranda. See Toynbee, A.J. (1967), Acquaintances, Oxford University Press, London, pp.62-86.

1 See Headlam-Morley to Namier, March 5, 1919, and Namier to Headlam-Morley, August 26, 1919. Headlam-Morley Papers, HDLM ACC 688 Box 2

2 Temperley wrote memoranda mainly on Hungarian matters

3 ibid
things, as I find so few people who really know Austria from inside and understand all the very complicated legal and political problems which are involved in the settlement of all the Austrian problems... I try from time to time in vain to understand what is happening, but the whole thing is so complicated, both in its essence and also owing to the number of different people who are dealing with it that I merely get bewildered...

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Headlam-Morley to Seton-Watson, Paris, May 29, 1919, Seton Watson Papers, SSEES, Personal Correspondence files, Box no. 9, folder H.
2. British Missions in the Austrian Republic

Some documents suggest that the unconcern about Austria largely stemmed from Lloyd George's conviction that Vienna could never recover from the shock of the war. In the aftermath of the Genoa Conference, the British Prime Minister openly admitted that he had never thought it possible to rehabilitate Austria and, although he feared it sounded brutal, this was the line he had taken in Paris. According to Lloyd George a 'top heavy' country of the size of Scotland, with a huge capital of two million inhabitants, had a slim chance of recovery. Balfour contested that the reconstruction of Austria was in Britain's interest, but he concurred with the opinion of the Prime Minister on the grim prospects of full recovery. Their pessimism was partly confirmed by the first reports from the starving capital of the Austrian Republic. Sir T. Montgomery-Cuninghame, for some time the only British representative in postwar Vienna, was despondent and exasperated to see the rapid disappearance of an ancient and affluent society in the heart of Europe. He saw no prospect of Austria's full rehabilitation:

Vienna as a political centre existed no more... As for the new state of Austria, it was simply the residue, the dregs and lees of Empire, the part, which nobody thought worth absorbing, just the huge city of Vienna

2 ibid.
Lieutenant-Colonel Cuninghame, former military attaché in the Austrian imperial city, was sent to Vienna in the winter of 1918 by the War Office to report on 'what was going on there'. Following some communications between the Foreign Office and the War Office, on November 30, 1918, Cuninghame was instructed by General Thwaites, the Director of Military Intelligence, to avoid any involvement in political matters, follow an impartial line, and 'on no account associate himself with any political party' in Central Europe. As Robert Hoffmann pointed out, the British Military Representative often ignored these instructions, partly because of his character and his political convictions, and partly due to the unexpected succession of rapid revolutionary developments in Central Europe. The threat of Bolshevism, the revolution in Budapest, and his growing irritation with British apathy regarding Central European issues prompted Cuninghame to take independent action, and not only in military matters. As the highest-ranking British representative in Central Europe it was natural that he interpreted his duties rather freely. The Lieutenant-Colonel's brief went no further than gathering


2 ibid.

3 Thwaites to Cuninghame, War Office, November 30, 1918, PRO FO371/3139/204330

information for the Foreign Office, Military Intelligence, and the peace delegation, but he was nonetheless at liberty to make contacts at the highest level.

The most remarkable feature of the Cuninghame mission was that it covered the whole territory of the former Habsburg Empire, with special attention to the triangle of Vienna, Budapest and Prague. This suggests that at the end of 1918, at least from an operational point of view, the Director of British Military Intelligence, in line with some senior officials in the Foreign office, was considering the territory of the former Monarchy as one geopolitical unit, regardless of the declaration of new states. The fact that Vienna was chosen both as the British representative's residence and as the centre of his field of operations was an especially heavy blow for the new victor states, particularly for Czechoslovakia. It did not matter in London how intensely Masaryk hated Vienna, and no one cared about Benes's complaint that the British officer openly supported the claims of the Sudeten Germans. At the end of December, Cuninghame was officially appointed military attaché to Czechoslovakia without moving from Vienna to Prague, proof of the insensitivity of the War Office towards the interests of the Successor States. Benes contrived as late as April 1919 to have B.J.B. Coulson posted to Prague, and thus confine Cuninghame's influence to Vienna and Budapest. This episode proves that the head of Military Intelligence had no sympathy towards Czechoslovakia, a state which in Cuninghame's words was created 'contrary to all the lessons of history, geography, economics,
morality and common sense."

In early December 1918, Montgomery-Cuninghame, according to his memoirs, started his Central European mission with a 'great banana' across the continent. He was instructed to travel to the Austrian capital by way of Rome and Prague along with the Italian group of the Czechoslovak Legion. On arriving in Czechoslovakia he noted:

In the heart of Bohemia the welcome which the returning warriors would receive would be warm enough, but along the fringes of the new state it would be as cold as an icicle.

The British attaché felt very much at home in the former Habsburg Empire, particularly in the aristocratic world of the 'Kaiserstadt'. Therefore, it was with a great deal of reluctance that he accompanied President Masaryk and the Commander of the Italian Czechoslovak Legion on their triumphant entry into Prague.

On looking back now I recognize 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

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1 Cuninghame op.cit. pp.303.
2 ibid.
3 ibid
and doubtful paradise....‘

Cuninghame outwardly despised the Czechoslovak leaders, although in his memoirs he reveals a grudging respect for Benes, 'who was as clever as twenty foxes and was credited with the direction of the best secret service in Central Europe'. In any case, the British Military Representative in Central Europe was openly hostile towards the Czechoslovak Republic throughout his mission. He was pro-Austrian and very much pro-Habsburg.

'The Habsburg Empire' said a wit 'was like a beautiful old vase, whose value no one appreciated until it fell and broke into a thousand pieces'...

On arriving in Vienna in the Christmas of 1918, Cuninghame drove down the dark and deserted Mariahilferstrasse, and recorded that his admired Central European city struck him as 'die tote Stadt'. For an English aristocrat and high-ranking officer it was not easy to observe dispassionately how Viennese 'Ex-officers of the army of "good burgher birth" were compelled to search the garbage pails as they stood in the streets for nourishment'.

Soon after his arrival he made the acquaintance of Karl

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1 Cuninghame op.cit. pp.303.
2 Cuninghame op.cit. pp.308.
3 ibid.
4 Cuninghame, op.cit pp.309.
5 Cuninghame op.cit pp.312.
Renner, 'the burly Chancellor of the new State', and Otto Bauer, the Social Democrat Foreign Minister. Montgomery-Cuninghame was strongly prejudiced against socialist politicians, 'political cranks of all sorts'; nonetheless the Social Democrat Renner impressed him as 'a sentimental liberal, with strong conservative inclinations'. The central issue of their first negotiations was the creation of a Danubian federation. The British military man was eager to promote the formation of a supranational state in Central Europe, in the territory of the former 'Danubian Monarchy'. Renner was not averse to the idea. He agreed that 'a centrally controlled Federation of semi-independent states was a possible solution of the Danubian question'. Otto Bauer, however, was rather more cautious about the prospects of such a federation. By the end of 1918 the other alternative, the union of Germany and Austria, appeared to be much more appealing for the Social Democrats. All the same, Cuninghame had reason to believe that the Austrian government would be receptive to his argument. Before World War I, the so called 'Austro-Marxists', Karl Renner and Otto Bauer, were both in favour of the federalisation of Danubian Europe. Renner suggested the

1 ibid
2 ibid.
3 Cuninghame op.cit. pp.313.
reorganisation of the Dual Monarchy into eight 'gubernia', autonomous regions, in which each individual citizen would have a dual identity, an administrative-political and a national one.1 By contrast, during the war the majority of Austrian Social Democrats gave up the federal idea virtually overnight. As Otto Bauer put it in 1923:

Since 1889 we had advocated the transformation of Austria into a Federal State of free nations. In the course of the war it became clear that Czechs, Poles, and South Slavs would no longer rest content with this solution of their national problem when revolution broke out. They would fight for complete national independence. Austrian Social Democracy had to consider whether it could offer effective opposition to the national revolution of the Slav peoples. Once the revolution came, was Social democracy to attempt to compel the nations which demanded their full liberty to satisfy themselves with autonomy within the limits of Austria? The upshot of all the discussions of the problem was that Social Democracy felt bound to recognise the unfettered right of the Slav nations to self-determination.2

Despite the changes in Renner’s and Bauer’s opinions, they were diplomatic enough not to reject outright the suggestions of the British Military Representative. The Austrian Foreign Secretary as late as July 1919 confirmed that 'if he could be assured of a Danubian confederation as a working proposition he would work for it and support it'.3 In any case, Cuninghame remained suspicious of Bauer’s 'pan-German' leanings.

1 Deák I., 'Einige Gedanken über die Geschichte de Mitteleuropäischen Föderationspläne', in Glatz F. ed. (1993), Europa vonzásában, MTA Történettudományi Intézet, Budapest, pp.213-218
3 Cuninghame to Colonel Twiss, Vienna, July 1, 1919, DBFP, Vol. VI. pp.8.
Accordingly, on July 29, 1919, the Lieutenant-Colonel reported to Colonel Twiss, the British military delegate in Paris, that the two conditions of normalisation in Central Europe were 'a sane government in Hungary' and 'the retirement of Dr Bauer'.

The recommendations of the British Military Representative in Vienna were treated with caution by British politicians both in London and Paris, partly because of his monarchist views. Sir William Thwaites, the Director of Military Intelligence, instructed Cuninghame to dissociate himself entirely from all that concerned the Emperor and the Dynasty.

This infinitely annoyed Cuninghame who was in favour of Habsburg restoration and deeply resented the political constraints imposed on his mission. All the same, he continued to cherish the hope of bringing about a regional bloc, at least an 'economic confederation' in Central Europe, around Vienna. He noted in his memoirs:

I cannot see how any impartially-minded man can come to any other conclusion than that the states of Central Europe must be held together by some form of central control...

In his first report to London, in the middle of January 1919, he suggested that a financial commission be sent to Vienna 'with the function of examining to what extent common action

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3 Cuninghame op.cit. pp.305.
between the states of the Ex-Empire is possible'. The Lieutenant-Colonel also pleaded with London to dispatch a clear statement to Vienna, affirming that the negotiations on the Danubian economic union were in agreement with the wishes of the Entente, but in vain.

The passivity or 'relative inactivity' of the British government sprang from several sources. On the one hand the British delegation consciously postponed facing the Austrian question because of the absolute priority given to the German treaty in Paris. On the other hand postponement was a direct consequence of the basic disagreement in London between different ministries about the future of Austria, particularly concerning the questions of Anschluss, the Danubian federation idea, the Customs Union proposals, and the degree of Bolshevik danger in Vienna. There were also obvious signs of rivalry between the Foreign Office and the War Office and even more so between the intelligence branches of the two Ministries.

The opinion of the Foreign Office can best be illustrated by Lord Curzon's damning appraisal of Cuninghame's political views: 'The soldier politician is usually wrong'. Until November 1919, when F.O. Lindley was appointed as High Commissioner to Vienna, Cuninghame had to represent both the Foreign Office and

1 Hoffmann op.cit. pp.256.

2 Hoffmann R. op.cit.

3 Documents on British Foreign Policy, 1919-1939, First Series, Vol. XXII. pp.126.
the War Office in Austria. It was, as it transpired, an impossible task because the leaders of the two ministries had conflicting views on most key issues. In the Foreign Office there was little opposition to Anschluss.¹ Political Intelligence clearly preferred the self-determination of the Germans to a Danubian bloc. George Saunders, a member of the PID, wrote to Headlam-Morley on June 10, 1919:

> Europe is hopeless without a great Central European Teutonic State or close alliances of states...²

This view was supported by Namier's memoranda, which were approved by the leaders of Political Intelligence, Headlam-Morley and Tyrrell. On February 1, 1919, Namier reported that in Austria 'a battle has been going on for more than a month between those who are in favour of union with Germany, and those who wish to smooth out economic problems by maintaining the economic unity of Austria-Hungary for the final reckoning'. The Political Intelligence Department of the British Foreign Office full-heartedly supported Otto Bauer's pan-German argument, and ridiculed the confederation idea:

> The past has proved to Austria how extremely difficult it was to reach an economic agreement with Hungary for ten years. But what if these negotiations have to be concluded between 4-7 independent and sovereign States at a time when economic difficulties have grown enormously and economic developments in the different countries may be proceeding at a different pace? Clearly such an agreement could only be reached if there was a definite submission to a majority rule in a common assembly, which cannot be expected from any

¹ Carsten F.L. op.cit
² Headlam-Morley Papers, HDLM ACC 688. Box 2.
of the peoples which gained independence so recently and after such hard struggles...'

Namier's accounts of the political division in Central Europe and of the 'torpid resignation in Austria' were confirmed by the information of the War Office, but the two intelligence services drew entirely different conclusions from the more or less similar reports. The head of British Military Intelligence, in line with Cuninghame, proposed creating a Danubian federation under British tutelage as an effective means of averting German-Austrian union. Then, at the end of February 1919, General Thwaites suggested to Curzon to forestall Anschluss by improving conditions between the 'Austro-Hungarian States'. On the strength of alarming military reports from Budapest and Vienna, in March Thwaites urged British recognition of the Austrian and Hungarian governments and at the same time emphasised the necessity of fostering cooperation between neighbouring governments for the Danube confederation. In the same month Curzon and some leaders of the Foreign Office proved receptive

1 Private and Confidential letter by Namier to Headlam-Morley, PID, February 1, 1919, Headlam-Morley Papers, HDLM ACC727 Box 11.
2 ibid.
3 Carsten op.cit. pp.5.
4 Thwaites to Curzon, 26 February, 1919, see Hoffmann op.cit. pp.259.
to the argument of Military Intelligence, hence the conclusion of two recent studies\(^1\) that the Danubian federation project was aborted solely because of the wholly unforeseen circumstance of the Bolshevik revolution in Budapest. Furthermore, it has been documented that as early as April, in the heyday of the Kun regime, General Smuts suggested a federation plan, which to some extent resembled the ideas of the Hungarian Oszkár Jászi\(^2\). These developments were simply ignored by the Political Intelligence Department, where Namier repudiated the 'rumours spread in Austria by German agents'\(^3\) that Great Britain was proposing to force Austrians into a Danubian federation and prevent them from joining Germany.

As a result of the disagreement between the two intelligence services, there was confusion in the War Cabinet as to the future of Austria. Opinion was clearly divided on the Anschluss versus federation question. On the one hand, an economic union between the 'victorious' and the 'vanquished' states was an acceptable proposition for both sides. On the other hand, the Foreign Office, heedless of entreaties from the War Office, was not prepared to back any active British participation in the realisation of such a project.

This antagonism between the two main intelligence branches in London profoundly affected their assessment of Austrian

\(^{1}\) Hoffmann R. and Zsuppan F.T. op.cit.

\(^{2}\) Zsuppan F.T. op.cit. pp.92.

\(^{3}\) Carsten op.cit. pp.5.
politicians. While Colonel Strutts called Renner a 'hairy rascal' and Bauer a 'thief', a PID document stated that 'Austria in the days of her greatness has never had such a decent government & such able statesmen as she has got now'. While Cuninghame preferred Renner to the 'pro-German' and 'pro-Italian' Bauer, Namier characterised the Austrian Chancellor as a completely dishonest 'intellectual quibbler', 'a mixture of a German nationalist and an Austrian imperialist who called himself socialist' and the foreign minister as 'thoroughly honest and trustworthy, one of the best men in office in Europe'.

The British Delegation in Paris was familiar with both arguments, but, due to Headlam-Morley's presence, generally favoured the approach of the PID. Sir Eyre Crowe, for example, openly supported the 'Anschluss' and only accepted an economic and 'voluntary' association of states in the territory of the former Empire. Nevertheless, British policy towards Austria in Paris was hardly more consistent. The PID's primary objective of liquidating the Austrian Empire once and for all was frustrated by several memoranda, which ascribed to the new government in Vienna the rights and obligations of the Habsburg Monarchy. Sir

1 Colonel Strutts of the Royal Scots was sent to Vienna by the War Office as 'special officer' to represent British interests in questions related to the Habsburg family.


3 Namier to Headlam-Morley, February 27, 1919, Headlam-Morley Papers, HDLM ACC727 Box 11.(Peace conference)

4 Crowe, S.- Corp, E. op.cit. pp.345.
Francis Oppenheimer recalled one occasion when the total confusion nearly resulted in an embarrassing diplomatic 'incident'. This concerned an invitation addressed by the Secretary of the British Delegation to the 'Austro-Hungarian Government' to come to Paris to hear the terms of the Austrian treaty:

> Our Military Mission on the spot discovered the mistake in time to hold up the ill-worded invitation which, unless corrected, would have extended to the Hungarian Government.¹

As Agnes Headlam-Morley put it, the preparations of the Austrian treaty during the summer of 1919 drove the Assistant Director of the PID 'almost to despair'.² The chief of Political Intelligence, Sir W. Tyrrell, was also extremely disheartened about the Peace Conference and Lloyd George's attitude in particular:

> The Big Three, Wilson, Lloyd George and Clemenceau are ignorant of historical facts, distrustful towards those who know, and obstinate in their disinclination to accept advice. The peace so prepared is bound to lead to disaster...³

In addition, there were serious quarrels in Paris about the Austrian credits and reparation debts. Sir Eyre Crowe, Robert Cecil, and Maynard Keynes were at loggerheads with the Prime Minister and the Chancellor of the Exchequer on the reparation

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¹ Biographical notes of Sir Francis, carbon copy, Oppenheimer Papers, Bodleian Library, Box 7., Chapter XXIV., fol.8., see also Oppenheimer, Sir F. (1960) *Stranger Within*, London

² See the introduction of Headlam-Morley op.cit. pp.xxvii.

³ Oppenheimer Papers Box 7.
clauses of the Austrian draft treaty. At the end of March Cecil and Crowe agreed to send Sir Francis Oppenheimer, a well-known financial expert,1 to Vienna to report on the state of the Austrian economy and finances, supporting their case with economic data. Oppenheimer left Paris for Austria on the 13th of May after he had consulted Cecil, Cuninghame, and finally Keynes, the driving force behind his mission. Two weeks later Oppenheimer returned to Paris and outlined his plan for the 'policy of leniency'2 towards Austria in two memoranda. In his first general analysis, which was approved by Crowe, he submitted nine principles for the amendment of the draft Peace Treaty with Austria. At the heart of his recommendations was a commitment to giving substantial credits to the Viennese Government and cancelling all reparation demands on Austria, underpinned by a strict supervision of Austrian finances by the West. Furthermore, he pressed for 'close economic intercourse' to be established amongst 'at least the majority of the States embracing parts of the late Austrian Empire' under British guidance.' Oppenheimer, born of a German Jewish family, was strongly prejudiced against the Germans, but, by contrast, he found Austrians an 'altogether

1 This notion was rejected by Oppenheimer, who modestly stated in his memoirs: 'I knew nothing about Austrian Affairs before and I was anything but a financial expert...'. Nevertheless, the Foreign Office, and Cecil in particular, considered Oppenheimer as an authority on economic matters.

2 Memorandum of Sir F. Oppenheimer for the Prime Minister, Paris, June 3, 1919, and Memorandum for the Chancellor of the Exchequer, June 20, 1919, Oppenheimer Papers Box 6/2, Bodleian Library, Oxford

3 ibid.
lovable race". Hence, he fervently opposed any pan-German attempts for Anschluss and favoured either a 'Donaukonföderation' or 'Zollunion' between the countries of the former Habsburg Monarchy. His memoirs attest that in May 1919 he believed he would have the mandate as Financial Commissioner to Austria 'to act as Commercial and Economic Adviser in a sort of zollverein which was to link the states carved out of the Austrian Empire, visiting Budapest, Prague and other countries in turn.' The Oppenheimer mission was wholeheartedly supported by the British diplomatic staff in Vienna. In London, and in Paris, however, the memoranda of Sir Francis had a mixed reception. While Curzon paid much attention to Oppenheimer's political suggestions, Chamberlain and the Treasury were not persuaded by Sir Francis to pursue a generous policy towards Austria. According to Oppenheimer's diary at the beginning of June, Lloyd George still seemed willing to make concessions in the treaty with Austria though he dismissed the charge that the financial clause 'must appear to anyone with only superficial knowledge of actual conditions in present German Austria' to be 'conceived on a

1 ibid.

2 Oppenheimer was in contact with Austrian federalists, and, according to a letter by Karl Schlesenger on July 39, 1919, he was interested in the Danubian idea. Another document ('Zur Frage der Zollunion mit den Nationalstaaten', May 22, 1919) suggests his vivid interest in the Customs Union proposals. Oppenheimer Papers, Box 6/2

3 Oppenheimer Papers Box 7., biographical notes, Chapter XXIV., fol.9.
mistaken basis’. Treasury officials were even more blunt about their intention of obtaining ‘the last penny out of Austria’. ‘Mind Your Own business!’ snapped Lord Sumner of the Treasury, when Nicolson, a member of the British Delegation’s political section, questioned the severity of the draft treaty. Sumner was equally impatient with the senior economist Keynes, objecting passionately to the latter’s proposal to ‘water down the Austrian financial clauses.’ In spite of Cecil’s endorsement of Oppenheimer’s reports, and Crowe’s ‘fighting like a lion’ to influence Lloyd George, it was Lord Sumner’s judgement that prevailed in Paris. Harold Nicolson, Secretary of the British delegation in Paris, blamed Lord Sumner entirely for Austria’s subsequent woes. In January 1920 he wrote to Seton Watson:

I enclose £5.00 for the Vienna fund - as conscience money for having failed to assassinate that villain Lord Sumner when I had the chance... We are going through a dreadful period here...If this cynical & flippant recklessness is a foretaste of the new diplomacy I almost (though not quite) regret the old....

Nevertheless, during the summer of 1919, the only senior

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1 Oppenheimer to Keynes, Vienna, May 23, 1919, Telegram No.5, Secret, Oppenheimer Papers, Box 6/2

2 The above expression was used by Lord Sumner, the main advocate of the tough line against both Austria and Germany.


4 Oppenheimer Pocket Diary, Oppenheimer Papers Box 6/2

5 Crowe, S. - Corp, E. op.cit. pp.347.

6 H. Nicolson to R.W. Seton-Watson, Paris, January 12, 1920, Seton-Watson papers, SSEES, Personal Correspondence files
member of the British Delegation who remained uncompromising in his criticism of the Austrian peace terms was Keynes. He persisted in claiming that the reparation clause should be removed altogether from the treaty. As Oppenheimer minuted after a lunch with the Cambridge economist:

Keynes has been splendid... He wants Austrians to be given some vision or some light at the end of the tunnel...'

By the end of June, the 'policy of leniency' was flatly rejected by both Lloyd George and Chamberlain. Keynes immediately resigned from his post as Treasury representative at the Peace Conference, and Oppenheimer became effectively unemployed, after his commission came to an end on July 23, 1919.

The failure of the two economic experts to change British policy towards the 'Monstrous Child of Europe' caused immense disappointment, bordering on resentment, at the diplomatic mission in Vienna. The Commercial Secretary, O. Philpotts, affirmed in a letter to the ex-Commissioner:

I hope that after beginning so well you have not given up interest in this country, and that we shall soon see you out here again in some capacity.'

Oppenheimer remained faithful to the Austrian cause, though the Foreign Office found no 'suitable position' for him.

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1 ibid.
2 Crowe, S.- Corp, E. op.cit. pp.347.
3 Keynes to Lloyd George, 5 June, 1919, Collected Writings of J.M. Keynes (1951), London and Crowe-Corp op.cit. pp. 346.
4 Philpotts to Oppenheimer, Vienna, October 21, 1919, Oppenheimer Papers Box 6/2
Consequently, in 1920, he resigned, without claiming his pension, and his diplomatic career came to a bitter end. Like several other British diplomats, who served in Central Europe in the interwar period, he took exception to the obvious signs of British indifference towards the region, but he was also keenly aware of prejudices in the British diplomatic corps. 'In the service I had always been made to feel that I had come in as an outsider', Oppenheimer noted with regret in an interview with Lord Curzon in October 1919. The Secretary of State made flattering remarks about Oppenheimer's performance as Financial Commissioner in Vienna, but had no intention of sending him on another such mission.

Meanwhile, Sir Thomas Montgomery-Cuninghame, the first representative in Vienna, also came to be bitterly disappointed in his political chiefs. The British Prime Minister's nonchalance regarding Austria's predicament outraged him. In his memoirs Cuninghame recalled a quarrel with Sir John Bradbury, the head of the Supreme Economic Council, who categorically refused to send food aid to Vienna:

> What you seem to be telling me is that we must put our hands into our pockets for the benefit of our late enemies. I don't think that our people are quite educated up to that yet...

At the same time, the Lieutenant-Colonel's bad feelings towards the British government were aggravated still further by

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1 Interview with Lord Curzon, Foreign Office, October 15, 1919, Oppenheimer Papers Box 6/2

the humiliation of his disastrous mission to Paris in May 1919. In the wake of the Bolshevik revolution in Budapest, Cuninghame was alarmed by the Communist activities in Vienna and, in the middle of May, he decided to travel to the French capital and talk to Lloyd George. 'I never got an interview', he recorded sourly in his memoirs. He was 'fobbed off on to Balfour', who was having lunch with six ladies in the Ritz and tried to postpone the unpleasant encounter with the self-important Lieutenant-Colonel. On the officer's insistence Balfour agreed to meet him during his walk over the Seine to the Chamber of Deputies. As they passed the Place de la Concorde, the Foreign Secretary could hide his boredom no more and developed a trick of bumping the military man against the walls of the shops as he went. The report on the grim conditions in Vienna and Budapest was continually disrupted by the noise of heavy traffic and eventually by an accident on the Seine. Cuninghame commented acidly:

> If Mr Balfour had ever taken the slightest interest in Hungary, which I gravely doubt, he lost it then... I felt that, far, far away in Vienna, I could do as I pleased as long as I did not stir up too much dust. I determined to act accordingly...'

Despite this cynical conclusion, several documents suggest that after his failure in Paris Cuninghame carried on warning the

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1 Cuninghame op. cit. pp.336.

2 Cuninghame was promoted to the rank of Colonel in 1920 during his mission in Vienna.

3 ibid.
Foreign Office and Military Intelligence of the anarchy and chaos in Vienna. Between June and August he sent over seventy reports, telegrams, letters, and memoranda to London on the subject of the Bolshevik peril and the economic crisis facing Austria; mostly in vain. As a result of the Smuts mission to Hungary in April 1919, it was widely accepted in London that 'Hungarian Bolshevism is not a serious menace and cannot last'. General Smuts himself, as Harold Nicolson recollected, 'did not take a fancy to Sir Thomas Cuninghame', and snubbed him on several occasions. The puritanical general was appalled by the lavish and expensive meal organised by the British Military Representative at the Hotel Sacher in a city that was starving. This personal animosity was exacerbated by the political disagreements between the two men. Cuninghame appeared to Smuts to be unduly 'alarmist'. This partly explains the cold reception he was given in Paris. After his return to Vienna, as Robert Hoffmann pointed out, Cuninghame found himself in an awkward position. He had lost a great deal of his prestige and it became apparent that his views were not always in step with official British foreign policy. Overall, there was only one point on which there was a general consensus amongst most British officials, both in London and Paris, as regards the policy of Sir Thomas Montgomery-Cuninghame. This concerned his recommendation to 'establish a sphere of influence

in Central Europe for British trade' via Vienna, which was effectively backed by Oppenheimer's memoranda. Accordingly, aid policy was linked to the plans of future commercial expansion. As the chief of the British Relief Mission bluntly stated:

Having regard to the position of Austria and especially Vienna I think it would be very unwise not to hold out the helping hand which would best take the form of help through a commercial syndicate, which in return would receive a mortgage on all real and personal estate and a control of the railways and other undertakings belonging to the Government. By this means we should control the key to the East...  

C.K. Butler was not a little patronising with Austrians and Hungarians, but he urged his government to help the two vanquished states without delay:

I think that everyone would give freely of their all if only they could become a British colony! They are childlike in their innocence of what is or is not possible...  

Butler's political views were remarkably similar to Cuninghame's. He asked Lord Hardinge in earnest as late as October 1919:

Is it possible for Mr Balfour or Lord Curzon to take independent action in the case of Austria and Hungary and thus carve out for ourselves the nucleus of a federation which will become a bulwark against Germany

1 Following Oppenheimer's memorandum on the Austrian situation Cuninghame sent a telegraph to Balfour and Lord Robert Cecil in Paris warning them about the growing American and Italian commercial activity in acquiring control of Austrian industry. DBFP, Vol. VI. pp.84


3 Ibid.
of the future?'

Sir E. Crowe 'ventured to make the strongest reservations as regards the political suggestions made by Mr Butler'. The administrative leader of the Foreign Office was no champion of pro-Hungarian policy. On the other hand, he agreed with Curzon, Balfour, and Hardinge that Britain should attempt to accommodate both Austria and Hungary in the New Europe, where these states were 'surrounded by a ring-fence of embittered enemies'.

Yet, British responsibility for wrecking the chances of Austrian recovery at the Peace Conference was repeatedly set aside, at least in the first half of the twenties, with the argument that the new states of Central Europe would be forced by economic pressure to reintegrate in some form or another. The most common expectation was that Vienna would again prove the economic centre of the region, regardless of suggested regional designs around Budapest or Prague. Unlike Lloyd George, Lord Curzon himself was convinced that Austrian recovery was possible and, moreover, was in the interest of Great Britain. Citing Sir Francis Oppenheimer's memorandum, he wrote to Balfour on July 9, 1919:

The best chance perhaps of an Austrian recovery arises...out of the position which Vienna occupied in the Old Empire as the clearinghouse for its various parts. If a similar position (even on a reduced scale)

1 Butler to Hardinge, Budapest, October 15, 1919, DBFP op.cit. pp.290.
2 ibid.
3 The expression was used by the Austrian Minister in London, in October 1920, during his conversation with Lord Curzon, see F.L. Carsten op.cit. pp.41.
can be secured for Vienna, Austria and Vienna can be saved... This presupposes some close economic intercourse between the new states - a task which need not necessarily take the form of a Customs' Union... Imports and exports have to be exchanged as in days gone by. Vienna, the centre of the net of traffic, situated on the Danube as the broad waterway, can still fulfil a part of her old mission if the Allies help her...

The first concrete plan for a Vienna-based British foreign policy in postwar Central Europe was put forward by a member of the Foreign Office's War Department, Howard Smith, in a memorandum on August 15, 1919. Although the document was partly based on Oppenheimer's analysis, it was more confident as to the prospects of Austrian recovery. Howard Smith held that Vienna would become the commercial and financial capital of the whole 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...

With the benefit of hindsight, it can be noted that Howard Smith's document was premised on the somewhat naive assumption that economic pressure would be a more crucial factor in Central Europe than nationalism:


2 In 1920, after the reorganisation of the Foreign Office, Howard Smith became an Austrian expert of the Central Department.

...it should be not be an insuperable task to settle the animosities which are now so hopelessly dividing these different States. These States cannot stand alone: they must inevitably be interdependent...

Such optimistic hypothesising apart, the memorandum was based on common sense. The policy outlined by Howard Smith served the multiple purpose of rebuilding the economic unity of the Danubian Basin, whilst protecting the region from either German or Soviet influence, and giving an edge to Britain over France and Italy in the economic competition for the control of Central Europe. It was also rightly anticipated in the document that the new policy towards Austria 'is a matter in which the interests of the various Allies are likely to come into conflict'. The Foreign Office had ample evidence of French and Italian manoeuvres 'fundamentally designed to oust Britain from the markets of Central Europe'. On his arrival in Vienna, the British High Commissioner, Francis Lindley, immediately warned London that 'the French and Italian have taken advantage of their privileged railway position to get a firm hold here'. In reality, the French military authorities controlled nearly all of the trains running to Central Europe and even British diplomats had sometimes to wait for weeks to get a reservation

1 ibid.
2 ibid.
3 Admiral Troubridge to Admiralty, Budapest, November 4, 1919, DBFP, Vol VI. pp.415-416
from Paris. Lindley pressed London to curb French advances in the region:

It really is imperative that a train should run, say three days a week from Ostend for our benefit, avoiding Paris and, if possible, France altogether. It is not right that our business people should be completely cut off from Prague, Warsaw, Vienna and Pesth (sic) as they are now...'

In the face of French attempts to create a sphere of influence in Eastern and Central Europe, Sir Francis Oppenheimer claimed in the summer of 1919 that 'the British are at present by far the most popular "foreigners" in Austria'. This claim was confirmed by Lindley and approved by the Foreign Office. In London Howard Smith's argument prevailed that Vienna was the natural place for Britain to secure a position of 'peculiar strength in the centre of Europe'.

1 ibid.


3 ibid
3. Britain and the Reconstruction of Austria

The emerging plans for British participation in Austria's reconstruction did not soften the British Delegation's attitude towards the fallen enemy at the Peace Conference. In August 1919, during the last stages of 'finishing off the treaty', even the profoundly anti-Austrian Allen Leeper admitted to Seton Watson:

The thing is not at all perfect as it stands.... It is very severe but not I think too unfairly so....

All the same, soon after the Treaty of St Germain had been signed in September 1919, the pro-Austrian strategy gained support in London. Despite the harsh terms of the treaty, the Austrian Chancellor encouraged British overtures and expressed his gratitude to the Anglo-Saxon powers for their efforts to mitigate the draconian terms of the French and Italian drafts. Renner proclaimed that the new Austria looked most of all to Britain for friendship and assistance. Against the background of the 'Carthaginian peace', which drove Keynes and Oppenheimer to despair, the time seemed ripe for a more active British policy in Austria. At the same time the Foreign Office was well aware that Vienna would no longer be able to play a pivotal role in the region any more without the consent of her neighbours. For that reason, the rapprochement in the relations between Austria,

1 A.W.A. Leeper to Seton-Watson, Paris, August 21, 1919, Seton-Watson Papers, SSEES Personal Correspondence files, Box no.14
3 Keynes, M. (1920), The Economic Consequences of the Peace, London
Hungary, and Czechoslovakia became an indispensable condition of the success of a Vienna-based British policy in Central Europe. Consequently, diplomatic efforts were concentrated on reconciling the three hostile states. The task was no mean feat. The new High Commissioner to Austria, Sir Francis Lindley, was shocked by the political hostility and suicidal economic policy of all the countries in the region.

In short, everyone in Central Europe is bent on erecting a zareeba of the stoutest thorns round his particular plot of ground with the fond idea that he will prosper inside it.  

In July 1919 Sir Thomas Cuninghame tried to convince Otto Bauer that Austria should start to draw closer to Hungary. In September 1919, faced by growing antagonism between the two governments, the head of the Austrian Relief Mission, Butler, urged British mediation between Budapest and Vienna. Thereafter, Admiral Troubridge, British commander on the Danube and supporter of an Austro-Hungarian rapprochement, appealed to the British Government to send an economic mission to both capitals as well as to Prague. The Foreign Office’s support of these proposals was lukewarm. By the end of 1919 it appeared to be obvious that there was no chance of normalisation between Austria and Hungary in the near future, because of the Burgenland debate, and the disparate

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The Foreign Office initially did not want to appoint any British diplomats to Vienna, before the Treaty had been ratified. Nonetheless, the opponents of Cunninghame urged the appointment of Lindley, particularly after France and Italy had re-established their diplomatic missions in Vienna. PRO FO 794/4, Lindley file

2
Confidential letter from Lindley to Curzon, November 1919, DBFP, Vol. VI. pp.352.
nature of the two regimes which was manifested in open Austrian hostility towards 'legitimist', pro-Habsburg politicians in the Magyar Government. The quarrel over Western Hungary and the plebescite in Sopron (Oedenburg), in addition to the two Habsburg restoration attempts in Budapest, paralysed all diplomatic attempts at political normalisation, the precondition of even the most basic economic intercourse, for at least two years. Thus, for the time being London did not pursue too vigorously the matter of Danubian economic cooperation in Budapest.

There were some British politicians, like Sir William Tyrrell, who expressed unfounded hopes that passionate nationalism in Central Europe would probably diminish in the near future. However, it can be illustrated that from 1919 to 1920 London had few illusions about the aims of Hungarian foreign policy. British diplomats and Central European experts had different opinions on whether to blame Hungary or her opponents for the country's status as the 'Pariah of Central Europe'. For all that, it was acknowledged that Hungary's isolation rendered impossible any short-term rapprochement between Budapest and Vienna. The Foreign Office constantly tried to 'nurse a harmonious liaison' between Hungary and her neighbours, while at

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1 Minute of Tyrell's, PID, December 12, 1928, Headlam-Morley Papers HDLM ACC 727 Box 16 (Political Office Papers)

2 The phrase was coined by Frank Rattigan, British Minister to Bucharest, in his dispatch of August 19, 1920, DBFP, Vol. XII. pp.254.

3 Oppenheimer's expression in his memoirs. See also Oppenheimer Papers, Box 7. Biographical notes, Chapter XXIV., fol.9.
the same time it was generally accepted in London that, before the Hungarian Peace Treaty had been signed, there was no point in pushing for negotiations.

Consequently, by the autumn of 1919 British diplomatic activity was directed at promoting a Czechoslovak-Austrian accord. The High Commissioner, F. O. Lindley, strongly advocated this policy. During the winter of 1919 he lived in an unheated room in the Hotel Bristol on a 'totally insufficient quantity of food', so it is no wonder that he sent shocking reports to London, which were even read by King George V, vehemently calling for a more dynamic British policy to ease Austria's sufferings. Lindley not only thought generous relief operations necessary, but also a diplomatic initiative in Central Europe:

I venture to recommend that strongest pressure be applied at Prague and Belgrade to induce Governments there to modify their attitude towards Vienna. We have means to exert that pressure and to force those Governments to take measures which are really in their own interests. 2

The British strategy of fostering commercial negotiations between Austria and the Successor States was initially opposed by Viennese Social Democrat leaders. The President of the National Assembly, 'Mr Seitz, expressed scepticism as to the possibility of any useful economic arrangement' with Czechoslovakia. Renner and Seitz endeavoured to convince the

1 Carsten, F.L. op.cit. pp.16. and 36.
British diplomat that 'an economic arrangement, to be useful would almost necessarily lead to some form of political union, and this the Czechs would never admit'. Lindley was inclined to agree, but he was also conscious of the Viennese politicians' deep-seated suspicion of the Successor States and of clear signs of their reluctance to come to terms with the Czechs:

Incidentally it may be observed that Mr Seitz did not, himself, seem to consider even the loosest political understanding with Czechoslovakia as at all desirable, and this whole tone led me to conclude that he shares to the full the warm regard held by the Social Democratic Party for their spiritual home in Berlin.

The High Commissioner strongly opposed the pan-German solution to Austria's economic problems and clearly favoured a Danubian settlement. In this respect it can be argued that the whole British diplomatic staff in Vienna was in agreement. The Military Representative, the head of the Relief Mission, the Commercial secretary, and the new leader of the Legation were equally dubious about the pro-German policy pursued by the Social Democrats, all preferring the idea of a Central European confederation. Presumably it was this that provoked Otto Bauer's remark in 1923 that the Austrians faced in the English government an Anschluss opponent hardly less determined than the French

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1 ibid.
2 ibid.
3 Before World War I and in early 1919 O.S. Philpotts was Consul in Vienna, and during the Bolshevik revolution, along with Cuninghame, he was involved in intelligence work in Budapest. From the autumn of 1919 he was Commercial Secretary to the Legation in Vienna.
government. Lindley kept a watchful eye on both pan-German and French enterprises in Austria and reported back with evident satisfaction:

Dr Renner stated that he was more impressed with the need of close economic relations with what are called the Succession States; he would do all he could to bring about such relations. At the same time it appeared to him that the French, who had been most in favour of some kind of Danube confederation, had a fundamentally false conception of its possibilities and objects... Federation should be based under the aegis of the Anglo-Saxon Powers...

Karl Renner's postwar federalism and Anglophilia were regarded with caution in London. When, in August 1920, Sir George Clerk wrote from Prague that the Austrian Chancellor had proposed to Benes a Union of Central European States excluding Hungary in order to counter French ambitions in and around Budapest, Eric Phipps, Assistant Secretary to the Foreign Office pencilled on the report:

Dr Renner's reputation for stupidity seems to be well founded....

Phipps, one of the Francophile senior clerks of the Foreign Office, despised the Austrian Chancellor who was 'hypnotised by

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1 Bauer, O. (1923), Die Österreichische Revolution, see also Low, A.D. op.cit. pp.3.
2 Lindley to Curzon, Vienna, December 1, 1919, DBFP, Vol. VI. pp.452
3 Sir George Clerk to Curzon, Prague, August 18, 1920, PRO 370 C3910/3910/12
4 Later in the twenties Eric Phipps was First Secretary in Paris and in the late thirties he was appointed British Ambassador to France.
his distrust of France'. Nevertheless, the unkind comment on Renner's intellect was primarily prompted by the Social Democrat politician's apparent antipathy to Hungary. In December 1919 Lindley enquired what countries the Austrian chancellor would like to confederate. 'For Austria, Czecho-Slovakia was the most important of all new states', Renner declared, expressing his desire to enter into dialogue with Belgrade after concluding negotiations in Prague. The British High Commissioner accepted the argument for leaving Hungary until last, although he was sensible the 'not entirely ingenuous reasons'.

Lindley took exception to the Austrian Chancellor's assertion that the road to Prague or Belgrade for the Hungarians was not through Vienna. It was plain that the Austrian leaders were not prepared to play the role of mediator in Central European disputes, as suggested by Britain. Moreover, on January 10, 1920, Renner took Lindley aside and, confirming the worst suspicions of the British diplomat from the days of his earlier dispatches, admitted frankly:

It was an absolute utopia to contemplate at the present moment an economic Danube Confederation. The states which had arisen on the soil of the former Austria were far too pleased with their economic sovereignty and so happy in the enjoyment thereof that

1 ibid.
2 Lindley to Curzon, Vienna, December 1, 1919, DBFP, Vol. VI. pp.452
3 ibid.
4 Renner's comment was quoted in the Wiener Zeitung and the Hungarian newspaper Az Est. It was reported to Curzon by Bridgeman, Vienna, September 13, 1920, BDFA pp.129.
it was out of the question that they should wish to divest themselves of it. Such a renunciation in regard to her sovereignty was not even to be recommended in the case of Austria...'

Time and again the British High Commissioner in Vienna raised the question of political association in the region, though he was more preoccupied with breaking down economic barriers in Central Europe. As early as December 13, 1919, he ventured to advise Lord Curzon that 'if it is not too late the neighbouring States should be forbidden to erect any Customs barrier for a period of say 5 years'. The idea was also commended to Curzon by Lord Hardinge, who minuted:

There is no doubt that the quickest & easiest remedy is the abolition of all customs barriers between Austria, Hungary & the surrounding countries so that there may be exchange without restraint of raw materials essential to each...'

Britain frequently condemned the blockade of Austria and Hungary by the Successor States. In spite of this objection to economic nationalism, the Foreign Office was loath to jeopardize its relations with the Successor States, given the increasing sphere of influence and significant economic advantages secured by France in the region in 1919 compared with Britain. The most alarming reports reached London from the Legations in Prague and Belgrade. Sir George Clerk observed that in Czechoslovakia the

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3 ibid.
'prevalent sentiment' was that 'British economic policy in Central Europe is pro-Hungarian and pro-Austrian'. Sir Alban Young, British High Commissioner to Belgrade warned repeatedly of the complete alienation from the new states that would result from Britain's pro-Austrian and pro-Hungarian policy. He was particularly concerned about British support for the Horthy regime in Budapest:

I have frequently reported the jealousy which the Jugosslavs feel at the interest shown by Great Britain in the future of Hungary if not of Austria, and I fear that my influence may be weakened when I am called upon to advocate purely British interests...2

Accordingly, the Foreign Office tried to pursue its Austrian- and Hungarian-oriented policy without endangering British economic and political interests in Rumania, the Serbo-Croat-Slovene Kingdom, and most of all Czechoslovakia. The latter consideration was implicit in a letter sent on behalf of Lord Curzon by Eric Phipps to Sir Thomas Hohler, the British High Commissioner to Budapest:

His Majesty's Government cannot assume the responsibility of inducing these countries to adopt a more reasonable economic policy...3

British diplomats in every Central and Eastern European capital were actively involved in promoting economic cooperation in the region, but, in 1920-1921 at least, London refrained from exerting financial pressure too. The only 'success' of this

1 Clerk to Curzon, Prague, June 21, 1920, DBFP, Vol. VI. pp.204.
2 Sir A. Young to Curzon, January 10, 1920, DBFP, Vol XII. pp.85-86
policy of persuasion and 'one of the most surprising developments of postwar Central European diplomacy', was the rapid establishment of close, and reasonably friendly, relations between Austria and Czechoslovakia. Although it was apparent that the reconciliation of the two states was not so much based on the sense of mutual economic interests predicted by British diplomats, but on shared anti-Hungarian sentiments and common fears of a Habsburg restoration, commercial relations were nevertheless reestablished in the negotiations of late 1919. Despite the highly sensitive issue of the German Bohemians, which remained a sore point in Czechoslovak-Austrian relations throughout the interwar period, within a week of the signing of the Treaty of St Germain in September 1919 a new atmosphere rapidly emerged in which the two states sought a revival of economic cooperation. In this swift development, 'the Austrians were definitely the supplicants for the favour of the Czechs, who controlled the coal supplies upon which Vienna was dependent'. Hence, the terms of the new relations were dictated by Benes who in an interview with Dr Ferdinand Marek, the Austrian Plenipotentiary in Prague, in October 1919 maintained that a 'political confederation among the Danubian states was unacceptable, but special economic ties could be created through

2 ibid.
a system of treaties'. Marek's plea for Czechoslovak food and coal supplies to be delivered to Vienna was supported by the Foreign Office, as it was in Prague by Sir George Clerk who brought strong pressure to bear on Benes to accept the Austrian appeal. Therefore, in London it was seen as the success of British foreign policy when the agreement of January 10, 1920, was reached by the two states during Renner's visit to Prague. Paradoxically, however, it was on an 'anti-British' platform that the two governments came to this consensus, as each country felt threatened by British initiatives in Budapest. What the Foreign Office could not achieve by positive means, such as its pro-Austrian policy and friendly relations with the Czechoslovak President, it secured unexpectedly and unintentionally by its active policy in establishing a stable and Anglophile regime in Budapest. In short, the anti-Hungarian tone of the Prague agreement brought into question the effectiveness of British involvement in promoting stabilisation and consolidation in the region by way of an Austrian-Czechoslovak rapprochement. On January 18, 1920, Lindley expressed his personal doubts about the motives underlying the first postwar Central European accord between a 'victor' and a 'vanquished' state.

I was a little uneasy that Prague political negotiations (Benes-Renner) seemed to some extent to have taken on an anti-Hungarian colour. State Chancellor declared that if Hungary signed peace and showed she meant to abide by its terms he would be only too glad to live on most friendly terms with her. In spite of this declaration it seems to me that there is a tendency on the part of Vienna and Prague to form

1 ibid.
a single campaign against Hungary and Poland on the ground that the latter countries have reactionary governments..."

Benes and Renner signed three secret protocols, which paved the way for a political and military alliance against Hungary. In the event of a Hungarian attempt at a Habsburg restoration or a frontier revision by military means the two signatory powers were ready to establish 'a certain kind of very strict blockade' against Hungary. This was a situation that the Foreign Office was at pains to avoid then and throughout the twenties.

In January 1920 British diplomats noted that despite the agreement on economic cooperation, the Austrians were unable to obtain commitments for coal deliveries to Vienna. Benes won Austrian support for his policy, which clearly aimed at Hungary's encirclement, at little or practically no cost. The negotiations did not significantly change the economic climate of Central Europe. There was no commercial agreement between Prague and Vienna, while secret protocols were signed on cooperation between the intelligence services of the two countries and military consultations were planned to prepare for the fictitious contingency of a Hungarian attack. Benes was effectively 'catering to British opinion', but he did not aspire to establish too close economic links with Austria.

2 Campbell op. cit. pp.95.
3 Campbell op. cit. pp.98.
During Benes's trip to London in December 1919 the British High Commissioner in Vienna emphatically advised the Foreign Office not to offer credit to Czechoslovakia without some guarantees that Prague would provide food and coal deliveries to Vienna. Lindley and his colleagues were equally wary about Benes's intentions:

*My British advisers are unanimous in the opinion that if the Czechoslovak government ever have full control over credits their promises are worth nothing.*

In sum, it was an ambiguous accomplishment of British foreign policy when, at the end of a two-year-long process of negotiations, the political and economic relations between Czechoslovakia and Austria were finally normalised on December 16, 1921, at the Treaty of Lány. The Foreign Office was not hopeful that the rapprochement between the two states would greatly improve the chances of Austrian economic recovery, or of regional stability. Indeed at the beginning of the 1920s Czechoslovakia slowly relaxed her blockade of Austria only in order to hinder Anschluss, but in the face of British pressure 'Benes had no intention of establishing or even allowing anything like a Customs Union in Central Europe'. The British High Commissioner in Austria constantly called on the Foreign Office to exert financial and diplomatic influence on the victor states 'to drop their Chauvinistic tendencies and open their frontiers

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1 Lindley to Curzon, Vienna, December 14, 1919, DBFP, Vol. VI. pp.511.
2 ibid.
to traffic with Austria’, but to no avail. Lindley, while on holiday in London at the end of April 1920, handed a memorandum to the Central Department, in which he suggested a Conference between the Central European countries to resolve their differences and remove the customs barriers. On this occasion top-ranking British Government officials such as Lord Hardinge thought differently:

I think we must go slow. All the jealousies and bitterness of the war are still rampant in these States, and it is only time and the return of common sense that can heal them. A Conference at the present time would be far more likely to aggravate than to alleviate them, since it would demonstrate more clearly to the various states where their interests diverge... 2

The first failures of reunifying, or at least loosely reintegrating, Central Europe under British domination made the Foreign Office guarded and reluctant to take the initiative. French enterprises in Hungary, during 1920, seriously challenged Britain’s economic and political foothold in the Danubian region and frustrated all attempts at promoting understanding in the triangle of Vienna, Budapest, and Prague. ‘Only very gradually and as commercial intercourse increases and becomes easier, will political relations with Hungary improve’, the British High Commissioner in Prague argued forcefully in 1921. Consequently, for a short period, the Foreign Office became more interested in

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2 DBFP Vol. XII. pp.177.
3 Sir G. Clerk to Curzon, Prague, January 16, 1921, DBFP, Vol. XXII. pp.15.
another regional integration project, the Czech-inspired 'Little Entente'. Despite Britain's deep mistrust of the anti-Hungarian diplomacy on the part of the 'busy body' Benes, Prague seemed to be a viable alternative to Vienna as a centre of British Danubian policy. This was confirmed by Athelstan Johnson's report from Budapest in August 1920:

It must be remembered that the Czech Government view is very hostile to the present regime in Hungary and that Doctor Benes is, from his point of view, right in endeavouring to consolidate against Hungary...all the more so as the French are straining every nerve to gain influence here and are allowing it to be known that they intend to completely drop Czecho-Slovaks...

The Foreign Office did not intend to drop the Austrians, but a more active policy in Czechoslovakia, as advocated by the High Commissioner in Prague, seemed to have its merits. In pursuit of this end, Curzon set out to link Austria to the anti-Hungarian 'bloc' of the Successor States. In a conversation with the Austrian Minister in London, the Foreign Secretary seemed confident that Austria could break out of her isolation:

Possibly Baron Franckenstein rather exaggerated the hostility of Austria's neighbours to her... It appears to me that no such suspicion is entertained by these states towards Austria as is shown by them towards Hungary, and I am hopeful that if the Austrian Government adopt the line of policy which I permitted myself to recommend to baron Franckenstein Austria ought even before long to be invited to enter the

1 This was Miles Lampson's characterisation of Benes on April 8, 1925, Campbell op.cit. pp.141

2 Athelstan Johnson to Curzon, Budapest, August 23, 1920, PRO FO371 4722 C4697 No.480
Little Entente....

As a Hungarian historian documented, the Little Entente was created with Great Britain's consent out of anti-French considerations, namely to counter the Budapest-based Danubian confederation plan of Millerand and Paleologue. For a short period in 1920, Britain was the main supporter of Czechoslovak foreign policy. Without giving up hope in the eventual restoration of Central European unity, the Foreign Office temporarily accepted the strategy of Benes, 'which practically meant Central Europe's division into two parts'.

However reluctantly, Britain had to choose between the Central European capitals, as in the face of the French 'diplomatic offensive' the Foreign Office could not rely on Vienna, Budapest, and Prague at the same time. At the beginning of the decade, French policy in Danubian Europe wavered between Austria and Hungary, while British experts hesitated between Austrian and Czechoslovak orientation. The Quai d'Orsay for anti-British reasons chose Budapest, while The Foreign Office as a preventive measure against French and Italian designs gave its full support to the Czechoslovak scheme. Lord Curzon flatly

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3 Adám M. op.cit. pp.94.
4 Ádám M. op.cit. pp.61.
stated on October 7 1920:

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 the Treaties of Peace, meets with the full approval of His Majesty’s Government more particularly as it provides a safe-guard against the dangerous intrigues to which both the French and the Italian Governments appear to have lent themselves in the course of the past year...'

It is important to note, however, that British patronage of the Czechoslovak plan was based on the assumption that 'if Hungary and Bulgaria abandoned their revisionist demands, and sincerely accepted the present settlement, they could join the bloc later'. His Majesty’s Government supported the creation of the Little Entente, with the fond idea of this regional bloc later absorbing all the countries of Central Europe, beginning with Austria and ultimately ending with Hungary. Furthermore, for all the efforts of Benes, Vienna and Budapest formed a central concern in British calculations to link up the Danubian countries even in 1920. The modification of British priorities in Central Europe did not stop Alexander Cadogan from minuting in April 1920:

It is very unwise of the Austrian Government not to try to cultivate better relations with Hungary...

Cadogan’s advice was greeted with hostility in Vienna. On September 19, 1920, the Second Secretary of the British Legation

2 Rattigan to Curzon, Bucharest, September 17, 1920, DBFP, Vol. XII. pp.265.
3 Cadogan's note about Sir R. Tower’s report on the situation in Austria, April 2, 1920, PRO FO 371 4643 C5363/413/3
in Vienna reported that Renner had spurned the opportunity of Austrian reconciliation with Hungary, because 'no Austrian statesmen could compromise on West Hungary'. Two weeks later the Legation's fortnightly report quoted from Renner's campaign speech in Graz on 23 September:

> With the exception of some officers, some high officials and commercial men who do business between Austria and Hungaria (sic), there is nobody in Austria who would like to conclude a fresh union with the Magyars... Austria has one interest only namely to escape being involved with her neighbours. We want rest... 

The outright Austrian rejection of reconciliation with Hungary made British officials particularly sceptical of the chances of a Danubian union via the reconstitution of the Habsburg Monarchy. In 1920, Marquis de Castellane, the mediator of the ex-Emperor Karl, bombarded London with his memoranda on all aspects of Central European cooperation. The pro-Habsburg aristocrat, 'that volatile and versatile nobleman', defended the Danubian confederation as 'the only solution to guarantee to Central Europe peace and economic prosperity.' He tried to

1 Bridgeman to Curzon, Vienna, September 19, 1920, PRO FO 371 4643 C7356/416/3
2 Cuninghame's fortnightly report, September 25, 1920, Enclosure in Bridgeman's dispatch to Curzon, Vienna, October 1, 1920, PRO FO371 4643 C7850/414/3
3 Marquis de Castellane, 'The Break-up of the Austro-Hungarian Monarchy', Documents containing views as to possible formation of a Danube confederation with a view of preventing union of Austria with Germany, PRO FO 371 4714 C2690/2690/62
4 Athelstan-Johnson's characterisation of Castellane in his dispatch to Curzon, Budapest, October 11, 1920, BDFA pp.142.
5 ibid.
impress on British politicians the dangers of Anschluss as well as the economic chaos of the region. The Marquis, an old acquaintance of Lord Hardinge, did his best to secure an interview with the Secretary of State, but got no further than the temporary clerk in the Foreign Office or Hardinge's private secretary. In any event, Lord Curzon asked three influential officials, Phipps, Cadogan, and Crowe to examine the lengthy proposals. All three reacted with derision. While Alexander Cadogan warned that the Italians were apprehensive of such projects, Sir Eric Phipps went on to dub the ex-Emperor's scheme 'utterly fantastic and undeserving of serious consideration'. Sir Eyre Crowe was even indignant at having been given the task of perusing such 'nebulous and vague' Austro-Hungarian propaganda:

> It is indeed difficult to read these effusions with patience. They are not worth the time consumed in doing so... I propose to return no answer, till pressed by the M. de Castellane, who can't be regarded as a serious intermediary. And that is to say the proposal is one which we can not entertain...  

Three months later Cadogan hinted that the restoration of the Danubian monarchy was viewed in the Foreign Office as a French-inspired project. According to his minutes Austrian membership of the League of Nations was a much more effective way of manipulating Vienna and of preventing Anschluss than 'egging on the ex-emperor to pursue the fantastic scheme of the immediate

1 ibid.

2 Sir E. Crowe's note, July 31, 1920, PRO op.cit.
reestablishment of the Austro-Hungarian Monarchy under Emperor Charles'.

Lord Curzon had the final word on the matter after W. Athelstan Johnson, the First Secretary of the Hungarian Legation, reported that 'the Hungarians are determined to have a Habsburg King'. The Secretary of State made it plain that he was not prepared to risk British influence either in Vienna or in Prague for the sake of a Habsburg monarch in Budapest. Curzon warned the Legation staff in Budapest to keep out of Habsburg affairs.

It appears essential that His Majesty's Government and the Allied Powers should not relax the ban they 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...  

In response, British politicians opposed both Habsburg restoration attempts in Budapest in 1921. The Foreign Office backed the action by the Little Entente to obstruct the return of the Habsburg king to the Hungarian throne. At the same time it did not escape the notice of British diplomats that Benes was trying to make political capital out of the Hungarian crisis. During the first restoration attempt, in March, Czechoslovak policy by and large met with London's approval, though it was regarded as a matter of regret that Karl's arrival in Budapest

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1 Cadogan's handwritten comment on Bridgeman's dispatch from Vienna, October 20, 1920, PRO FO 371 4643 C9518/414/3

2 Athelstan Johnson to Curzon, Budapest, November 17, 1920, DBFP, Vol. XII. pp.337.

was hampering Czechoslovak-Hungarian commercial negotiations in Bruck. In the case of the second coup, in October, the British reaction could not have been more different. The Foreign Office expressed more concern about the dangers of an attack on Hungary by the Little Entente than about the threat posed to European security by the 'bogey of a Habsburg'. Benes strove to ignore the Hungarian Government's proper handling of the affair and only a strong British warning stopped him from sending troops into Hungary. Britain even threatened to sever diplomatic relations with Prague and Belgrade in the event of a military assault on Hungary and also exerted strong pressure on Austria to remain neutral in the conflict. In Paris, Lord Hardinge unreservedly repudiated all demands made of Hungary by the Little Entente. This unfavourable attitude marked a sudden British disillusionment in the aims of the Czech-inspired political and military bloc. The Foreign Secretary, Lord Curzon, asserted that Benes had nearly provoked a war of far-reaching consequences 'by acts of aggression', which in his opinion were 'entirely unjustified'. This affair seriously damaged British-Czechoslovak relations, and the Foreign Office rapidly lost faith in the integrating power of the Little Entente. While in 1920 Bridgeman, the First Secretary of the Austrian Legation, declared that the

1 The expression was used by Athelstan-Johnson, acting High Commissioner in Budapest, on December 8, 1920, BDFA pp.173.


3 Curzon to Clerk, November 3, 1921, DBFP, Vol. XXII. pp.525.
‘Small Entente’ was ‘the principal factor in Central European politics’, by the mid-1920s Great Britain had come to positively frown on Benes’s regional bloc, as illustrated in Churchill’s sarcastic remark on the ‘pack of small nations on a leash to France’. Magda Ádam has documented how Benes scored diplomatic success in establishing the Little Entente, but was simultaneously doomed to fail in his ambitious plan to ‘lay down definitely the political, economical and social bases of Central Europe’s new order.’ The conspicuous failure to pacify Hungary and construct a ‘solid economic bloc composed of the succession and the Balkan States’ had profound effects on British policy. On the one hand, as early as 1921, the British already showed signs of disengaging themselves from Central European affairs. In November, Lindley begged Curzon ‘to keep a watchful eye on this important region and to guard the idea gaining ground that the proceedings of Balkanised Europe are of no vital importance to us.’ On the other hand, a short time later, pro-Austrian and pro-Hungarian policy became the cornerstone of all British


3 ibid.

4 Bruce Lockhart’s Memorandum on January 5, 1922, Campbell op.cit. pp.114.

5 Lindley to Curzon, Vienna, November 24, 1921, DBFP, Vol. XXII. pp.599.
schemes to stabilise the Danubian region. The British Minister, 1 Lindley, started sending increasingly optimistic reports from the Austrian capital:

It can be confidently said that Austria has shown herself to be an element of order and stability in Central Europe with sufficient promise for future improvement to make it worth while to set her on her legs... 2

Equally, Sir William Goode 3, British director of Relief Missions of the Supreme Economic Council, could overlook Vienna’s worst sufferings and see glimmers of hope:

It was anticipated that with the dissolution of the Austro-Hungarian Empire, Vienna will cease to be the financial centre in Central Europe. In practice it is not proving true... 4

There were auspicious signs in Austrian domestic policy too. Although Britain, unlike France and Italy, did not openly take sides in Viennese party politics, Schober’s cabinet, which came to power in June 1921, was looked upon with favour by the Foreign Office as well as the Legation in Vienna. As Cuninghame put it, under the new Chancellor’s care Austria could lead a ‘godly,

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1 Lindley was accredited as ‘His Majesty’s Envoy Extraordinary and Minister Plenipotentiaiy in the Republic of Austria’ on July 24, 1920.


3 Goode, former managing editor of the Standard and news editor of the Daily Mail, was appointed British Director of Relief Missions in 1919, serving as a member of the British Delegation at the Peace Conference, and of the Supreme Economic Council from 1919 to 1920. In 1920 he became the president of the Austrian section of the Reparation Commission.

quiet and "Schober life". Lindley reported with relief that the Chancellor was 'no Anschluss man' and Keeling, the Second Secretary of the British Legation in Vienna, minuted that the fall of the Schober government would herald increased pan-German agitation.

The signs of a resurgent pro-Austrian course of British foreign policy did not go unchallenged by the British Legations in other Central European capitals. Thomas Hohler, High Commissioner to Hungary, suggested Budapest as the most suitable base for British commercial expansion in 'Danubia':

Whereas in the old Austro-Hungarian Empire Vienna served as a nerve centre and could remedy any economic defect throughout the great extent of territory whenever it was needed that is no longer the case...

Meanwhile, Sir George Clerk argued that British credit to Austria should be extended to Czechoslovakia to balance French influence. Apparently he also quoted Benes as saying that Czechoslovakia was 'the real centre of Europe'. The effect of such self-promoting geopolitical arguments was minimal. Hohler's bias towards Hungary and Sir George Clerk's inclination to

1 Cuninghame op.cit. pp.319.
2 Lindley to Curzon, June 2, 1921, BDFA, pp.245.
3 Keeling to Curzon, Vienna, August 25, 1921, BDFA, pp.266.
4 Hohler to Curzon, Budapest, February 7, 1921, DBFP, Vol. XXII. pp.41.
support Benes and Masaryk were well-known facts in the Central Department, where the chief, Miles Lampson, emphatically warned staff:

The man on the spot must naturally have his preoccupations and is perfectly right in rubbing them in to us here at home...¹

In fact, the memoranda written by Miles Lampson, Howard Smith, and other officials of the Department reveal that throughout the first half of the 1920s it was regarded as perfectly sound in the Foreign Office to take a pro-Austrian platform:

Vienna still remains a favourable observation point for this part of the world...²

Against the backdrop of intense rivalry between Budapest, Prague, and Vienna, formidable pressure was put on the native governments, especially on that of the ambitious Czechoslovakia, not only to accept but to assist in the reconstruction of Austria. In 1921 London renewed its efforts to reconcile Austria with her neighbours and create a British-sponsored economic triangle in the Danubian Basin. Curzon did not mince his words to Benes:

His Majesty's Government would welcome any evidence of desire on the part of the Czechoslovak Government to establish mutual economic friendship between Hungary,

¹ Lampson to Phipps (Paris), Foreign Office, September 3, 1924, Phipps Papers, Churchill College Archive Centre, Cambridge, Box 2/19.
² Lindley to Curzon, Vienna, November 14, 1921, op.cit. pp.599.
Austria and Czecho-Slovakia.  

The Foreign Secretary declared that the main British concern in the region was 'the critical state of Austria' and any future loan to Prague would depend on Czechoslovakia's attitude towards her neighbours. This was the first time in the postwar period that Britain had applied financial pressure to join the hostile countries together. The ever more energetic and determined British policy bore some fruit. In the wake of the Lány agreement, on December 19, 1921, Sir George Clerk remarked that Benes had at long last listened to reason and 'no longer felt any danger of Vienna, even when restored to health and prosperity, cutting out Prague as a commercial centre'.

A well-documented example of the policy of economic coercion was the 'Norman conquest' of Central Europe, Montague Norman's financial plan for a miniature League of Nations in the heart of Europe under the aegis of the Bank of England. The complex story of the Anglo-Austrian Bank has been analysed at great length in a number of recent scholarly works, therefore this thesis will not dwell on the details. The bank project is mentioned here only

1 Curzon to Sir G. Clerk, January 18, 1921, DBFP, Vol. XXII. pp.16., also Hanak, H. op.cit. pp.91.
2 ibid.
3 Clerk to Curzon, Prague, December 19, 1921, BDFA pp.302.
to exemplify the growing involvement and changing style of British economic policy in Vienna and the whole of the Danubian region at the beginning of the decade. The debate on the 'Anglo Österreichische Bank' was the major bone of contention between Vienna and Prague in 1920-1921, because of the Austrian institute's twenty-six branches on Czechoslovak territory and the wartime treasury bonds, or 'Kassenscheine', worth 156 million Crowns, which the Czechs refused to recognise. Britain herself had vested interests in the debate, given that the troubled Viennese bank owed the Bank of England more than a million pounds. Hence, as Bruce Lockhart related in a memorandum, 'the Bank of England conceived the idea of re-establishing the Anglo-Austrian Bank as an English bank with headquarters in London, which would control both the Czechoslovak and the Austrian branches'. In the face of Czech nationalism the negotiations broke down; subsequently though with the promise of a two-million-pound loan from the City, the Anglo-Czech Bank under almost completely British control was finally established. 'There can be little doubt that British interests have reaped a great triumph', concluded Bruce Lockhart, the British Commercial Secretary in Prague, who had the lion's share in the success of the 'complicated and protracted negotiations'. Whilst the Anglo-

1 Bruce Lockhart's memorandum on the Czechoslovak State Loan and the Anglo-Czech Bank, BDFA, pp.324.
2 ibid.
3 ibid.
Czech Bank became nominally independent from the Anglo-Austrian Bank, the two financial institutes were seen in London as part and parcel of a future British Central European Bank. With the benefit of hindsight, Lockhart ridiculed the 'lofty idealism' behind the project, though he had once cherished the hope that:

If the scheme were successful, it would give to England a financial footing in Central Europe, which it had never previously possessed.¹

Despite the eventual collapse of the Bank of England's Central European project, the tough negotiations between London, Vienna, and Prague at least demonstrated an ephemeral British interest in the region. For a time it seemed that London might be prepared to use its financial power to back a more active Central European policy, if only when British commercial or monetary interests were at stake. As all of the Central and Eastern European countries were approaching the London money market for loans, the Foreign Office could afford to exercise some measure of political influence in exchange for financial assistance. This opportunity was exploited to good effect, for example, in the case of the Czechoslovak Baring loans. British pressure was also applied in October 1921 at the Porto Rosa Conference, where a number of 'unexceptional'² agreements on economic cooperation in Central Europe were drawn up. In February


² The conference was warmly welcomed by the Foreign office, but a year later it was noted that 'unfortunately we have no information to show that the least attention has been paid to these agreements'. Unsigned Central Department memorandum, September 2, 1922, BDFA, pp.366.
1922, it was again due to British insistence that Czechoslovakia offered a loan of more than 500 million Crowns to Austria. As a sarcastic German diplomat commented:

The well-behaved Austrian child received a zuckertüte from its godfather... because it has obediently shaken hands with its sister, Czechoslovakia, instead of reaching for mother Germania's apron....

A day after Benes had affirmed his commitment to saving Austria, Lloyd George announced a credit of two million pounds sterling to the Viennese Government. The terms of British financial assistance were exceptionally harsh, and an English diplomat, G.M. Young, was assigned the task of enforcing the Austrian Government's observance of the agreement. A Foreign Office document stated that 'what has really happened is that, quite unobstrusively, without raising any awkward political questions and without incurring any expense or responsibility, we have got a British supervisor of the finances of Austria'.

All the same, the entire credit had been used up in three weeks, largely due to the Austrian Government's amateur handling of financial affairs.

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3 Former member of the British Legation in Austria

4 Foreign Office Memorandum by Waterlow, March 3, 1922, PRO FO 371/7348, C3083

5 ibid.
Consequently, by the spring of 1922 there were ardent opponents of any further British involvement in Austrian matters even in the Foreign Office. Well before the Genoa conference raised the issue of an international project to revive the Austrian economy, which was stricken with hyper-inflation, it appeared to be unlikely that Britain alone would invest large sums of money in the reconstruction of Austria, for the sole political purpose of erecting a bridgehead in Central Europe and hence averting Anschluss. As Montagu Norman noted, as early as the summer of 1921:

"The political setting with which the Austrian scheme has gradually come to be surrounded has always militated against the chances of obtaining monies..."  

Whilst Sir Maurice de Bunsen, former British Minister in Vienna, contended that the difficulties of Austria's rehabilitation were 'not so big as to be unmanageable', Chamberlain, the Chancellor of the Exchequer, rejected any Austrian schemes which involved 'too much cash out of pocket'.

The 'prime opportunity' for raising a substantial loan for the reconstruction of Austria was at the Genoa Conference, the first meeting of the 'victor' and the 'vanquished' states in the interwar era. Lloyd George, the 'spiritual father' of the European summit, declared his goal of rebuilding the productive capacity of Central and Eastern Europe and of facilitating the

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1 Norman to Balfour, July 15, 1921, PRO T160/58/2073/6, also Höbelt L. op.cit. pp.276.
2 Goodenough to de Bunsen, January 6, 1921, and January 11, 1921, de Bunsen Papers, Bodleian Library, Box No.12. MB/II/9.
cooperation of the Successor States. The British Prime Minister was particularly supportive of the Austrian requests for international assistance. Nevertheless, Lloyd George was to face mounting opposition to his ambitious project at home as well as abroad. By the time of the Genoa Conference the Austrian situation had deteriorated so greatly that Balfour told the Italian Minister for Foreign Affairs that 'nobody in the City would lend a schilling to Austria'. The new British Minister in Vienna, Akers-Douglas, warned London several times of the likely fall of the Schober government, but in vain. In Lloyd George's words, 'Austria was a sink' and 'the British government were not prepared by calling on their heavily taxed nationals to create further credits to Austria'. According to a Treasury official, there was only one 'proper solution' to the economic chaos of Central Europe, namely 'to wipe out at a blow all claims for reparation from Austria and Hungary'. The Successor States, however, firmly opposed such a proposal. The Yugoslav and


3 For example in May 19, 1922, Akers-Douglas reported to Curzon that he still considered that the fall of M. Schober would be very regrettable, but that he saw little chance of his retention, BDFA, pp.333.


Rumanian insistence on reparation payments from Austria rendered futile any large-scale international loan to the Viennese Government. In addition, the Little Entente states were adamant that they would not soften their staunch protectionism.¹

Sir E. Blackett stated in a memorandum that Czechoslovakia, Yugoslavia, and Romania 'appeared to be cooperating more closely then before in obstructing further progress'.² Lloyd George, riled by Benes's diplomatic manoeuvres, refrained from pressing the Austrian case any further. An unsigned Foreign Office memorandum plainly stated that Benes was to be blamed for the failure of the Austrian scheme:

At Genoa it became clear that the opposition of Roumania and Yugoslavia (to release liens on Austria's assets as a condition for long-term credit and relief, G.B.) was really being secretly encouraged by Czechoslovakia...⁴

Lloyd George was faced to concede the failure of his Central European strategy. In a letter to the Austrian Minister in London, he announced that there was 'no prospect of further

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³ During the Conference Benes was in close contact with the correspondent of The Times, H.W. Steed, who had a very critical attitude towards Lloyd George. The Prime Minister, who was in disagreement at the Conference with Benes anyway complained about the unprecedented Czechoslovak involvement in British affairs.

⁴ Memorandum on Austrian Situation, Foreign Office, Central European Department, August 9, 1922, BDFA pp.361.
British financial assistance for Austria’, unless the League of Nations were able to propose a programme of reconstruction. ‘Austria received so much, with such disappointing results’, explained the Prime Minister, giving a clear hint that active British involvement in Austrian economic affairs was close to an end. Some leading Treasury officials like Blackett shared the Prime Minister’s pessimism:

We have the alternative of doing nothing or spending more than we can afford, the latter course being useful only if we can somehow take over the whole government of Austria and police her from outside... My expectation is that we shall continue to do nothing if only because we cannot effectively do anything else....

Blackett’s prediction may have been cynical, but it proved accurate. In the summer of 1922, the British Minister in Vienna persistently advised the Treasury to provide relief for the troubled Danubian state, but during this time he gradually lost confidence in Austrian recovery:

Austria has dragged on for a long time and she may drag on some time longer, but if credits are not obtained, sooner or later a breaking point will come....

The Genoa Conference confirmed that in the ‘sick heart of

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1 Lloyd George to Baron Franckenstein, August 15, 1922, BDFA pp.365.
2 ibid.
3 Blackett to McFarlane, July 5, 1922, PRO T160 58/2073/8, also Höbelt L. op. cit. pp.276.
Modern Europe¹ the 'seat of the disease had been located in Austria², and that the neighbouring countries were not genuinely committed to finding a remedy. A memorandum of the Central European Department warned that 'no permanent cure could be effective unless Central Europe as a whole could be induced to adopt a more healthy style of living³. In Genoa the three Little Entente states, firmly backed by France, openly resisted any attempts at reunifying the Danubian area, particularly in the form of a Customs Union. Accordingly, the Foreign Office memorandum stated that all British schemes for Austria were constrained and constricted by Central European national sentiments:

There seems to be no divergence of opinion as to what should be done to make a start... It only remains to find some way to give effect to the schemes that have been drawn up... It had been hoped that the various states of Central Europe would be brought by force of circumstances to realise in what direction their own interest should lead them. But it does not seem as if they were awake to the realities of the situation or if they are, that they can overcome the narrower Nationalist prejudice... And when realisation does come, it may be too late to revive trade which is already extinct...⁴

The experts of the Central Department believed that the Danubian region's best chances lay in the creation of a free

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¹ This was the geopolitical description of the region, which this thesis defines as Central Europe, or Danubian Europe by Hugh Seton-Watson

² Memorandum on the Hindrance of Economic Intercourse Between the States of Central Europe, Central Department, Foreign office, September 2, 1922, BDFA pp.366.

³ ibid.

⁴ ibid.
trade area, but even in London opinion was fiercely divided on the ways of breaking down the existing tariff walls between the Successor States. Benes, as Gregory Campbell has illustrated, readily blocked a tariff reduction agreement in Central Europe, because he was aware of the fact that Britain would only support such a plan if she could preserve the most-favoured-nation treatment for herself.

As a result of excessive protectionism in Central Europe, British trade in 1922 decreased significantly compared to that in 1921. Thus, quite apart from any political considerations, the reduction of the tariffs in the Danubian zone appeared to be in Britain's material interests. At the same time there was considerable anxiety in London lest a 'Zollverein' between the Danubian countries, should help Czechoslovakia to oust Britain from the Central European markets. In 1925 the Minister in Budapest cited the opinion of local agents and travellers of English firms, saying that a Customs Union would be 'highly detrimental for British imports' in Central Europe. Benes openly mocked this inconsistency in British foreign policy, in February 1925 telling the Austrian Minister in Prague that 'the British never really knew what they wanted'. It can be maintained that

3 Campbell, F.G. op.cit. pp.140.
'there was a great deal to what Benes said'. When, during the autumn of 1921, Edward Keeling reported from Vienna that 'the Chancellor will broach the idea of Customs Union or economic rapprochement between Austria and Czechoslovakia', the Foreign Secretary replied that the recommendation was 'irreconcilable with the Treaty of Trianon which assures to the allies most-favoured-nation treatment'. Nearly a year later G.M. Young aired the opinion in the Foreign Office that it might be possible to attain a 'fiscal union' between Austria and Hungary as the first step towards a 'Zollverein'. Balfour felt 'serious misgivings' about Young's recommendation, adding that the threat of a Customs Union project might, however, induce the Czechs and the Serbs to be more reasonable in their treatment of the Austrians.

In short, the idea of a Customs Union in Central Europe was given the fullest attention by the Foreign Office throughout the 1920s and was also widely regarded as a panacea against the dangers of 'financial Bolshevism', pan-German expansion, and the

1 ibid.
3 Curzon to M. Cheetham (Paris), Foreign Office, October 5, 1921, DBFP, Vol. XXII. pp.431.
5 ibid.
economic fragmentation of Central Europe. This being said, when the Customs Union project finally reached the negotiating table British support could be guaranteed to evaporate quickly, primarily because of the objections of the Board of Trade. Towards the second half of 1922 the verdict of the Foreign Office was irrevocable: as the British Commercial Secretary in Vienna declared, the 'Zollverein' was 'out of the question'.

Undoubtedly the finality of the British attitude at least partly stemmed from disenchantment with the 'high protection madness' of Central Europeans. In the meantime, the Foreign Office had also had enough of the 'wholesale chaos' in the Austrian Republic. When the Vienna-based foreign policy was put forward in 1919 it was assumed in London that 'once put on her leg, Austria would exercise a civilising influence in a region which the war and its aftermath have thrown back a hundred years'. After the failure of the Genoa Conference such an illusion was no longer treasured by British diplomats and Central European experts. Sir Otto Niemayer, of the Treasury, speculated in 1922 that there was:

about a hundred to one chance that Austria would pull through - not more...'

The High Commissioner in Vienna even ventured to suggest

2 März, E. op.cit pp.505.
3 Carsten, F.L. op.cit. pp.49.
4 Lampson's minute on November 16, 1922, DBFP, Vol. XXIV. pp.400.
that the 'continued existence of Austria as an independent state' was 'precarious'. By the summer of 1922, in Sir William Tyrrell's words, 'Austria was on her death-bed', and the sense of impending doom raised the question of whether there would be a new order for the Danubian area. Baron Franckenstein reported from London:

As for Austria, the view of the government here is that it should be awaited whether we can perhaps after all help ourselves or whether our downfall, with all its consequences, will hasten a new solution of the Central European problem...  

Anglo-Austrian relations were at their lowest ebb since Genoa, and even reports of the much-feared Anschluss were treated lightly by London. Akers-Douglas observed that the Seipel Government was 'fond of using the Entente's fears of "Anschluss" as a means of pressure'. A pro-Hungarian policy gathered momentum in the Foreign Office, and the pacification and reconstruction of Hungary became a temporarily more important issue on the British agenda for Danubian Europe than the seemingly hopeless task of Vienna's restoration. The pro-Hungarian policy was challenged only as a result of Seipel's successful appeal to the League of Nations in the autumn of 1922, although, even then, the London market was unenthusiastic about

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1 Akers-Douglas to Balfour, Vienna, June 23, 1922, DBFP. Vol XXIV, pp.239.
2 Record of Lampson's conversation with the Italian Counsellor on Austria, with comments on this by Tyrell, the Assistant Secretary of State, on September 12, 1922, DBFP, Vol. XXIV. pp.239.
3 März, E. op.cit. pp.509., endnote no.53.
the idea of a sizable Austrian loan'.

Nevertheless, despite all the British doubts over the prospect of Austrian recovery, His Majesty's Government was instrumental in bringing about the League of Nations' 'financial dictatorship' in Vienna. Niemayer, the Austrian expert of the Treasury, noted that British interests in the success of the League project were 'at least twofold':

In the first place it is...the only and last hope of maintaining Austria created by the Peace Conference and of preventing her becoming a battlefield between jealous neighbours... Secondly large sums of English money guaranteed by His Majesty's Government are now invested in Austria, and it would be seriously detrimental to existing British interests if she were allowed to become insolvent...

Accordingly, Britain was heavily involved in the scheme of the League of Nations. The committee in charge of wording the Geneva protocols, which compelled Austria not to join Germany for the duration of the loan, until 1943, was headed by Balfour. Britain also claimed the greater part of the success for herself when, in November, 1922, Austrian inflation 'which had lasted for over eight long, bitter years, abruptly ended'. By the time of the issue of the Geneva loan in the summer of 1923, the Viennese case was presented in London as the first real accomplishment of British foreign policy in Central Europe. Akers-Douglas cabled Curzon on June 15, 1923, with the message:

1 März, E. op.cit. pp.504.
3 ibid.
The success in the floating of the Austrian loan in London and other capitals has surpassed all expectations and has naturally caused a great satisfaction here, all the more so as Germany whom every Austrian is brought up to admire if not to love, is at this moment passing through a financial crisis worse than any which has afflicted this country."

In London the Historical Advisor of the Foreign Office, Headlam-Morley, gave an exceedingly rosy picture of the Seipel government's position in a detailed note for the benefit of Lord Curzon's speech of 28 February, 1923. The former deputy chief of British Political Intelligence held that Austria seemed 'fairly on the way towards a condition which we may call normal'. He also added confidently that the disorder of the early 1920s would 'in a generation or two give place to thoroughly stable political conditions'. In the same vein, at a luncheon in the Aldwych Club, the Foreign Secretary declared:

Vienna is the financial centre and market of Central Europe, and its collapse or disappearance would have been a source of immeasurable disaster. Austria is at last moving along the right path of progress and will be able once again to play her part in the world... The picture I have drawn of the Central European States is, therefore, one not of despair or despondency but of recuperation and hope...'

The new wave of British optimism about Austria lasted only for a year or so. For all that academic works on Anglo-Austrian

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2 Headlam-Morley to Curzon, undated, Headlam-Morley Papers Box no.2 (Memoranda by Headlam-Morley) fol.4.
3 ibid
4 ibid.
relations label the period from 1923 to 1927 as the 'years of progress', British diplomats and correspondents from the turn of 1924-1925 once more sent a spate of remarkably pessimistic reports from 'Austria infelix'. According to a dispatch from Vienna, Grünberger, the Austrian Foreign Minister, was in March 1924 already trying to impress upon British representatives in Vienna that 'certain circles in London were inclined to think things were going badly here, which was far from true'. The British Minister gave the Seipel Government the benefit of the doubt, and in the summer of 1924 he judged that 'Austria stands in a far better position than would have been thought possible two years ago'. However, seven months later even Akers-Douglas admitted that 'a foolish and harmful wave of pessimism is passing over this country'. In February 1925, Sir Otto Niemayer pointed out to the head of the Central Department that 'Austria is no longer the favoured child of foreign finance'. Although Niemayer did not take a despairing view of the Viennese situation he predicted that Austrians would have to go through 'a rather thin

1 Carsten, F.L. op.cit. Chapter 3.
3 Akers-Douglas to MacDonald, Vienna, March 19, 1924
4 Akers-Douglas to MacDonald, June 28, 1924, DBFP, Vol. XXVI. pp.266.
6 Niemayer to Lampson, Treasury, February 24, 1925, BDFA, Vol. II. pp.104.
time' yet again'.

In April 1925, Sir George Clerk earnestly contemplated the most drastic of solutions,

Fantastic though it might seem today, the Austrian problem might find itself solved by the final disappearance of Austria from the map of Europe and the division of the country among its neighbours. After all, if Austria proved incapable of independent existence, the living organisms around could not by the laws of nature suffer the rotting corpse in their midst, and each neighbouring country would absorb into itself the contiguous regions....

The British Minister in Prague had little compassion for Austria, the main industrial rival of Czechoslovakia in the Danubian Basin. However, Sir George's bleak vision of Austria's partitioning was not ruled out by Akers-Douglas, his colleague in Vienna, either. In fact, the two senior diplomats agreed that the theoretical alternatives to dismemberment, such as the endless plans for Danubian confederation, Anschluss, and a Customs Union were 'beyond the realm of practical politics'.

Chamberlain himself did not have much faith in the above three solutions, though he hesitated to abandon the aim of Central European reconciliation. In a 'general statement of policy' the Foreign secretary informed both legations:

...the path along which Austria's economic development is to be looked for and encouraged is that of a reduction of tariffs in Central Europe, the removal of

1 ibid.
2 Clerk to Chamberlain, Prague, April 30, 1925, DBFP, Vol. XXVII. pp.163
import and export prohibitions and, generally, a closer economic relationship between Austria and her neighbours...'

Chamberlain accepted the conclusion of the Board of Trade that it was pointless to attempt to realise the ambitious plans for the integration of the whole region, whether in a political union or in a Zollverein, whilst simultaneously allowing that 'commercial treaties between the individual Danube states were very possible and desirable'. During 1925 the Foreign Office re-examined all its earlier plans for redressing the geopolitical balance and recreating an economic equilibrium in Central Europe, but after the Locarno conference these many 'fantastic schemes' were to be set aside for a long time.

4. The Failed Hopes of an 'Eastern Locarno'

British disregard for the Danubian countries was first evident in Austen Chamberlain's advice to Benes to summon an 'Eastern Locarno', without the participation of the western powers. Although the Foreign Secretary suggested Danubian reconciliation along the traditional lines of British foreign policy, he refused to mediate between the hostile states. Chamberlain made it plain to his Czechoslovak colleague that Central European 'salvation must come from within'. Regardless of his professed 'cordial interest' in the success of the suggested conference and 'fullest British support' of a genuine Danubian solution, Chamberlain did not conceal that he was distancing His Majesty's Government from Central European regional quarrels. The Foreign Secretary's doubts about the chances of a British-sponsored 'Eastern Security Pact' were confirmed by the analysis of the diplomats on the ground. Akers-Douglas minuted that even the Austrians would oppose an Eastern Locarno if they could not reap some material benefit from it. The Minister in Vienna, convinced of this, maintained:

'It is idle to hope that the principles of Locarno will find an echo in Central Europe...' The Secretary of State was also cautioned by the Historical

2 ibid.
92

Adviser of the Foreign Office, Headlam-Morley, who made a forcible case against any British commitments in Central and Eastern Europe, and in the Balkans:

"History gives us no help, for in the past our diplomacy had always failed when it has been confronted by problems arising in the east of Europe..."

In line with Headlam-Morley's recommendations of 1925, Chamberlain spelled out a new, passive, and disinterested British foreign policy towards the countries east of Germany:

"I would say broadly that in Western Europe we are a partner; that comparatively speaking in Eastern Europe our role should be that of a disinterested 'amicus curiae'..."

At the time of Locarno there were obvious signs that Britain was making preparations for a 'cautious retreat' from Central and Eastern Europe. As a matter of fact by the second half of the 1920s the British government was neither very amicable towards most Danubian countries nor particularly curious about their affairs. The Foreign Office's annually revised 'list of British Commitments in their relative order of importance' for the late twenties did not include any of the Danubian states...

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amongst the thirteen countries named. The draft policy document devoted only a short paragraph to Central Europe and the Balkans, and only two Danubian countries were singled out as important areas from the point of British and overall European security:

The main problems to be envisaged under Central Europe are: (1) the 'Anschluss' or union of Austria with Germany, and (2) the attitude of Hungary towards her neighbours. 

Meanwhile a Foreign Office memorandum from as late as 1927 suggests that Vienna still had priority in London over all with other Danubian capitals, including Budapest. This pro-Austrian proclivity was shared by representatives in the field, partly because Vienna remained the most popular Danubian destination for British diplomats even at the time of Hitler's accession to power in Germany. As C.A. Macartney put it on his return from diplomatic service in Austria:

Vienna is the capital of one of the smallest, weakest, poorest states in Europe, yet still - Vienna.

Allan Leeper, the new First Secretary of the Legation, openly admitted to his political friend, Seton-Watson, how much he had longed for a post at the Austrian Mission. Yet, soon after

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2 At the time of his nomination as Minister in Vienna Selby wrote to Simon on February 5, 1933, 'You could not have sent us to a pleasanter and more interesting post...'. Simon Papers, Box no.76.
3 The Oxford historian, Carlile Aylmer Macartney, became an Austrian expert after he returned from Vienna where he had been acting Vice Consul from 1921 to 1925.
his arrival, he succumbed to complete apathy, disillusionment, and cynicism:

We are having beautiful weather & anti-Jew riots. Otherwise it is the dull season..."

The Australian A.W.A. Leeper was an ardent advocate of independent Austria. He believed that the surest British policy against Anschluss was the 'minimum of interference' in Austrian affairs and the 'encouragement of that feeble plant, Austrian patriotism'. Leeper's dispatches, however, were rather despondent about the prospects of 'puny Austria' in the shadow of the 'bully of Europe':

The political life in this country is certainly far from healthy at present... The outlook is depressing...'

In 1927 it was noted by Leeper, that 'the Austrians have made up their minds as to the inevitability of "Anschluss"', and British policy could do no more than delay the disastrous event. He seriously questioned whether Britain or France could extend to Austria a more attractive alternative than pan-German policy. Consequently, when the French Minister in Austria floated the

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1 A.W.A. Leeper to Seton-Watson, Private and Confidential, Vienna, 1925, Seton-Watson Papers, SSEES, Correspondence files, Box no.14.


3 The phrase was coined by W.G. Ormsby-Gore in a letter to John Simon from Vienna, October 5, 1933, Simon Papers, Bodleian Library, Oxford, Box no.77. fol.49.

4 Leeper to Chamberlain, Vienna, September 1, 1926, BDFA Vol.II. pp.249.

ideas of an anti-German Danubian integration or of a Zollunion, the second of which presupposed that the Western Powers would be prepared to waive their most-favoured-nation privileges, Leeper was noncommittal. He cabled to London:

The second of these hypotheses I did not feel prepared to discuss in view of the fact that it was two years ago thoroughly considered and rejected by His Majesty's Government, but the former I said we should welcome but that personally I felt small hopes of any more reasonable policy on the part of neighbouring States...

Similar was the reaction of the 'ex-federalist' Viscount Robert Cecil in Geneva when Masaryk returned to the old idea of union in the Danubian Basin, with the express purpose of hindering German expansion 'down to the Adriatic'. In 1927 Cecil was not impressed by such schemes:

I told him that I thought that we should always be against any considerable political changes in Europe if they could be avoided....

Between 1925 and 1933 British interest in the affairs of the Danubian countries slowly vanished. The Foreign Office explicitly abandoned searching for a panacea against the fragmentation of Central Europe. It was admitted in London that the partial success of the Austrian and Hungarian reconstruction plans was no remedy for the injuries caused by the peace treaties. Although by 1927 the Central European tariff walls had been breached by a large number of trade agreements these did not lead to cooperation between the Danubian countries or reverse the

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1 ibid.

2 Cecil to Chamberlain, Geneva, March 13, 1927
isolationist trend.'

In the case of Austria the passive British attitude was justified by the speculative argument that Anschluss would become 'attractive in Germany only in proportion as Austria appears prosperous and stable'. As the Austrian economy and party politics remained a 'horrid mess', the pan-German menace appeared to be a distant one. Sir O. Niemayer went as far as to declare that 'Anschluss talk is always exaggerated; sometimes it suits the Austrians to produce the bogey, sometimes it suits the Little Entente to pretend that they are frightened by it'. Although the Austrian expert of the Treasury had to admit to Lampson that 'strict financial advice from London has made us less popular with Austria than in the days of the loan', he doubted that Germany 'could provide (beyond polite words) for a poor relation'. Accordingly, when Eric Phipps, Minister Plenipotentiary in Austria, warned the Secretary of State for

3 Simon to Neville Chamberlain, Foreign Office, August 7, 1943, Simon Papers, Bodleian Library, Oxford, Box no.79. fol.49.
4 Niemayer to Lampson, Treasury, February 24, 1925, BDFA, Vol II. pp.103.
5 ibid.
6 Eric Phipps was British Minister in Vienna from 1928 to 1933; immediately after Hitler's accession to power and Sir Horace Rumbold's resignation, he became the new Ambassador to Berlin.
Foreign Affairs, that 'Little Austria has smoothed the way for Great Germany'", the British Ambassador in Berlin commented that such statements only provoked laughter in Germany. Sir Horace Rumbold even related in 1930 how 'fusion with German-Austria receded into the background'. The ambivalent and basically passive British attitude towards Anschluss can be illustrated by a comment of Howard Smith, a pro-Austrian member of the Central Department:

'Ve are opposed to the Anschluss both for political and economic reasons, but I should be doubtful of the wisdom of making a public announcement to this effect...'

The analysis of Austrian affairs seemed to justify the complacent Central European policy of the Foreign Office at least until the turn of the decade. In the early 1930s, however the aggressive tone of German nationalism became a cause of concern for the British. At the same time the Depression was hitting the Danubian region so hard that Sir John Simon, the Foreign Secretary, expressed grave doubts as to whether Austria and Hungary 'could continue to exist on their present basis without frequent recourse to the palliative of foreign credits and

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1 Phipps to Sargent, Vienna, March 12, 1930, and Rumbold to Sargent, Berlin, April 1, 1930, Rumbold Papers, Bodleian Library, Oxford, Box 37, fol.175.

2 Rumbold to Sargent, Berlin, February 13, 1930, Rumbold Papers, Box no.37, fol.134.

loans'=".

Simon's remarks on the affliction and the financial collapse of the Danubian states were essentially 'academic' as Britain in 1932 was not in a position to offer financial assistance either to Vienna or Budapest. There was, however, a half-baked British attempt to forestall Austria's economic collapse and hinder Anschluss by a 'genuine' Central European integration plan. On January 19, 1932, Sir Horace Rumbold raised the issue of a Danubian Customs Union in talks with Bernhard von Bülow. The German Foreign Ministry examined the scheme in detail, but could not take it seriously. Neurath, the German Minister in London, concluded with relief that the proposal was 'not thoroughly prepared'. It was quite rightly pointed out in Berlin that the British venture was no more than an improvised and uninspired response to both the German-Austrian Zollunion plan and the French counter-thrust, the Danubian scheme' of Aristide Briand. The German Press readily concluded that Great Britain was 'not immediately concerned with Danubian questions apart from

2 The Foreign Secretary admitted that his comment was 'speculative', because no market was able and willing to offer assistance. He concluded that it was 'in other directions that a remedy must be sought'. ibid.
questions of finance'.

By early 1932 even Eric Phipps, the British Minister in Vienna, admitted that the Central European Customs Union schemes were 'almost as Utopian as the Pan-Europe of Count Coudenhove Kalergi'. Regardless of the anticipated Danubian cataclysm, the Foreign Office gave up all experiments with such 'ill conceived and panic remedies' as the Customs Union projects. As Sir F. Leith-Ross minuted:

... 'A Union of five beggars will not make a rich man'. It is pure illusion that we can reconstitute the economic unity of the Austro-Hungarian Empire...

The British Minister in Prague, Sir Joseph Addison, was even more sardonic:

I have heard of a successful 'Beggar's Opera' but never of a successful 'Beggars' Union'... It all comes backs to this that you will have no peace, no confidence and no economic co-operation until the frontiers of 1914 are, more or less, restored....

In fact, shortly before Hitler's accession to power, the Foreign Office positively frowned on any ambitious Danubian projects. Simon asserted in 1933, 'We avoid wild adventures like

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2 Phipps argued that Germany and Italy were set on hindering any such Danubian union. Phipps to Simon, Vienna, February 20, 1932, BDFA, Vol. III. pp.144.
4 Minute by Sir F. Leith-Ross, April 14, 1932, BDFA, Vol. III. pp.82.
Austrian events were closely monitored in London, but as the Secretary of State for Foreign Affairs commented to the Prime Minister on his speech about the assassination of Dolfuss, "Of course I abstained entirely from any hint of action".

Simon gave a frank explanation of his policy towards Austria to Neville Chamberlain in 1934:

"It is a British interest to discourage in every way possible the absorption of Austria by Germany. At the same time... I cannot conceive that we should fight for the independence of Austria..."

Consequently, when the French Prime Minister returned to the idea of an 'Eastern Locarno' in the early 1930s Simon supported the initiative only on condition that Britain accept no new commitments in the Danubian region. Similarly, when the British Prime Minister called for an 'urgent and serious' consideration of the Austrian situation, the Foreign Secretary declared:

"Our own policy is quite clear. We must keep out of trouble in Central Europe at all costs. July twenty years ago stands as an awful warning... We must keep in friendly touch with Austria without going beyond..."

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1 Simon to Mrs G. Grey Turner, October 22, 1933, Simon Papers, Bodleian Library, Oxford, Box no.79.
2 John Simon to Ramsey MacDonald, July 27, 1934, Simon Papers, Box no.79, fol.37.
3 Simon to N. Chamberlain, Foreign Office, August 7, 1934, Simon Papers, Box No.79, fols.49-54
4 Simon to MacDonald, Foreign Office, July 11, 1934, Simon Papers, Box No.79, fol.15.
5 Ramsey MacDonald to John Simon, Very Confidential, August 26, 1933, Simon Papers, Box no.77.
our previous declaration of general policy....

Thus, unlike in the 1920s when British foreign policy in Central Europe clearly favoured the vanquished states, in the early 1930s the Foreign Office became equally indifferent to all Danubian countries. As Sir John Simon pointed out to the editor of the Spectator in 1931, 'the day of special favourites or special suspects is passed'. He contended that this change in foreign policy was a result of the 'terrible problems which the mistakes of 1919 have brought upon us to victor and vanquished alike, if indeed there is any victor.'

To sum up, the failure of the peace settlement was fully anticipated in Britain as early as in 1925. Prior to the Locarno Conference Headlam-Morley warned the British Delegation that the 'scaffolding of the New Europe' was at its most unsafe on the Eastern wing. The Foreign Office did not underestimate this danger, ensuring in the 1920s that Britain played an important role in financing the reconstruction of two 'danger-zones', Austria and Hungary. However, it baulked at accepting the enormous responsibility of rebuilding the delicate Central and Eastern European postwar structure in its entirety. After the first signs of collapse Britain started to withdraw from the

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1 Simon to MacDonald, July 27, 1934, Foreign Office, Simon Papers, Box no.79, fol.39.
2 Simon to Wrench, November 7, 1931, Simon Papers, Box 69, fol.124.
3 Ibid.
region, slowly ceasing all her special engagements in both Vienna and Budapest.
III. 'The Special Relationship'

1. Seton-Watson and Steed, 'the Twin-Erynies of Magyarism'

The history of Anglo-Hungarian relations has often been likened to a long-standing love affair, although of an unrequited kind.

The Hungarian interpretation of this 'special relationship' concentrates on the frustrated hopes and desires of Hungarian politicians, particularly during the Peace Conference in Paris. In this account, Britain's indifference to Magyar sentiments and national interests in the negotiations regarding Hungary's new frontiers was the result of a long process, which began as early as 1906 and involved a steady worsening of Hungary's reputation in Britain. It is argued that Hungary's prestige had dissipated in Britain before World War I on account of the propaganda and personal influence of R.W. Seton Watson and H.W. Steed. Indeed, these two intellectuals had a decisive impact on British foreign policy towards Hungary between 1905 and 1920. Nonetheless it is important to note that in the early years of this century they were not in the least attracted to the idea of national self-determination. They became critical of Hungarians only as a

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2 Jeszenszky G.(1986)'Az elveszett presztízsz, Magyarország megítélésének megváltozása Nagy-Britanniában', Magvető, Budapest

3 László, P. 'Scotus Viator és a "magyar kérdés" az első világháború előtt', in (1990) 'Gesta Hungarorum III', Történelmünk a Kiegyezéstől 1949-ig, Zürich, Svájci Magyar Irodalmi és Képzőművészeti Kör, pp.44-106.
result of stubborn Magyar insistence upon sensitive, but from a British point of view unimportant, national issues. Hungarian nationalism suddenly appeared to them as the most dangerous threat to the stability of the Dual Monarchy. There was a particularly marked change in Seton-Watson's attitude towards Hungarians. He arrived in Budapest as a friend of the country as well as a supporter of the 'Hungarian cause', but he rapidly became disillusioned due to a succession of unfortunate encounters with prominent Magyar aristocrats. The Apponyi type of Hungarian politicians, who were prepared to cause a European crisis for their national aims, struck him as 'hot heads'. He recalled in 1907 that:

My trip to Hungary was a fearful eye-opener. 'Liberalism' and 'freedom' have been degraded into claptrap catchwords for so many years that the genuine article has well nigh ceased to exist in Hungary...

In the meantime, the Scottish Liberal took exception to the arrogant and contemptuous remarks of the Hungarian élite regarding Slovaks and Romanians. According to Masaryk's interpretation, Seton-Watson's anti-Hungarian sentiments derived solely from this personal disappointment:

When our friend Seton-Watson was young and was preparing an historical study of the Calvinists in Hungary, he had no idea - hardly anyone in Western

1 In 1905 the use of the Hungarian language in the army appeared to be the most important issue on the agenda of the Hungarian Parliament, which created a government crisis in Budapest. British newspapers frequently drew parallels between the Swedish-Norwegian crisis and the Austrian-Hungarian conflict, and commented that the Hungarian movement for independence threatened the equilibrium in Europe. See Jeszenszky, G. op.cit.

2 László, P. op.cit.

Europe had - of the nationalistic policy of the Magyars; he liked the Magyars. When he was collecting his material in Pesth (sic), he came across some documents on the Slovaks and asked about them, as he thought he would like to go and see them. 'There are no Slovaks', the Magyars told him. 'Those are just a few shepherds in the mountains'. But Seton-Watson got to know some Slovaks and got more information from them and went to Slovakia to see for himself. When he got back to Vienna he said to Wickham Steed, in round eyed astonishment: 'Think of it, the Magyars lied to me about it, lied to me.' And that was what induced him to begin his study of the national problems of the Slovaks and Yugoslavs and to become the authority on 'Magyarization' and Magyar policy...

In the Hungarian historiography Seton-Watson's views on Hungary are explained more in the light of political currents than of his personal encounters, yet there is little doubt that 'Scotus Viator' was driven by emotional motives in his crusade against 'Magyar racial tyranny'. Seton-Watson claimed that he 'did not care a brass farthing' what the Magyar Press wrote about him, but his debate with his Hungarian opponents was exceedingly agitated and non-academic. In 1907 he admitted:

I often regret that I ever touched the subject. But now I can’t turn back; some cruel fury won’t let me rest ...

Similarly impassioned was the approach of H.W. Steed, the correspondent of The Times in Vienna, who had never been a great


2 This was the pseudonym of R.W.Seton-Watson at the beginning of this century. In private correspondence his friends, such as H.W. Steed, called him by this name even after World War I.


friend of Hungary. He propagated the Hungarophobe theory that the 'Judaeo-Magyars' were at the heart of the problems of the Habsburg Empire. By 1906 Steed and Seton-Watson were equally hostile to Hungary and friendly towards the national movements of Slovaks, Romanians, and South Slavs. Even though they did not advocate the break-up of the Habsburg Empire before the First World War, they were critics of the dualist system of the Monarchy. In line with Masaryk they claimed that outdated British sympathy towards Austria and Hungary was based on a naive 'tourist idea' and not on political reality.

The propaganda of 'Scotus Viator' and Steed was especially successful during the war, when 'few Britons were willing to stand up and speak in defence of Hungary'. Seton-Watson's press organ, The New Europe, had a strong impact even on Senior Foreign Office administrators and diplomats, such as Sir George R. Clerk, who declared in 1920:

What I do regret is the disappearance of the 'New Europe'. I have lost something what I looked upon as a very essential guide and correction in my work...

Seton-Watson's expertise on Hungary was not challenged in

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1 Laszlo, P. op.cit.


3 See the Correspondence files between Seton-Watson and Masaryk, especially the undated manuscript of Masaryk, 'In search of an Austrian Idea', Seton-Watson Papers, SSEES

4 Sakmyster, T. op.cit. pp.108.

5 Clerk to Seton-Watson, Prague, November 5, 1920, Seton-Watson Papers, SSEES, Correspondence files, Box No.4.
academic or in governmental circles during World War I. Clerk, the head of the War Department in the Foreign Office, said of 'Scotus Viator':

There is no one who approaches your knowledge of Hungarian statesmen and politics.

Thus, when Clerk was sent to Budapest in 1919 to negotiate the forming of a new government his natural instinct was to call on Seton-Watson's advice. No wonder that the British diplomat arrived in Budapest with an unabashedly anti-Hungarian bias. His example illustrates the point that by the end of the First World War acute British antipathy towards Hungary had developed into a warlike stance.

In late 1918, when Hungary emerged from the war as an independent state, diplomatic relations between London and Budapest were literally nonexistent. Moreover, British policy to Hungary was not merely indifferent, as towards other lesser enemies, but emotionally charged. Seton-Watson claimed that Hungary had played a more despicable role in the war than Austria or even Germany. He maintained that 'Hungary was the principal obstacle to European progress'. This damning view was based on

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2 Harry Hill Bandholz was the American representative in the Allied Military Mission in Budapest between August 1919 and February 1920. In line with the British representative, General Gordon he was sympathetic towards Hungary and strongly opposed the Rumanian occupation of Budapest. see Bandholz, H.H. (1933) An Undiplomatic Diary Columbia University Press, New York

deep-seated hostility and ill-feelings, both of which were called into question even by friends of Seton-Watson. For instance, Headlam-Morley strongly questioned the pro-Czech bias and 'blind' animosity of his former colleague towards the Magyars.\(^1\) At the time of the Peace Conference, however, Seton-Watson’s anti-Hungarian feelings were unequivocally shared by all members of the influential New Europe group. For instance A.W.A. Leeper, who played a pivotal role in the territorial committees which drew the new frontiers, was openly hostile to Hungarians:

> There is hardly a nation in the world for which I have less affection than the Magyars…\(^2\)

Harold Nicolson, the secretary of the British Delegation in Paris, was similarly scathing\(^3\) in his memoirs:

> I confess that I regarded and still regard that Turanian tribe with acute distaste. Like their cousins the Turks, they had destroyed much and created nothing…\(^4\)

These antagonistic, derogatory, and often ignorant comments on Hungarian history and the ‘Magyar character’ reflect the atmosphere in which the Peace Conference decided upon the Danubian territorial settlement. In July 1919 Seton-Watson confidentially assured the Czechoslovak President that the

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\(^1\) Headlam-Morley to Seton-Watson, 11 July, 1928, Headlam-Morley Papers, Box no.41.


\(^3\) The origin of Harold Nicolson’s distaste for Hungarians is a debated issue. A Hungarian historian, Lajos Arday, maintained that the reason was personal and profane. In St Petersburg Nicolson’s father, Sir Arthur, was betrayed by his wife, who fell in love with a Hungarian diplomat.

\(^4\) Nicolson, H. op.cit.
British Delegation in Paris, with the sole exception of Lloyd George, unreservedly supported the claims of the Allied Central European states against Hungary:

I had a long and satisfactory conversation with Mr Balfour, whom I found to be in full agreement in matters of principle and thoroughly well-informed... I of course had long conversations with J.M. Headlam-Morley, H. Nicolson, Leeper, Temperley, Webster and others, and found that they did not need to be converted. All the experts attached to our Delegation, including Sir Eyre Crowe and Sir W. Tyrrell are solid in their views...

Nicolson recalled in his memoirs that he 'never moved a yard without previous consultation with experts of the authority of Dr Seton-Watson'. Hence, when settling territorial disputes the British Delegation favoured even Austria, another vanquished state, over Hungary.

From a British point of view, however, it was more important that after the First World War Anglo-Hungarian relations soon returned to a cordial footing; indeed they probably took on more significance than ever before. Thus, following the break-up of the Habsburg Monarchy and especially after the fall of Bela Kun's Communist regime, Britain strove to build up a stronghold in Hungary. Eventually a pro-Hungarian and pro-Austrian group came to override the influence of Seton-Watson in the Foreign Office.

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1 Seton-Watson to Masaryk, Paris, July 7, 1919 Seton-Watson Papers, SSEES, Correspondence files Box no.16.


The reasons for this change in the British attitude towards an unimportant and despised vanquished state were manifold. First of all there was a consensus in the Foreign Office that Bolshevik expansion in the direction of Central Europe should be halted. Secondly, French and to a lesser extent Italian advances in Budapest alarmed the Foreign Office. Thirdly, it was appreciated in London that without the appeasement of Hungary there could be no cooperation and reconciliation in the Danubian Basin. Finally, British involvement in Budapest was in line with the Vienna-based policy for the reconstruction of the whole of Central Europe. Notwithstanding the new boundaries, the Foreign Office considered the territory of the former Dual Monarchy as a geopolitical unit. F.E. Adam explicitly stated that 'Austria and Hungary should be regarded as an economic unit from the point of view of British policy, of which Vienna is the centre'.

These various considerations slowly came to outweigh anti-Hungarian sentiments in London, and in late 1919 the Foreign Office became entangled in a difficult and heavily criticised mission to establish a conservative government in Budapest. This episode constituted the most ambitious British political involvement in Central Europe in the interwar period and in the whole history of Anglo-Hungarian relations.

Consequently, British diplomats in the twenties openly

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1 In the Foreign Office, in October 1919, F.E. Adam and C.K. Butler initiated an active British policy in Vienna and Budapest to reconstitute the economic unity of Austria-Hungary.

2 Memorandum by F.E. Adam, Foreign Office, October 18, 1919, PRO FO 371/3531/146249, see also Recker M.-L. op.cit. pp.43.
referred to the Horthy regime as 'our creation', and at critical moments tried to safeguard the Bethlen government. Miles Lampson, the head of the Central Department, was firm in his support for Hungary even at times when the Magyar leaders made terrible blunders, as in the forgery affair in the mid-twenties. Lampson's line in 1926 illustrates well the critical but basically supportive and paternal British attitude towards the Anglophile regime in Budapest:

As we all know, 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...either Bethlen, or any other responsible Hungarian (I of course include Horthy) can have anything whatever to do with this madness...3

The madness of the franc forgery severely damaged Bethlen's reputation, but his government survived the international crisis with Britain's backing. The Foreign Office's succour for Bethlen in the twenties lasted for as long as Britain had any vested interest in Central Europe. As far as the Hungarian territorial claims were concerned Britain officially never gave these her support, but the Foreign Office did not exclude the possibility

1 Sakmyster op.cit.

2 In 1924-1925 Prince Lajos Windischgratz and a group of Hungarian aristocrats of the extreme right forged about 30-35,000 French banknotes. The counterfeit 1000 franc notes were produced in the Institute of Hungarian Cartography with the purpose of financing irredentist projects. The first forged notes were discovered in Holland, and Arisztid Jankovich, an agent of the group was arrested. He confessed the irredentist aims of the conspiracy, which created an international scandal. French and Czech politicians tried to discredit the whole Hungarian government. Britain on the other hand strongly supported Bethlen's efforts to 'scotch the Affair'. For a more detailed discussion on the British reaction see Chapter 5.

of an ultimate revision of the frontiers. Even one of the architects of the New Europe, Headlam-Morley, admitted in 1927:

What strikes me personally is that it would be extraordinarily difficult to make any statement against revision, for surely it might quite properly be held that at some time or another the case for revision should be considered, and would it be wise for the Government to say anything which appeared to preclude that?... I should rather like to see some serious enquiry into what revision really meant; I imagine the result would be that a case might be made out for quite minor rectifications of the frontier... ¹

Britain was interested in sustaining the 'New Europe', while Hungary openly challenged the postwar order. Nevertheless, the Foreign Office was far more concerned with the Bolshevik menace than with the perils of Hungarian nationalism. It was also acknowledged in London that the Peace Conference had been excessively harsh on Hungary. As early as November 26, 1918, Derby commented to Balfour in Paris:

We are doing something very disagreeable to Hungary when taking Transylvania from her to give to Rumania... ²

Yet, the British attitude towards the Magyars was not remotely sentimental. Accordingly, no British government committed itself to fully supporting the Hungarian territorial claims in the interwar period. Although it was appreciated that Horthy's Hungary was 'one of the few European countries where British subjects were generally liked', even Hungarophile

¹ Headlam-Morley to Temperley, Foreign Office, November 10, 1927, Headlam-Morley Papers, Correspondence bundles, HDLM ACC 727, Box no.40.
² Derby to Balfour, Paris, November 26, 1918, Barcsay op.cit.pp.298.
³ Sir William Goode to Sir Howards D'Egville, February 23, 1928, Seton-Watson Papers, SSEES, Correspondence files, Box no.15.
Britons, such as F.E. Adam, mocked the 'almost pathetic trust' of the Magyars in British power to restore order in Central Europe and redraw the map of the region. Adam proposed an active British policy in Hungary, but only to reconcile her with the neighbouring countries and create a buffer zone between Germany and Russia. In 1919 Lampson and other prominent experts in the Central Department were strongly concerned with the 'the Russian bacillus' in Central Europe. Consequently after the revolution they rather encouraged the fervent anti-Bolshevism of the Horthy regime. Regardless of the striking differences in the parliamentary traditions of the Tories and of Bethlen's Unified Party, in the twenties there were particularly strong ties between British and Hungarian Conservativism. Thus the Anglo-Hungarian 'special relationship' exemplifies that anticommunism was the key to interwar British policy in Danubian Europe. Lampson's full-hearted support for Bethlen and Horthy was not based on mere sympathy. British understanding of the 'lack of balance' in Hungarian national aspirations mainly derived from the lessons of two revolutions.

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1 Recker, M.-L. op.cit. pp.42.
2 ibid.
4 Lampson to Phipps op.cit.
2. 'One Russia is Enough for Us': Two Revolutions in Budapest

At the time of the Károlyi revolution towards the end of 1918, the Foreign Office still had no political interest in Hungary. The question of which political party gained power in Budapest was of bottom priority for London. This indifference is evident in Allan Leeper's searing comment:

I think the Magyars are such a rotten set that no matter what government they set up...  

Although The Times devoted an article in November 1918 to distinguishing Count Mihály Károlyi from the old Hungarian political élite, the Foreign Office was neither impressed by the ministers nor by the programme of the new Hungarian government. In the light of Seton-Watson's amicable relations with Károlyi and Oszkár Jászi, it is surprising that the champions of the New Europe group in British Political Intelligence remained so cool towards their Liberal friends in the Hungarian leadership. A frank explanation of the detached British attitude to Károlyi was given by Lewis Namier:

There was little to choose among Magyar politicians - they all stand for the integrity of the Magyar imperialist state....  

British diplomatic support for Hungary was seen by

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1 Allen Leeper insisted on this opinion even after the Bolshevik revolution, see A.W.A. Leeper to R.W. Seton-Watson, August 14, 1919, Seton-Watson Papers, SSEES, Correspondence files Box no.14.

2 See the leader in The Times, November 2, 1918, Barcsay op.cit. pp.129.

3 He was the Minister for Nationality Affairs

Political Intelligence as detrimental to the interests of the victorious small states in Central Europe. Accordingly, Namier’s comment on the new Hungarian leadership was based on a confidential note by Stephan Osusky of the Czech Information Bureau. Meanwhile, Lord Acton, on the basis of a memorandum put forward by the Yugoslav Council, cabled to London that ‘in Hungary Bolshevism is very strong and it is unlikely that Károlyi will be able to control the movement he had started’. The propaganda of the Central European victorious states aimed at prolonging Hungary’s complete international isolation and in Britain, at least in 1918, this goal was achieved with the assistance of Seton-Watson’s New Europe group. The Hungarian ‘red Count’ was discredited in London by assorted negative comments on his radicalism, nationalism, personal and political weakness, and lofty idealism. Consequently, in the Foreign Office there was a tendency to dismiss the new Hungarian President as ‘a temperamental dilettante with somewhat cranky political ideas’. Namier labelled him a ‘rank hypocrite’, while Sir Eyre Crowe went as far as stating that Károlyi ‘was never worth while anything’. Sir William Tyrell, director of the PID, noted that Count Károlyi’s opinion on the terms of peace was ‘completely

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1 The report of Monsignor Korosec was sent to Rumbold on October 31, 1918, see Barcsay op.cit.
2 Barcsay op.cit. pp.25.
3 Namier’s minute, November 11, 1918, PID, see Arday L. (1990), Térkép csata után, Magyarország a brit külpolitikában, 1918-1919, Magvető, Budapest, pp.81.
4 PRO FO 608 Vol.11 46/1/1 No.5448 pp.554., see also Arday, L. op.cit. pp.109.
unimportant'. Even British Military Intelligence concurred with the low opinion of Károlyi and his Cabinet. This was partly due to the Jewish origin of some of the Liberal and Social Democrat leaders in Hungary. In addition, some Conservative officers, such as Montgomery-Cuninghame, regarded Károlyi and his political friends as traitors:

It is not easy to sympathise with them in as much as the mode and method of their desertion took no account of the desperate situation of their allies...

Hence, Károlyi's hope of securing Britain's backing for his government was patently absurd. This was still more the case, as there were no British representatives in Budapest and the only diplomatic channel between Budapest and London was the British Legation in Berne, where the Minister, Sir Horace Rumbold, was not at all well disposed towards Hungarians.

First of all the senior British diplomat was vexed by Eastern and Central European politicians of all sorts who 'flooded him with memoranda'. He complained to the Foreign

1 Tyrell's note of December 5, 1918, PRO FO 371/4355 Peace Conference 89/82
2 Military Intelligence reports exaggerated the Jewish influence on the Károlyi government, given the fact that there were only two ministers of Jewish origin in the Cabinet. The peculiar British interest in the racial origin of Hungarian politicians derived from the fact that there was a high number of Jews amongst the Hungarian socialists. Cuninghame's reports from Budapest were strongly prejudiced. During his negotiations in Budapest, in February 1919, he found József Pogány, the President of the Soldier's Council, a 'disagreeable' individual, while Vilmos Böhm, the other Hungarian negotiator, and a leading Social Democrat, he characterised in his memoirs as 'a merry faced, bright eyed little Hebrew'.

3 Cuninghame to the Director of Military Intelligence, February 27, 1919, Barcsay op.cit pp.308.

4 While in the diplomatic service in pre-war Vienna, Rumbold acquired the impression that 'Hungarians are about the vainest people in Europe'. see Gilbert, M. (1973), Sir Horace Rumbold, Heinemann, London pp.33.
Office:

I have collected quite a lot of maps put in by various nationalities; each representative is busy insinuating that the other man is a liar...¹

Secondly, Sir Horace was instructed only to receive Hungarian mediators so as to collect information for the British Delegation in Paris and for Political Intelligence in London, as he revealed to Lord Stamfordham in November 1918:

Mr Balfour gave me verbal instructions to use my discretion in seeing Austrians and Hungarians, whenever I thought they could give us useful information as to what was passing in their respective countries. I therefore agreed to see Mensdorff and one or two Hungarians...²

Thirdly, the British Minister in Berne had instructions to get in touch with the 'representatives of the Hungarian nation, rather than of the Government'.³ Therefore, Rumbold was neither in a position to promise anything to the agents of Károlyi, nor had he any inclination to support the Hungarian request to organise a meeting between the leaders of the new Hungarian government and the British Prime Minister or Foreign Secretary.⁴ As Sir William Beveridge asserted to Count Károlyi, even in early 1919 Britain had 'many more important things to think about than the fate of 10 million people in Hungary, and Hungary must wait

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¹ Rumbold to Campbell, Berne, December 2, 1918, Rumbold Papers, Box no.25.
² Rumbold to Lord Stamfordham, November 11, 1918, Rumbold Papers, Box no.25, fol.137.
³ Rumbold to Cecil, Berne, October 7, 1918, Rumbold Papers, Box no.25, fol.112.
⁴ Arday op.cit.pp.82.
her turn for political attention\textsuperscript{5}.

Against the background of numerous failures, Count Károlyi had faith in the Anglo-Saxon orientation of Hungarian foreign policy. He sent a Hungarian Oxford graduate István Báréczy to Berne to impress on Rumbold that the new Cabinet in Budapest consisted of 'extremely Anglophile'\textsuperscript{2} intellectuals. Rumbold did not even bother to receive Báréczy. A rather junior diplomat, H. Goodhart, met the Hungarian envoy. Although Báréczy's memorandum was forwarded to London, his request to contact Lloyd George was flatly refused. In addition, as a result of the Báréczy mission, the Foreign Office instructed Rumbold 'to refrain from all negotiations'\textsuperscript{3} with the agents of the Károlyi government. The British Minister in Berne occasionally ignored this instruction, but diplomatic contacts between London and Budapest were nonetheless reduced to a minimum by a 'colossal blunder'\textsuperscript{4} of the Hungarian Foreign Ministry. On Károlyi's advice, Mrs Rosalie Bédő-Schwimmer\textsuperscript{5}, a former diva and president of the Hungarian

\textsuperscript{1} Lord Beveridge (1955), \textit{Power and Influence}, New York, pp.156., see also Sakmyster, T. 'Great Britain and the Establishment of the Horthy Regime', in Morison, J.(1990) \textit{Eastern Europe and the West}, pp.71

\textsuperscript{2} Ardai L. op.cit.pp.85.and Barcsay,T. op.cit.pp.296

\textsuperscript{3} See Rumbold's minute of December 27, 1918, which reiterates Balfour's instructions, Barcsay op.cit.pp.297.

\textsuperscript{4} Barcsay op.cit.pp.293.

\textsuperscript{5} She was a good friend of Károlyi's wife. In addition, the President appointed her because she had good contacts at the Press and she was well-known in Western European socialist and feminist circles. In Berne, however, she was so isolated that in mid-December she had to leave the diplomatic service.
Feminist Association, was appointed Minister in Switzerland. Sir Horace Rumbold called the appointment a 'political absurdity' and refused to deal with the 'vociferous feminist'. Károlyi himself was treated as an amateur in British diplomatic circles. The President also acted as Foreign Minister, and his naive Wilsonian ideas were ridiculed by most diplomats of the Entente countries. The American Coolidge mockingly quoted back the three words used by the Hungarian President to describe his foreign policy: 'Wilson, Wilson, Wilson'. This 'Wilsonian' disposition did not go down well at the British Foreign Office, where it was regarded as an entirely 'unpractical view'. Consequently, the Hungarian Legation in Berne remained hopelessly isolated even after Baron Julius Szilvássy, a professional diplomat, former pupil at Harrow and good acquaintance of Rumbold's became the new Minister in January 1919. During the winter of 1918 only Count Mihály Eszterházy, a representative of the old Hungarian political elite, was received by Rumbold while a couple of Hungarian

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1 The question of women's suffrage was the top of the agenda in the Swiss Parliament when Bédy-Schwimmer arrived in Berne. Hence the Hungarian Minister's appointment was seen as a blatant interference in Swiss affairs. See Garami, E. (1922), Forrongó Magyarország Pegazu, Leipzig-Wien, pp.84.

2 Barcsay op.cit. pp.296.

3 Barcsay, T. op.cit. pp.299.

4 This can be illustrated by a citation from Harold Nicolson, who noted about one of the American President's 'enquirers': 'he takes a Wilsonian, i.e. an unpractical view'. Nicolson, H. op.cit. pp.297.

5 Sir E. Crowe did not even answer Szilassy's request to negotiate with Rumbold, PRO FO 608 Vol.11 46/1/1 No.3529, pp. 446-453, see also Arday, L. op.cit pp.104, 310.

6 Arday, L. op.cit. pp.90.
journalists succeeded in contacting lower-ranking diplomats of the British Legation staff in Berne, but all official links were closed. Desperate Hungarian efforts to establish contacts with the Foreign Office through the British Legations in the Hague and Stockholm were likewise frustrated.¹ The British government quickly wrote off Károlyi and his Cabinet. Leeper, Cecil, Hardinge, and Balfour all agreed with Namier's suggestion to shun Hungarian affairs² and the Foreign Office repeatedly refused diplomatic recognition of the first government in postwar Hungary. Rumbold's argument prevailed in London:

The proposal that the Entente governments should enhance the prestige of Count Károlyi's government in the eyes of Hungarians... is so naive as to strengthen the impression that Count Károlyi is not really fitted for the role he has assumed...³

This hostile British opinion only partly stemmed from political prejudice towards the 'leftist' leadership in Hungary. The Conservative opponents of Károlyi were not any more successful in London than the agents of the Hungarian government. István Bethlen, in the twenties the darling of pro-Hungarian British Conservatives, in February 1919 completely failed to impress the Foreign Office with his Anglophilia. Bethlen requested British troops to prevent the spread of Bolshevism in Hungary and to establish a British-sponsored government. In exchange he promised to turn Hungary into a 'continental

¹ ibid.
² Arday op.cit. pp.83.
³ Rumbold's dispatch to the Foreign Office, December 19, 1918, Barcsay op.cit., pp.298.
Gibraltar'. The memorandum was immediately shelved by the Foreign Office with the curt comment, 'No action'. Political Intelligence explicitly set out to hinder all attempts at British communication with Hungarians of any sort before the abolition of the Dual Monarchy had been effected by the Peace Conference.

During the last days of 1918, however, there was a slight change in the British attitude to Hungary. On this occasion Károlyi sent a British envoy, Mr Thornton, who had been interned in Hungary throughout the war. This British language teacher proved to be an effective advocate of Hungary and warned the Foreign Office of the likely consequences of starvation and economic hardship in Budapest. He also emphasised that the Hungarian President was no socialist but a staunch patriot with British leanings. Headlam-Morley was persuaded by Thornton's argument and gave his support to the Hungarian plea for aid:

The continued delay in such action and the complete reservation which is being maintained cannot fail to do most serious injury...and the responsibility for this will be held to rest upon Great Britain and America who alone have the power to prevent this catastrophe...

The Assistant Director of Political Intelligence had no more than a superficial interest in Hungarian matters, but he was alarmed by the prospect of a Bolshevik takeover in Budapest. His

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1 Arday, L. pp.99.
2 ibid.
colleagues, however, did not share his concern. Allan Leeper argued that Romania was also in need and that Britain had moral obligations to support a former Ally as opposed to a former enemy. Since the PID had no reliable sources in Budapest it was easy to dismiss Thornton's description of the grave Hungarian situation as exaggerated. Headlam-Morley admitted privately to Seton-Watson:

As to Hungary I know little, and what little I know is very unsatisfactory...

On Hungarian matters the assistant director of Political Intelligence usually followed the advice of Seton-Watson, but at the turn of 1918 and 1919 he decided to display more leniency towards the Károlyi government. The only outward sign of British interest in Hungary however was the arrival of the Beveridge mission in Budapest at the beginning of January 1919.

Despite the common Hungarian expectation that the visit would lead to British diplomatic recognition of the Károlyi government, the task of the Commission was no more than to report on conditions in Vienna and Budapest. Beveridge, however, was clearly sympathetic towards Hungary. He claimed in his report of January 17:

1 During the war he was the honorary secretary of the Anglo-Romanian Society and a stalwart supporter of the cause of self-determination.


3 Headlam-Morley to Seton-Watson, Paris, July 21, 1919, Seton-Watson Papers SSEES, Correspondence Files, Box no.9.

4 The Taylor-Beveridge Commission was set up in Switzerland and arrived in Vienna at the end of 1918. The Commission visited Budapest on January 9, 1919, and stayed for two days, then returned to Paris through Prague. See Arday, L. op.cit. pp.92.
The cessation of war without the restoration of peace in Austria-Hungary, combined with its political dismemberment, has produced a state of general economic paralysis. It seems difficult to avoid the conclusion that, in order to prevent a collapse of the social order comparable to what has occurred in Russia, the Allies must practically, if not formally, treat the war with all parts of Austria as finished, and must give positive help in reconstruction there...

Although Beveridge argued for humanitarian aid and not British political involvement in Hungary, his analysis reflected the growing British concern at the spread of Bolshevism in Central Europe. His report stated that Hungarians and Austrians 'did not deserve special consideration', but it was in the interest of the Allies to contain 'disorder in Europe'.

He also ventured to suggest an economic union between Austria, Hungary, and the other Successor States. The political recommendations of the report were viewed with suspicion in Paris, where Nicolson labelled Beveridge as strongly Hungarophile. The New Europe group was alarmed by the prospect of a pro-Magyar line in British policy before the Peace Treaty had been concluded with Hungary. Crowe and Nicolson even tried to prevent Beveridge from informing Lloyd George about his Hungarian visit in person. Sir Eyre Crowe so strongly disapproved of the political views of Beveridge that he obtained

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1 Beveridge Report, January 17, 1919, PRO FO 374/20 No.11., see also Recker, M.-L. op.cit. pp.43.
2 ibid.
3 Nicolson, H. op.cit. pp.240, see also Arday, L. op.cit. pp.94-95.
4 Arday op.cit. pp.95.
his replacement in the Relief mission by Sir William Goode. Paradoxically, the new Commissioner became the most prominent pro-Hungarian Briton in the interwar period, a paid agent and economic adviser of the Hungarian government, as well as one of the chief adversaries of Seton-Watson in London. In January 1919, however, friendly sentiments towards Hungary were not to grow any stronger in either Paris or London. Nicolson later recalled the anti-Hungarian atmosphere at the Peace Conference:

Bias there was, and prejudice. But they proceeded, not from any revengeful desire to subjugate and penalize our late enemies, but from a fervent aspiration to create and fortify the new nations, whom we regarded with maternal instinct... ¹

The New Europe group was preoccupied with the creation of a zone of new small nations in the Danubian region and they did not much care about such 'pathetic relics' ² of the region as Austria and Hungary. Regardless of the 'uses and abuses of the spuriously inflated bogey of Bolshevism' ³ in Paris, the British delegation was more anxious about the security of the new states than the social disorder in the defeated countries. British discrimination between the victorious and defeated Danubian states was clearly admitted and explained by Lord R. Cecil:

If we seek to impose hard terms on the enemy, we shall almost inevitably produce Bolshevism in the enemy countries... If on the other hand we seek to impose moderate terms of peace, we may now be too late to save the enemy countries from Bolshevism, and we may

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¹ Nicolson op.cit. pp.32-33.
² Nicolson op.cit. pp.34.
through disappointment, produce Bolshevism among the Allies...¹

As late as February 1919, Sir Horace Rumbold expressed strong concern at the prospect of a Russian attack on Poland and Czechoslovakia. He cabled to Curzon in January 1919:

If the Polish barrier against Bolshevism goes the barrier will be shifted much further West and an opportunity given to latent Bolshevism in Czechoslovakia to join hands with Russian Bolshevism, thereby creating a very serious state of things for Central Europe and the Western Powers...²

In addition, the Allies tended to regard the whole of Central and Eastern Europe as a potential danger zone, given the 'absence of stable government anywhere east of the Rhine'³. Hence, they did not pay particular attention to the vanquished states in the months preceding the Bolshevik takeover in Budapest. Although some 'interplay of national and international politics in the defeated countries'⁴ was noticed by both Political and Military Intelligence, the danger of a Hungarian revolution was not taken seriously in London. During the winter of 1918 the level of military and political intelligence gathering in Budapest was minimal even by the usual peacetime

¹ Cecil to Colonel House, April 5, 1919, Mayer, A.J. op.cit. pp.585.
² Rumbold to Curzon, January 19, 1919, Berne, Rumbold Papers, Box no.46, Xerox copy, see also Gilbert op.cit.pp.191.
³ This remark was made by Walter Lippman, an American expert at the the Peace Conference, see Mayer, A.J. op.cit pp.8.
The War Office was reluctant to attach a British officer to the Vyx mission, and remained dependent on outdated French reports, at least until the visits of Sir Thomas Montgomery-Cuninghame to Budapest. The British detachment from Hungarian affairs and total reliance on French intelligence sources clearly illustrated that the Foreign Office was not yet alarmed by the growing French presence in the region. The first British report on postwar Hungary reached David Lloyd George's office in mid-January. During the early days of the Bolshevik takeover in Budapest even such a prominent figure in the British administration as Sir Maurice Hankey remained ignorant of the fact that the Belgrade Convention of November 13, 1918, and not the Villa Giusti Armistice of November 3, 1918, applied to Hungary. Accordingly, the Foreign Office had "woefully little information on the slowly gathering Bolshevik "menace" in either

1 In late 1918 the best-informed British Military representative on Hungarian issues was Major Temperley, who resided in Belgrade. He approached Hungary's (former) southern border on November 20-28, 1918, without, however, entering the country or mentioning the Magyars in his dispatches. See Zsuppán, F.T. op.cit. pp.90.

2 Colonel Vyx headed a French military mission in Budapest from the end of November 1918.


4 The unsigned document was an interview of the Foreign Office Staff with the Inter-Allied Commission of relief of German-Austria, dated January 17, 1919. In the paragraph on Hungary it was predicted that 'if Buda-Pesth is left to itself it will sooner or later explode'. Lloyd George Papers, House of Lords Archive, F/49/3/1, see Zsuppán, F.T. op.cit.pp.90-91.

5 F.T. Zsuppán illustrated Britain's unconcern at developments in Hungary with the example of Hankey who was 'not to unearth the actual document of the Belgrade Armistice until April 1, 1919'. Zsuppán op.cit. pp.90.
Austria or Hungary'¹. Lord Hardinge openly conceded in January:

It would be useful to know rather more than we do as to what is going on at Pesth (sic)...

Hence Montgomery-Cuninghame, upon his arrival in Vienna, was instructed by his chiefs to 'keep an eye on affairs of Hungary'³. He visited Budapest twice during February, and explicitly warned the War Office of the danger of an outbreak of hostilities between the Romanians and Hungarians and a consequent coup d'etat by the Communists in Budapest.⁴ He urged the recognition of the Hungarian government, and the head of Military Intelligence, General Thwaites, agreed with him. In the Foreign Office, Curzon tended to go along with the suggestion of the military, but at the Peace Conference there was strong opposition to it. Sir Eyre Crowe, who was characterised by Seton-Watson as 'an efficient and firm bureaucrat, not without a touch of Prussian mentality',⁵ forcibly checked all attempts to recognise the Hungarian government. He had fairly accurate information on the Bolshevik tendencies in Budapest, but on the advice of the Political Intelligence Department he played for time. Namier, as early as February 1, 1919, forewarned the British Delegation of impending Hungarian turmoil and urged the settlement of the territorial

¹ Zsuppan, T. op.cit. pp.90.
² ibid.
³ ibid.
⁴ ibid.
⁵ Seton-Watson to Masaryk, Paris, July, 7, 1919, Seton-Watson Papers, SSEES, Correspondence files
disputes:

From the latest Austrian papers I gather that the situation in Hungary is becoming rather tense... To some extent this is due to the uncertainty of frontiers: The Rumanians, Jugoslavs and Czecho-Slovaks were continually advancing, in many cases into indisputably Magyar territory... For Hungary as for all parts of Eastern and Central Europe, it is essential that the Peace Conference should hurry up...

Crowe opposed putting the Hungarian question at the top of the agenda even after the Communist takeover; he proclaimed on March 28, 1919, that the Bolshevik revolution in Budapest was 'only a black-mailing manoeuvre'.

Yet, the first news of the events in Budapest caused shock waves both in the British and the French capitals where 'all delegates were equally stunned and terrified'. Hungary, a 'second rank power with a low claim on the attention of the Big Four', instantly moved 'to the very center of their concern'. British politicians suddenly had to face the consequences of their 'unfriendly indifference' towards Hungary, which had undoubtedly contributed to the fall of the Károlyi regime. On March 22, Nicolson wrote in his diary:

In afternoon news arrives of a Bolshevik revolution in Hungary. This was foreseen, but none the less very

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1 Namier to Headlam-Morley, PID, February 1, 1919, Private and Confidential, Headlam-Morley Papers, HDLM ACC727 Box no.11.
serious. There is a real danger that we can get no peace at all. But what is to be done?... ¹

The British Delegation in Paris was markedly slow in answering Nicolson's question. Lloyd George's advisers were completely out of touch with the events in Budapest and sought to refrain from military action in Central Europe. According to an American historian the Allies had only three ways of dealing with the defiant Kun regime, namely to recognise, overthrow, or contain it. ² The first option was rejected outright in Paris, even by those Britons who preferred a negotiated settlement. No British leader had any intention of coming to terms with Béla Kun, the 'most hide-bound slave imaginable of the strict orthodox Marxian Communism' ³. The second option was more popular. A military offensive had strong advocates in the War Office, but their suggestions were nonetheless turned down by Lloyd George, who adamantly opposed raising a large British Army against a defeated small Central European state in 'Bolshevik guise'. ⁴ The British Prime Minister chose the third and most noncommittal strategy: a combination of negotiations, military threats, and

¹ Nicolson op.cit. pp.287.
⁴ At the meeting of the War Cabinet on March 24, 1919, Bonar Law read a statement of the Prime Minister against any military involvement or extra expenditure. At the same time Churchill claimed that 'Hungary whom we thought we have crushed... once more assumed a hostile attitude towards the Allied Powers, this time in Bolshevik guise'. War Cabinet minute, March 24, 1919, Cab 23/9. Microfilm copy, Bodleian Library, Oxford, Reel 10.
an economic blockade. 'The blockade is hell', Nicolson pointed out in Paris. However, the containment of Béla Kun’s regime was recommended by the Prime Minister’s entourage in Fontainebleau as the only remedy against the Bolshevik menace.

At the meeting of the Council of Four on March 25, 1919, Lloyd George blamed the French for the advance of Bolshevism in Central Europe and emphasised that it was 'France which has taken special responsibility for this region'. All the same, the British Prime Minister had to face pressure at home from Conservatives, such as Churchill, who were alarmed by the 'Hungarian Jolt'. The Minister of War warned that 'three dangers at once presented themselves to the allies: that Bela Kun would refuse to accept the Hungarian frontiers being worked out by the Peace Conference; that he would link forces with the Russian Bolsheviks to the east; and with its base now in Budapest instead of Moscow, Bolshevism would spread rapidly northwards to Vienna, and thence into Germany'. Churchill, at the meeting of the War Cabinet on March 24, prophesied imminent disaster in Central Europe and bitterly criticised the tardiness in evidence at the

1 Nicolson, H. op.cit. pp.287.
2 Lloyd George's main concern was Germany, even at the end of March. In his memorandum written in Fontainebleau, he used the Hungarian revolution only as an illustration of his thesis that the severe decisions of the Peace Conference can lead to catastrophe.
Peace Conference. Meanwhile, among the British Delegation, Sir Henry Wilson advocated the idea of an Allied attack, and in the Foreign Office Lord Curzon urged the arming of Romania, 'the sole outpost remaining to us in the East of Europe'. Lloyd George resisted the political pressure and continued to argue against any military involvement:

There has been talk of suppressing the revolution in Hungary. I don't see why we should do that: there are few countries so much in need of a revolution...

The British Prime Minister flatly rejected the French suggestion that the Council of Republic be crushed by the combined force of the major Allies. He endorsed the view of the American General Bliss that 'Bolshevism should be killed in Russia', and that in the case of Hungary there were 'other means of action'. On 29 March Lloyd George resolved 'to enter into conversation with the Magyars', and warned the Council of Four:

Let's take a decision; let's not deal with Hungary as with Russia. One Russia is enough for us...

There was a consensus among the British delegates in Paris

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1 ibid.
2 War Cabinet minutes, March 24, 1919, CAB 23/9, Microfilm, Bodleian Library, Oxford, Reel no.10.
3 Conversation between Wilson, Clemenceau, Lloyd George, and Orlando, March 27, 1919, The Deliberations of the Council of Four, op.cit. pp.49.
4 ibid.
5 Conversation between Wilson, Clemenceau, Lloyd George, and Orlando, March 29, 1919, Deliberations of the Council of Four, op.cit. pp.75.
that the Hungarian crisis had been triggered by the Vyx note\(^6\), and that the French had proved incapable of maintaining order in the danger zone of Central Europe. Nicolson recorded in his diary that the feeling of desperation was increased in Budapest by the 'arrogant and tactless behaviour of Colonel Vyx, head of the French Military Mission'\(^2\). Even the fervently anti-Hungarian Namier acknowledged that the Károlyi government was placed in an impossible position. The PID expert held that Britain should not allow France to take the lead again in Central Europe. His memorandum was annotated with numerous approving red pencil marks made by Headlam-Morley:

> The way the French have mismanaged affairs in Hungary is indeed shocking. You know I have never had much regard for the Magyar Imperialist claims, but no one has the right to play with a defeated nation as the French have done with regard to the Magyars. The last proposal to establish a 'neutral zone' in purely Magyar territory (Debrecen, Arad, Szeged etc.) was really intolerable. If our people are not careful and let the French guide our policy anywhere else, be it Germany, Austria, Poland, east-Galicia, Lithuania or Russia, we shall yet reap similar results. This is one of the chief lessons I would draw from the Hungarian crisis....\(^3\)

After ten days of hesitation and bickering, the Council of Four agreed to the British suggestion to send Jan Christian

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1 On March 20, 1919, the French Colonel Vyx handed a *démarche* to Károlyi, which demanded the Hungarian evacuation of Transylvania. In addition, a neutral zone was to be established on Hungarian territories which seemed to encourage further Romanian territorial claims. The note was unacceptable to Károlyi. The government resigned and handed over power to the Social Democrats. The following day the Socialists and the Bolsheviks declared the Hungarian Soviet Republic.


3 Namier to Headlam-Morley, PID, March 29, 1919, Headlam-Morley Papers, HDLM ACC 688 Box no.2
Smuts, a senior officer and hero of the Boer war, to Hungary to negotiate with Béla Kun. In theory the Smuts mission represented the Council of Four, but in fact it was a purely British initiative. An Italian and a French officer were added to the delegation, but only to 'show their uniform'; the mission consisted of British experts and intelligence people, such as Allen Leeper, Harold Nicolson, Colonel Heywood, and Cyril Butler. Smuts, 'an impartial soul' and a critic of the severe policy towards the vanquished states, was selected by the British Prime Minister in the face of strong French opposition. It can be stated that by March 31, there were clear signs of British concern at the state of Hungarian affairs. 'We certainly have an interest in knowing what is truly behind all this' - Balfour admitted to his colleagues in the Council of Four at the debate on the Hungarian revolution. For the British the Smuts mission served the dual purpose of limiting the damage caused by the French policy in Hungary and gathering some reliable, up-to-date information on revolutionary Budapest. Nicolson gave a hint in his diary that Lloyd George probably had even more ambitious plans in mind:

1 Nicolson op.cit. pp.292.
2 An American member also accompanied the Mission in the capacity of a journalist.
3 Deliberations of the Council of Four op.cit. pp.36.
5 The deliberations of the Council of Four, op.cit. pp.95.
Have a long discussion with Smuts and Allen Leeper. We both gather the impression that although the ostensible purpose of our mission is to fix an armistice line between the Hungarians and the Rumanians, yet the real idea at the back is to see whether Béla Kun is worth using as a vehicle for getting into touch with Moscow....

Nicolson derided the 'illogical' aims of Lloyd George in sending the 'obscure' mission to Hungary. He was irritated by his assignment to 'tackle the Foreign Commissar' of the Kun government, 'a little oily Jew'. Apart from racial prejudice, the above remark exemplified the conviction of the so-called New Europe group that the Allies should not enter into dialogue with the Hungarians. It is remarkable that the British Delegation at the Peace Conference should have selected its two most virulently anti-Hungarian members, Nicolson and Leeper, to assist Smuts in his negotiations with the Bolsheviks. No wonder that the British emissaries soon gained the impression that 'Bela Kun is just an incident and not worth treating seriously.'

For the Hungarians the message of the Smuts mission was an especially confusing one. Although Lloyd George had no intention of directly recognising the Kun regime, he insisted upon sending to Budapest 'a man of weight', a member of the British War Cabinet authorised to make adjustments in the boundaries of the

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1 Nicolson op.cit. pp.293.
3 Nicolson op.cit. pp.298.
4 Nicolson op.cit. pp.302.
neutral zone dividing Romanians and Hungarians. Paradoxically, it seemed that the Communists accomplished in a fortnight what the Anglophile Károlyi and Berinkey Cabinets had attempted in vain for five months, namely that a high-ranking British Delegation, 'not just some colonel', should be sent to Budapest from Paris with at least a limited mandate to negotiate political and even territorial issues. The political limitations within which the Delegation was operating were not clear to Kun, who was particularly puzzled by the style of the general. Smuts, during his two days in Budapest, did not once leave the half-lit compartment of his special train, and when on the 5th of April Kun, in search of a compromise solution, suggested further talks on the Romanian boundary of the neutral zone, Smuts apparently broke off the negotiations in an astounding fashion:

'Well, gentlemen' he says, 'I must bid you good bye' They do not understand. He conducts them with exquisite courtesy on to the platform. He shakes hands with them. He then stands on the step of the train and nods to his A.D.C. They stand in a row upon the platform, expecting him to fix the time for the next meeting. And as they stand the train gradually begins to move. Smuts brings his hand to salute. We glide out into the night retaining on the retinas of our eyes the picture of four bewildered faces looking up in blank amazement....

The sudden decision to leave Budapest was not only due to the 'Prussian' style of the Boer general, but was precipitated by a meeting with William Freeman, a British Military Intelligence man, who convinced Smuts that Kun's regime was 'without an army and had little prospect of being able to create

1 ibid.
2 Nicolson op.cit. pp.304.
Freeman, a naval officer, was the only agent of British Intelligence in the field from as early as December 1918. In the spring of 1919, in the early days of the Bolshevik revolution, he had full liberty of movement in Hungary due to his "First Class Workman" certificate. His analysis induced Smuts to conclude that Béla Kun was "of no importance" and that he was "not capable of giving effect to any treaty." This conclusion was much the same as that of Sir Eyre Crowe who had previously argued that Britain should not become embroiled in the tangled state of Hungarian affairs but should concentrate instead on the fortification of the Danubian "fellow-victor states". Consequently on April 4, 1919, the American Colonel House effectively called for "peace by giving the greedy ones all they want!". Despite the acknowledgment of the Entente Powers that the Hungarian revolution could be seen as an outburst of national emotions against the unjust territorial settlement, it became virtually impossible to resist the immoderate claims of the new states, the "champions of anti-Bolshevism". Even Lloyd George, who strongly despised the "little brigand peoples who only want...".

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1 Zsuppán, F.T. op.cit. pp.94.
3 Freeman's statements were confirmed by two journalists, C.B.A Ashmead-Bartlett of the Daily Telegraph and Maxwell H.H. Macartney of The Times, who arrived in Budapest a few days after the revolution and gained the impression that the "whole thing would collapse at the slightest push".
4 ibid.
5 Mayer, A.J. op.cit pp.573.
to steal territories', accepted the advice that the Cordon Sanitaire against Russia be strengthened. The British Prime Minister, while sending an emissary to Budapest 'to hold out the olive branch to Béla Kun', wished to support Romania in containing both Russia and Hungary.

In short, the Smuts mission was an expression of growing British concern at Hungarian affairs, but the upshot of this curious British diplomatic venture was that the Peace Conference once again shelved the Magyar problem. The British Delegation adhered to their former position of urging passivity since there appeared to be no urgent need either to recognise or to topple the isolated, unpopular, and militarily weak Council Republic. The troops of Czechoslovakia, Romania, and Yugoslavia clearly outnumbered those of the Hungarian Red Army, thus making it highly unlikely that there would be a Hungarian military advance against the new states. Consequently, British activities in Budapest during the 133 days of the Republic of Councils were essentially limited to military intelligence gathering. The two main British agents in Budapest, Montgomery-Cuninghame and F. Williams-Freeman, however, became heavily involved in Hungarian internal politics and also helped to pave the way towards the eventual overthrow of the Hungarian Revolutionary Directorate. They were both ardent champions of British military intervention

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1 Conversation between Wilson, Clemenceau, Lloyd George, and Orlando, June 9, 1919, 'The Deliberations of the Council of Four', op. cit. vol.11. pp.352

2 Mayer, A.J. op.cit. pp.603, see also Arday,L. pp.189.

in Budapest and successively annoyed the Foreign Office and the British Delegation in Paris by expressing their opinion. Cuninghame's political judgement, in particular, was questioned. Sir Eyre Crowe and Alien Leeper recommended that a high-ranking British representative be sent to Vienna to monitor the Hungarian situation, since Montgomery-Cuninghame was thought to be incompetent to fulfil such a role. This judgement was also supported by Seton Watson's weighty opinion that the political activities of Sir Thomas were 'highly mischievous'. In the British diplomatic service only Lord Acton, former Minister in Vienna, favoured the recommendations of Cuninghame. On April 15, 1919, he urged immediate military action both in Vienna and Budapest:

> It will be absolutely necessary to occupy Budapest. It is the *conditio sine qua non* for the destruction of Bolshevism and communism in Central Europe... Owing to the fact that English troops are the most feared and respected, it would be advantageous to send only British troops...

In April and May the 'alarmist' memoranda of Lord Acton and the military representatives on the ground were ridiculed in both London and Paris. A British delegate at the Peace Conference commented succinctly on Cuninghame's telegram of May 8 1919:

> The Allies have no policy towards Buda Pest (sic)....

2. Seton-Watson's confidential letter to Headlam-Morley (also signed by Lord Hardinge), Prague, May 29, 1919, Seton-Watson Papers, SSEES, Personal Correspondence files, Box no.9.
The motives behind Britain's passivity were explained in plain words by Seton-Watson, who was, at the time, in Prague on a special mission. He admitted to Headlam-Morley in May 1919:

There is much to be said for the view that the longer Hungary's misfortunes continue, the more assured will the position of Czecho-Slovakia and especially Slovakia finally be...¹

The members of the New Europe group all disliked the Kun regime, but fully appreciated that the threat posed by Hungarian Bolshevism could be used to justify Czechoslovak, Romanian, and Yugoslav territorial claims at the Peace Conference. Such sinister political tactics made even Seton-Watson uneasy. He confessed to the Assistant Director of the PID:

Little as I love the Magyars or regret the fate they have brought on themselves, I do not wish to see them destroyed altogether....²

The Scottish arch-enemy of Hungary urged the Entente Powers 'to make an end of the Kun regime in four-five weeks'. He quoted a Czech agent 'Mr Semjan' as reporting that the Bolsheviks would be able to survive until December if the Allies did not act immediately. Seton-Watson forwarded a Czech proposal to the PID:

He (Semjan) considers the only possible solution to be an Entente Military Dictatorship in the 1st instance, supported by civil advisors drawn from those Roumanians, Slovaks and Yugoslavs who are acquainted with the Hungarian language and conditions...³

This plan was supported only by a few British politicians at the Peace Conference. Between April and June the Allies

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¹ Seton-Watson to Headlam-Morley, Prague, May 26, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9.
² ibid.
³ ibid.
adopted the waiting attitude suggested by the Smuts mission. The situation, however, changed dramatically when the Hungarian Red Army, having fought off the Romanian advance and turned back the Czechoslovak Army near Salgotarján, launched an offensive in Eastern Slovakia on May 31, 1919. Only two weeks after Seton-Watson had optimistically reported from Prague that 'Bolshevism is on the wane both in Russia and Hungary'¹ the whole structure of the new Central European order seemed to be crumbling. The success of the Red Army illustrated the strength of Hungarian national feeling and called the passive policy of the Allies into question. In early June 'Scotus Viator' sent fourteen telegrams from Slovakia demanding a 'stiff British note warning Budapest'². Coulsson, the military representative, and Gosling, the chargé d'affaires, transmitted similar messages from Prague.³ On 10 June, Sir Samuel Hoare sent a startling report from the Czechoslovak capital to Churchill, suggesting that Béla Kun and his government should be ousted⁴. Meanwhile, the Bolshevik advance caused a sudden panic in Paris, where Sir Eyre Crowe minuted:

(1) The situation militarily is clearly desperate.
(2)... the policy of choosing this moment to make up to Béla Kun and practically disarm our allies who are defending themselves against Bolshevism, is bound to

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¹ Seton-Watson to Headlam-Morley, Prague, May 18, 1919, Seton-Watson Papers, SSEES Correspondence Files, Box no.9.
² Decipher of Telegrams from Seton-Watson to Balfour, Prague, June 9, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9.
³ Arday, L. op.cit.pp.224.
⁴ ibid.
lead to the complete failure of the design to set up free and independent states...(3) The triumph of the Bolshevist terror in Hungary, with the blessing of the Allies will put an end to all hope of setting German-Austria on her legs again.1

On June 19, 1919, a military member of the British Delegation responded to Crowe's analysis with the following remark:

We are in full agreement with these views, and are doing our utmost to get military action taken against Bela Kun and his associates...2

There were unmistakeable signs in Paris that the Allies had at long last decided to overthrow the Hungarian Bolsheviks. The 'worn out and irritable' Nicolson recorded with relief in his diary that:

They have decided to get rid of Béla Kun, so we shall have the Hungarians here soon...3

Nevertheless, Lloyd George once again rejected the plans for intervention. This time supported by Sir Henry Wilson, the Prime Minister argued in the Council of Four that the Hungarian military offensive had been prompted by the double attack of the Romanians and Czechoslovaks:

We must be fair even to the Hungarians; they are only defending their country...4

He attested that the Bolshevik government was on the verge of collapse when 'the advance of the Romanians aroused Hungarian

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2 ibid.
3 Nicolson, H. op.cit. pp.358.
4 ibid.
national feelings and gave Béla Kun an army.'

Lloyd George's tolerant attitude towards the Hungarians infuriated Seton-Watson, who suspected that the Prime Minister was even prepared to recognise Béla Kun's 'gang of desperados.'

'Scotus Viator' complained to his wife:

To-day as the result of increasing incompetence and mistakes we are in a position when all that matters is to get no matter what peace signed by no matter whom!! and it is not even certain whether this will be possible... 

The New Europe Group strongly disapproved of any contact with the Hungarian Bolsheviks, as is clear from the remarks of Reginald Leeper:

We ought to insist upon refusing all negotiations with the Bolsheviks. You may not know perhaps that there is a vigorous movement to come to terms with them on the grounds that they are now becoming democrats. You know as well as I do the hollowness of this and that this is merely a new phase of Bolshevik propaganda which is far more dangerous than the old communist propaganda which defied the world and set up the backs of everybody... 

After two weeks in Prague and two more weeks in Slovakia Seton-Watson arrived in Paris 'to prevent a fatal decision

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1 ibid.
3 ibid.
4 The Australian Rex (Reginald) Leeper, just like his brother Allen, was a prominent member of the New Europe Group within the Political Intelligence Department. He was an expert on Russian affairs.
5 R.A. Leeper to Seton-Watson, PID, July 16, 1919 Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.4.
regarding Hungary'. He was wholeheartedly supported by the 'Foreign Office people', but Lloyd George nevertheless treated the New Europe group 'with a maximum of discourtesy'. The Prime Minister's private secretary refused outright to meet Seton-Watson's demand to provide Allied military assistance to the Czechoslovaks. Thus, On July 7, 1919, the Scottish adviser recorded with regret that P. Kerr, 'latterly has come to count more with Lloyd George in foreign political questions than all the rest of the Delegation put together'. He informed President Masaryk in a private letter:

Undoubtedly L.G.'s mind was so concentrated on the problem of getting the Germans to sign, as to be almost indifferent to any subsidiary question; and - given his tendency to act sometimes on the spur of the moment and without consulting anyone save the last person who happened to be near him - there was some danger of his forcing a decision as regards Hungary such as would have compromised the situation. Our efforts had to be concentrated on preventing this...

Despite Kerr's growing influence, the Foreign Office staff were successful in blocking the Prime Minister's 'policy of

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2 Seton-Watson, C. - Seton-Watson, H. op.cit pp.373.

3 According to Headlam-Morley's note in his diary on June 19, 1919, the Assistant Director of the PID tried in vain to arrange an interview on 13 June between Kerr and Seton-Watson. Later in June a meeting was organized, but this was the Scottish adviser's 'least satisfactory conversation' in Paris. See Headlam-Morley, Sir J.W. A Memoir of the Paris Peace Conference 1919, op.cit. pp.154. and Seton Watson to Masaryk, Paris, July 9, 1919 Seton-Watson Papers op.cit.

4 Seton-Watson to Masaryk, Paris, July 7, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files

5 ibid.
kindness' towards Hungary. Still, there was relief amongst Seton-Watson's friends when the Red Army was withdrawn from Slovakia, and even more so when Lloyd George returned to England. When in July Military Intelligence warned of the Red Army's preparations for a new offensive on the Romanian front the champions of Allied intervention were in an overwhelming majority in the British delegation. Even Balfour was 'converted' to the idea. Despite the news regarding the Red Army's weakness, the Foreign Secretary went as far as proclaiming that 'Roumanian existence might be at stake'. Balfour's apprehensions concerning the Bolshevik menace strongly resembled those of Seton-Watson, who zealously pressed for military action even after he had left the French capital.

He wrote to Headlam-Morley from Scotland:

The worst danger has been averted: where the credit for this belongs now I am too 'out of it' to judge. Now of course the Magyars are preparing an offensive on another front and this must go on indefinitely until we decide to clean up the mess ourselves or to allow others to do it for us. A fire cannot live without fuel, and must either spread or be put out. Apparently our idea of showing kindness to Hungary is to stop the action of the beaters and to turn off the hose. When we at last understand, there will be no Hungary left!...  

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1 Seton-Watson noted on July 7, 1919, that he was inclined to think that 'there is less danger of any rash step being urged from our side, now that Mr L.G. has returned home'. See Seton-Watson to Masaryk, letter cited.

2 During the discussion in the Council on July 25, 1919, Balfour was the main protagonist of military measures, refusing to 'enter into an elaborate political arrangement' with Béla Kun. See Mayer, A.J. pp.844.


4 Seton-Watson to Headlam-Morley, Abernethy, Perthshire, July 17, 1919. Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9.
The idea of an Allied attack on Hungary was also strongly upheld by Frank Rattigan, the British Minister in Romania. He went so far as to claim that the Hungarian population so abhorred the Bolsheviks that they 'would welcome even Rumanian intervention'. No wonder that Bandholz, a Hungarophile American general, contemptuously named the British Minister in Bucharest 'Rattigianu'. All the same, during the last days of the Hungarian Soviet Republic the military solution won increasing support in Paris. Balfour asserted that 'he was not animated by any consideration of Hungarian internal politics, little though he might have approved Bela Kun', but rather that he was alarmed at the prospect of Hungary becoming a 'military stronghold of Bolshevism' in the Danubian Basin. The Foreign Secretary proclaimed:

Without the disarmament of Hungary, there could be no peace or settlement of frontiers in Central Europe...

Meanwhile, Freeman and Cuninghame were busy trying to transform the Kun regime and establish a more moderate government in Budapest, regardless of the military considerations at the Peace Conference. They preferred a British military initiative, or the creation of a Hungarian anti-Bolshevik army, to Czechoslovak or Romanian occupation.

1 Rattigan to Curzon, Bucharest, July 6, 1919, DBFP Vol.VI. pp.15.
4 Balfour on July 25, 1919, considered the possibility of supporting a Böhm government, but the Allies had no trust in the Hungarian Social Democrats and continued to favour the military solution. See DBFP, Vol I pp.177.
Accordingly, Cuninghame provided Yugoslav visas to more than twenty prominent Hungarian politicians who were involved in the formation of the National army, headed by Horthy. On the other hand the British Military Representative initiated negotiations between the Social Democrats and the Conservatives to topple Béla Kun and prevent an intervention of the Successor States. As late as August 4, 1919, when the Romanian troops marched into Budapest, negotiations took place between Bethlen and the Social Democrat Böhm in the office of Cuninghame in Vienna.

Yet, the British policy-makers at the Peace Conference took no account of Cuninghame’s political activities, only paying attention to his intelligence work. The Lieutenant-Colonel provided invaluable information on the Hungarian Red Army, which was extensively utilised by the Romanian Army, but his political recommendations and fantastic schemes to turn Hungary into a British dominion were not appreciated in Paris. During the summer of 1919 the British Delegation aimed to overthrow the Kun regime with the absolute minimum of British involvement. Hence, when the Hungarian attack was held off by the Romanians Balfour remarked:

Should Bela Kun fall of his own weight it would certainly be better than if he were overthrown by the Allies....

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2 Romsics op.cit. pp.93.
By the late summer of 1919, the revolutionary tide had turned in Central Europe, and the Delegation led by Balfour and Sir Eyre Crowe in Paris had no incentive to moderate the Peace terms with Hungary, or to reassess their policy towards Budapest. After some weeks of panic the Foreign Office adopted a nonchalant attitude once more and showed no sympathy to any Hungarian political groupings. Accordingly, at the end of August, Bethlen's appeal to Lloyd George for British assistance and generosity was flatly rejected. The Transylvanian Count 'brought forth every possible argument', including 'references to resemblances in British and Hungarian history'¹, but his stern warning, that desperate Hungarian nationalism would be the 'morass of the Peace of Eastern Europe' for a long time to come, seemed to be yet another example of blackmail. Bethlen's letter was shelved by the PID with the terse remark: 'Not much in this'². Crowe and Political Intelligence regained the upper hand which enabled them to complete the 'liquidation of the Dual Empire', and Lord Hankey declared with relief that Bolshevism was over and done with in the Danubian region:

No doubt there will be disturbance and alarm and flickerings of flame in Central Europe for some time to come. But the material for another blaze is burnt out. These local disturbances will probably remain localised. No great British interest is involved...

¹ Juhász, Gy. (1979), Hungarian Foreign Policy 1919-1945, Akadémiai, Budapest, pp.30.
² Romsics, I. op.cit.
3. The Clerk Mission and the Establishment of the Horthy Regime

In the wake of the Kun regime the Foreign Office strove to avoid any commitments to Budapest. On August 2, 1919, Balfour stated bluntly that the Council of Five 'was not concerned with the internal government of Hungary'. For the Foreign Secretary the lessons of the Hungarian revolution appeared to be simple:

Austria should be fed, Czechoslovakia armed...²

By the beginning of August the containment of Russia appeared to be the sole aim of British foreign policy in Central and Eastern Europe. There was no desire in London to create British strongholds in the Danubian region either in the defeated countries or in the victor states. The Foreign Office was conspicuously slow at even sending diplomatic representatives to the Successor States. R.A. Leeper, the Russian expert of the PID, complained to Seton-Watson:

The trouble is that people here are becoming so totally uninterested in the whole question and are more and more unwilling to take any further responsibilities in Eastern Europe...³

However, the Romanian occupation of Budapest, yet again focused British attention on the Danubian problem and on Hungary. The Romanian military manoeuvres demonstrated the hazards of a 'New Europe' in which the major Allied Powers were unable to enforce their decisions on 'their own creations'. Moreover, the

³ R.A. Leeper to Seton-Watson, F.O., September 12, 1919, Seton-Watson Papers, Personal Correspondence Files, Box no.14.
invasion impeded the Allies in their objective of signing a Peace Treaty with Hungary in the shortest possible time. The Romanian advance on Budapest made it imperative to set up a new regime in the ruined Central European country. Many Britons feared that the occupation would spark military resistance and a Bolshevik revival in Hungary. The Red Army’s earlier military successes in Slovakia amply reflected the strength of desperate national feelings in a vanquished country. In addition, it was a cliché in London that the ‘Hungarians are a violent and determined people’, who would not tolerate subjugation by an adversary. For all this, in August 1919 a paradoxical situation arose, as British politicians started to favour Hungary, a despised and vanquished ex-enemy, over an Allied army. The inconsistency in the policy of the Great Powers was mocked by Philip Kerr:

Allied policy became...a hopeless tangle of admonition and threats, of orders and counterorders, and ultimata, unleashing at one moment the troops of Hungary’s anti-Communist and militant anti-Magyar neighbours and at the next moment restraining them...²

In August, however, British policy towards Hungary became more coherent. During the first days of the Romanian ravaging in Budapest even Allen Leeper urged the Foreign Office to recognise any Hungarian government which accepted the new frontiers. The Australian expert was so determined to rush through the preparations for the treaty with Hungary that he had no objection to a Cabinet headed by a Habsburg Archduke either. On this thorny

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¹ The above opinion of the British Minister in Vienna was generally accepted in the Central Department. See Lindley to Curzon, Vienna, December 13, 1919, DBFP Vol.VI. pp 510.

subject he was prepared to challenge even Seton-Watson, whom he generally regarded as the only authority on Hungarian matters in Paris:

I read your article this morning on the fall of Bela Kun and find you are very anti-Archduke Joseph. I have no love for archdukes nor do I trust them, but surely if he accepts our terms of peace it is better to get the peace settled quickly and to do it through him than wait for another Hungarian government to appear…¹

When the Romanians reached Budapest on August 4, 1919, according to the minutes of the Council of Five, ‘Mr Balfour observed that he felt uneasy’². The Secretary of State sharply criticised the ‘onerous armistice terms’ imposed on Hungary. He aired the opinion that the Magyars were not given ‘a fair chance’ and condemned the Romanian troops, who ‘plundered the suburbs of Budapest’³. Despite his blatant indifference to Hungary, the head of the British Delegation said in the spirit of fair play:

It might be argued that because the Hungarians had made war, they deserved severer terms, but it must be admitted that they had made war against people who had invaded their territory in spite of the orders of the Conference…⁴

The changing British attitude towards Hungary was apparent in Balfour’s insistence on sending a military mission to Budapest to exert some restraining influence on the looting Romanian army, and to enforce the decisions of the Supreme War Council. In the

¹ A.W.A. Leeper to Seton-Watson, Foreign Office, August 14, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.5.
² DBFP Vol.I. pp. 311-313.
³ ibid.
face of French obstruction the British Foreign Secretary demanded the cessation of the Romanian occupation with mounting resolution.\textsuperscript{1} Thus, it was not coincidental that the first member of the mission to arrive in Budapest was a British general\textsuperscript{2}. Gorton was sent to Budapest with a clear mandate to conduct political negotiations. In the name of the Council of Five, Balfour drafted a document, which carefully described the political power and the limits of the Allied military mission:

\begin{quote}
We quite recognise that you cannot avoid having relations with any de facto government holding power in Budapest... But we must not be committed to any administration which has not authority to speak for the Hungarian people. While it will therefore be your duty to listen to anything the government has to say, you must remember that it has not yet been accepted by those for whom it professes to speak...\textsuperscript{3}
\end{quote}

Meanwhile, the British Foreign Secretary accepted Admiral Sir Ernest Troubridge’s idea of ‘going up the Danube with a monitor’ to display some degree of British military presence in Budapest.\textsuperscript{4} Although the Admiral was accompanied only by twenty British sailors, his presence had a restraining influence on the Romanians. For example, he prevented the destruction and pillage of the Ganz Danubius Shipyard.\textsuperscript{5} Yet, Sir Ernest was more

\begin{enumerate}
\item Juhász, Gy. op.cit. pp.30.
\item The Council of Five accepted Gorton's nomination on 21 July, 1919. See DBFP vol.I. pp.142.
\item Meeting of the heads of the delegations of the five great powers, Paris, August 13, 1919, DBFP Vol.I. pp.407.
\item Troubridge arrived in Budapest on August 15, 1919 and immediately entered into political negotiations with prominent members of the right wing. He warned the War Office of the Romanian concept of a ‘union’ with Hungary.
\item Redward, F.G. (1956) 'In Europe’s Boiling Pot', Memoirs of a sailor turned diplomat, manuscript, SSEES, pp.67.
\end{enumerate}
successful in securing another British aim, namely the resumption of trade on the Danube. According to the minutes of a meeting of the Supreme Council on August 4, 1919:

Mr Balfour said he thought that the Council should re-open the Danube ....\(^1\)

Both Anglo-Saxon Powers were concerned about the effect of the Danubian blockade on Central European trade, as the American Coolidge stated as early as July 1919:

The action of the Hungarians had tied up the Danube and with it a large proportion of the river craft used on it...\(^2\)

However, Britain had a special motive in seeking to control the Danube. The chaotic conditions of the railways of Central Europe increased the importance of reviving trade on the Danube. Thus in the early autumn of 1919 an influential group of British bankers and industrialists established the British River Syndicate Ltd., to control the shipping on Central Europe’s largest river.\(^3\) The Syndicate managed to acquire shares in Austrian, Hungarian, and South German shipping companies, and to secure a dominant position in the trade along the Danube.\(^4\) Lord Inverforth, the Minister of Munitions, was personally interested

\[^1\] Notes of a meeting of the heads of the delegations of the five great powers, Paris, August 4, 1919, DBFP, Vol I, pp.309.


in the success of the project. Thus, when Troubridge, the Commander of the Allied flotilla on the Danube, moved from Belgrade to Budapest, he represented the interests of British shipping companies such as Furness, Withy & Co. Ltd, Hunter &Co. Ltd., and twenty-eight other banks and insurance firms, which were shareholders of the Syndicate. The Admiral's preoccupation with British commerce was proved by his numerous reports on French and Italian ventures which threatened to exclude Britain from 'Danubia'. In the teeth of Sir Eyre Crowe's opposition, Troubridge even pressed the British Delegation to send an economic mission to Hungary as early as September 1919. He also urged the Admiralty to prevent French domination of the region, and the control of the Danube appeared to be an effective means of counterbalancing French possession of the railways and communication lines. Yet, setting aside military, political, and economic considerations, and personal ambitions, Troubridge's activities in Budapest were also motivated by profoundly friendly feelings towards Hungarians. One of his lieutenants recorded:

We soon became acquainted with a number of Hungarians and found them quite charming... 


2 Crowe rejected the suggestion with the argument that such a mission was impossible while there was no Peace Treaty with Hungary, DBFP Vol.V., pp.237-238.

3 In March 1919 he aspired to a Smuts-like role to lead a British special mission to Budapest, while during the autumn of the same year he hoped to be appointed to the post that of Sir George Clerk an emissary of the Allies with the aim of establishing a stable regime in Budapest.

4 Redward op.cit. pp.67.
The 'silver-white-haired Admiral', and his officers were impressed by the overwhelming Anglophilia of their Hungarian hosts, 'most of all the females', while at the same time they acquired an acute distaste for the Romanians. On September 1, 1919, Troubridge telegraphed to the War Office from the Hotel Astoria:

'It is necessary to recognise at once any Government formed here and support them with energy...'

In sum, the missions of Gorton and Troubridge contributed to a positive shift in the British attitude towards Hungary. The pro-Magyar tendencies in British foreign policy were repudiated in vain by the New Europe group. Seton-Watson argued that Troubridge and Gorton were only 'individuals who have been caught up in certain currents and are busily engaged in urging a policy of their own upon our government'. In *The New Europe* he also published a controversial article by Oszkár Jászi, an ex-minister of the Károlyi government, who claimed that in Hungary Mr Troubridge had pursued a policy of his own 'with the Archduke Joseph, Friedrich, the White General Horthy and the Clericalism'. But these statements were refuted even by Sir G.

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1 ibid.

2 ibid.

3 Troubridge to the War Office, Budapest, September 1, 1919, DBFP, Vol.I., pp.604.

4 Seton-Watson to Masaryk, Private and Confidential, March 1, 1920, Seton-Watson papers, SSES, Personal Correspondence Files.

Clerk, a close associate of Seton-Watson's, who notified the Supreme Council that the British Military Representative and the Admiral enjoyed in Hungary 'a reputation for impartiality which gave special weight to their opinion'\(^1\). The British officers were indeed effective in promoting a positive image of the Hungarians in London, and were also successful in convincing the Foreign Office of the Anglophilia of various political groups in Budapest. Some American diplomats in the interwar period went so far as to claim that Horthy's regency was the handiwork of the Admiralty.\(^2\) As a matter of fact, a senior diplomat, Sir George Clerk, and the Foreign Office were instrumental in the establishment of the regency in Hungary. In any case, it can be stated that both the War Office and the Admiralty played an important role in initiating an active foreign policy in postwar Hungary.\(^3\) This was primarily due to the work of the military representatives on the ground who openly favoured Budapest and Vienna over the capitals of the victor states, Bucharest in particular. Gorton, warned the Supreme War Council as early as mid-August:

> Unless instant measures are taken to compel the Roumanians to evacuate Budapest and cease their predatory operations in Hungary, the confidence of the Hungarians in the good will of the Entente will be

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2. L Nagy, Zs 'Amerikai Diplomatak Horthy Miklósról', Történelmi Szemle. (1990) no.3-4 pp.176
3. The Foreign Office was initially more careful in condemning Romania because of the promised oil concessions. see Ránki, Gy. (1983), *Economy and Foreign Policy, The Struggle of the Great Powers for Hegemony in the Danube Valley*, Boulder, New York
The English general’s reports were confirmed by Harry Bandholz, the American member of the Allied Military Commission. The charismatic US officer, who was celebrated as a national hero in Budapest after he had singlehandedly repulsed a large group of ravaging Romanian soldiers from the door of the Hungarian National Museum, acted in full harmony with his British colleagues. The diary of Bandholz records that the two Anglo-Saxon generals of the Commission frequently confronted the overtly pro-Romanian French and Italian officers. Bandholz, Gorton, and Troubridge left no stones unturned in their attempts to achieve a Romanian withdrawal from Hungary, but to no avail. The American Captain Gregory commented bitterly:

While the generals ponder, the Rumanians plunder...²

Meanwhile, in the Foreign Office the pro-Austrian lobby started to propound a more active British involvement in Hungary and raised the issue of economic cooperation in the territory of the former Dual Monarchy. In October, C.K. Butler warned about the Romanian drive to absorb Hungary, and pleaded with Lord Hardinge: 'Do get us help before it is too late.'³ The economic advisers, such as Butler and Goode, shared the pro-Hungarian sentiments of the Military Representatives and pressed the

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Foreign Office to show more interest in Hungarian affairs. Regardless of Frank Rattigan's repeated warnings that the activities of the generals in Budapest were jeopardizing Britain's position in Romania\(^1\), even Curzon was struck by the need for a more ambitious British policy in Budapest. Despite Seton-Watson's pronouncement that it was 'quite a mare's nest'\(^2\) to suppose that Lord Curzon was pro-Magyar, there was an evident change in the British approach to the Hungarian-Romanian conflict. At a Council meeting Balfour stated acidly that 'the present complaint of the Roumanian Government that they were in ignorance of the real wishes of the Conference, seemed well-nigh incredible'\(^3\). The Foreign Secretary concurred with the view of Curzon that the sale of war material to Romania 'should be broken off until proof is forthcoming of Roumania's intention to accept the advice of the Allies.'\(^4\) Balfour insisted on sending an ultimatum to the government in Bucharest and even contemplated the dispatch of Allied forces to Budapest. However, the growing British interest in Hungarian and Romanian affairs can best be illustrated by the Council's resolution to 'find a suitable

\(^1\) See for instance Rattigan's dispatch to Curzon, Bucharest, September 18, 1919, DBFP Vol.V. pp.440.

\(^2\) Seton-Watson to Masaryk, March 1, 1920, Seton-Watson Papers, SSEES, Personal Correspondence Files

\(^3\) Meeting of the heads of delegations of the five great powers, September 4, 1919, DBFP, Vol.I. pp.620.

Englishman'\textsuperscript{5} to conduct negotiations in Bucharest and Budapest.

Despite Admiral Troubridge's efforts at self-promotion, the commission was given to Sir George Clerk, a British career diplomat\textsuperscript{2}. Crowe and the New Europe group were successful in appointing an envoy who was well disposed towards the Bratianu government and opposed to endangering British interests in Romanian oil concessions for the sake of Hungary.\textsuperscript{3} In addition, Clerk was accompanied by A.W.A. Leeper, the British Delegation's Romanian expert, who guaranteed the mission's anti-Hungarian and pro-Romanian character. Consequently, the emissaries were tolerant of Bratianu's 'bluff'\textsuperscript{4} resignation and his transparent manoeuvres aimed at postponing the evacuation of Hungary.\textsuperscript{5} Sir George was content with the Romanians' 'great readiness'\textsuperscript{6} to cooperate with the Allies and reported that, 'almost entirely due to Leeper', the Government in Bucharest 'welcomed and assisted' his mission 'in every way possible'\textsuperscript{7}. As General Bandholz

\begin{itemize}
    \item[1] This was Clemenceau's suggestion on September 3, 1919, see DBFP Vol.I., pp.611.
    \item[2] Clerk was nominated as the first British Minister in Prague at the time of his special mission to Bucharest and Budapest. He arrived in Czechoslovakia in February 1920.
    \item[4] Even Leeper noted that Bratianu's resignation was only a 'bluff'. DBFP, Vol. VI. pp.279.
    \item[5] By the time Clerk arrived in Bucharest Bratianu had resigned and for weeks there was no government in Romania to receive the Allies' ultimatum. See Ràntki, op.cit. pp.168.
    \item[7] ibid.
\end{itemize}
acerbically commented, a pigeon would have made a better envoy than Clerk in sending an ultimatum to Romania. On the other hand, at the beginning of October Sir George travelled from Bucharest to Budapest, where he had an encounter with the Anglo-Saxon generals and Sir William Goode, the British Director of Relief Missions in Central Europe, who was, not without merit, known to Hungarian politicians in the thirties as 'Jó Vilmos' (Good William)¹. During a conversation at dinner on October 5, 1919, and under strong pressure, Sir George considerably revised his image of the new Hungary, and became markedly more critical of the Romanian government². He also met the Hungarian Social Democrat Erno Garami, 'by far the best man on the Left wing',³, who convinced him that the prolongation of the occupation would lead to catastrophe. In his report from Budapest Clerk painted an exceptionally gloomy picture of the Hungarian situation:

Unless Hungary got a new Government, which the Allies would accept until the elections, or unless an international gendarmerie could be created to replace the Roumanians, Hungary was doomed...⁴

Moved by Clerk’s report even Sir Eyre Crowe admitted that, regardless of the 'disadvantages' of the suggested withdrawal

² See the note of the American general in his diary of October 5, 1919, in Bandholz, H.(1933), An Undiplomatic Diary, Columbia University Press, New York
³ Clerk to Seton-Watson, Prague, December 6, 1924, Seton-Watson Papers
the Rumanians should be gotten out'. Crowe, however, rejected the proposal that the Friedrich government be recognised. Friedrich, who is characterised in some academic works as 'the villain of modern Hungarian History', was loathed equally by the Károlyi type of Liberals and by prominent Conservatives such as Horthy and Bethlen, nonetheless his government appeared to be acceptable to Troubridge, Gorton, and even Clerk. Friedrich was suspected of being a political adventurer, but his suggestion that a British protectorate be set up in Hungary had some appeal for the Britons in Budapest. Troubridge was seduced by the Hungarian Prime Minister's profession that:

...it is a long felt wish of every genuine, true Hungarian, that Great Britain be the only power to maintain order and discipline in this country, to develop the country's natural resources and to raise the cultural level of its inhabitants....

The British military representatives and the special envoy had reservations about Friedrich's personality and his 'White Bolshevism', but they were more alarmed by the destructive effects of the Allies' policy of non-recognition. By contrast Crowe was in no hurry to recognise the Cabinet in Budapest, though even he had to acknowledge that the presence of foreign

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1 Notes of a meeting of the heads of the delegations of the five great powers, DBFP, Vol.II. pp.174,
2 ibid.
4 Juhász, Gy. op.cit. pp.31.
5 Clerk called Friedrich a 'White Bolshevik', because of the Prime Minister's extreme antisemitism and anticommunism. See DBFP Vol.VI. pp.379.
troops was hampering the establishment of a stable, sovereign government in Budapest. Thus, at the end of October the Supreme Council sent Sir George on a second mission to Budapest\(^1\), this time with the clearly defined task of ultimately supervising the Romanian evacuation of the capital, while forcing the resignation of Friedrich and setting up a new administration in the 'sinful city'.\(^2\)

According to a Hungarian historian, Sir George's designation for this politically highly sensitive job, just like the assignment of Smuts seven months earlier, demonstrated growing British concern at Hungarian trends.\(^3\) Although both missions were carried out in the name of all the Allied Powers, they were distinctly British ventures. In addition, both initiatives were motivated by the British Cabinet's dissatisfaction with French diplomatic conduct in the Danubian region. There were, however, striking differences between the two missions. While Smuts was sent to Budapest to test the Kun regime, the Clerk mission was evidence that Britain had accepted 'a special responsibility to help Hungary to recover from the ravages of war and the insanity of the short-lived communist regime'.\(^4\) Another important difference between the two assignments was that Sir George had considerably broader powers than the Boer General, and an

\(^1\) Clerk stayed in Hungary from October 23 to November 25, 1919.

\(^2\) This was Horthy's description of revolutionary Budapest on November 16, the day when his troops marched into the capital.

\(^3\) Arday, L. op.cit. pp.280.

absolutely clear-cut task. He recalled in 1924 in a private letter:

I wasn't sent to administer Hungary - or rather fortunately for me, perhaps! - I was sent on a perfectly direct mission with its own peculiar problems. That mission 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...¹

Clerk wished that it was 'anyone else but himself who was selected for the job'². In his recollections to Seton-Watson he made it plain that he had no trust in a negotiated solution:

It is no doubt that if I had had, not 10,000 to 20,000 Entente troops but a couple of British regiments, I could have run Hungary until the elections were safely over. But I need not tell you that any tentative suggestions of mine for the provision of Entente troops were, as they were bound to be in the existing situation, turned down in Paris, while the suggestions to employ solely British troops - far the best solution - would not have been entertained for a moment by the other Allies...³

Notwithstanding his aversion to such a mission Sir George took his task extremely seriously. As Erno Garami recalled in his memoirs Clerk was well-informed and not easily fooled by Hungarians.⁴ Immediately upon his appointment Sir George contacted Seton-Watson, whom he regarded as the only reliable British expert on Hungarian matters:

¹ Clerk to Seton-Watson op.cit.
² Clerk to Crowe, Budapest, November 6, 1919, DBFP, Vol.VI. pp.341.
³ Clerk to Seton-Watson, Prague, December 6, 1924, Seton-Watson Papers, SSEES, Personal Correspondence Files
I only got back from Paris yesterday, and have to return there on Wednesday, and my efforts to get you on the telephone have failed... As you may know I have lately been in Bucharest and Buda-Pesth (sic) and the Supreme Council are sending me back to the latter place, probably on Thursday, to get a Hungarian Government, with whom they can deal, into being. If I could get the Supreme Council’s assent, would you care to help me in this somewhat difficult and delicate job?... The value of your assistance would be incalculable...\textsuperscript{1}

The Scottish academic was not in a position to accept the offer. ‘In some ways it is a pity, in others I am relieved’\textsuperscript{2}, he remarked to Headlam-Morley, after he had received the news that the Foreign Office had objections to his participation. On the evening of October 14, 1919, he met Clerk and provided him with detailed information on numerous Hungarian politicians\textsuperscript{3}, but he had no further involvement in the ambitious British diplomatic enterprise. By the autumn of 1919 Seton-Watson was in conflict with several members of the Foreign Office staff, who disapproved of his activities in Prague\textsuperscript{4} and distrusted his political judgement. Although the champions of national self-determination were still in a dominant position in Paris, the Magyar experience of Bolshevism as well as Austrian and Hungarian misery were seen by many in London as a result of the folly of the New Europe.


\textsuperscript{2} Seton-Watson to Headlam-Morley, London, October 21, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files Box no.15.

\textsuperscript{3} Clerk to Seton-Watson, October 15, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files.

\textsuperscript{4} Seton-Watson’s critical remarks on British foreign policy in the Czech press were frequently reported by Gosling and irritated the Foreign Office.
group. Even Headlam-Morley, the main theoretician of the Foreign Office, found it difficult to justify the territorial settlement or to demonstrate the coherence of British policy in postwar Central Europe:

My present feeling is that I want very much to get back to rather abstract discussion of some of the questions we have been dealing with practically. I find people in an extraordinary muddle with regard to all these problems which have been imperfectly formulated by Wilson...

By the autumn of 1919 there was an apparent gap between the theory and the reality of the New Europe. All British diplomats and military representatives on the ground commented on the dangerous fragmentation of the Danubian region. Yet, paradoxically, the most powerful statement to this effect was sent from Budapest by Sir George Clerk, a close associate of the New Europe group:

The Allies certainly intend to be as just to their late enemy as to themselves, and to see that the small states, aggrandised through the war, do not, by abuse and oppression, cause the world to feel that the result of the war has after all only been to substitute one unrighteous system for another and to sow the seeds of inevitable future conflicts. It is because my experience in Hungary makes me feel that there is a serious danger of this occurring and being aggravated by a rupture of old economic ties and commercial relations...

During his second visit to Budapest Clerk 'heard the views of Hungarians of every shade of opinion' and was impressed by the unexpected moderation of the representatives of this 'great and

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1 Headlam-Morley to Seton-Watson, Paris, July 21, 1919, Seton-Watson Papers, Personal Correspondence Files, Box no.15.

civilised race. He was also struck by the Anglophilia of the Hungarian politicians, who regarded the Clerk mission as a purely British enterprise. He informed Crowe on November 6, 1919:

I have done my best to maintain my international character but Hungarians are only too anxious to emphasize the fact that I am British and this on top of Troubridge on the Danube has possibly aroused French susceptibilities.

Sir George was not interested in promoting a Budapest-centred British policy in Central Europe, and he thus tried to remain aloof. Nonetheless the nature of his assignment was such that he could not help interfering in the internal politics of Hungary. He was also genuinely thrilled by the bold idea of placing a member of the British royal family on the throne of Hungary. On November 23, 1919, he cabled to Curzon:

Persons and deputations, of well-nigh every political persuasion, who have visited this mission...have informed myself and Sir Percy Loraine, one after another, 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 upon whose aid and sympathy they base all their hopes of moral and material resuscitation. With the aid of an English King....it would be possible, they maintain, for Hungary to emerge from her disaster and despair, and become a corner-stone of England's policy in Europe, and a faithful rampart against Germany, should she ever become strong enough once more to resume her policy of encroachment towards the East.

1 ibid.
2 Clerk to Crowe, Budapest, November 6, 1919, DBFP, Vol.VI. pp.341.
Clerk was a 'loyal friend of the Czechs', but in November 1919 he appeared to be an impartial observer in Central Europe. He urged Crowe to fight with all his strength against the idea that Hungary be occupied by the Czechoslovaks and Yugoslavs, and recommended the urgent sending of a British High Commissioner to Budapest. He was appalled by the 'selfish and callous policy pursued by the newly created States' and in his final report to the Supreme Council he came to the conclusion that the political culture of the Magyars stood 'much higher than that of the neighbouring States whose conduct has been in many respects deplorable'.

Five years later Sir George's assessment of Hungarian politicians changed for the worse, but he nonetheless affirmed even in 1924:

In justice to the Hungarians, I must admit that their sense of humour and of their desperate situation went a long way towards helping me to achieve the only possible solution, which was a provisional and temporary government of all parties...

Clerk was exhausted and far from being fully satisfied when he left Budapest on the 25th November, 1919. He had managed to instal an acceptable government, but he had no illusions as to

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1 This was Bruce Lockhart's comment on his former boss at the British Legation in Prague. See Bruce Lockhart, Sir R.H. (1934), Retreat from Glory, Putnam, Covent Garden, London, pp. 66.
2 ibid.
3 ibid.
4 ibid.
5 Clerk to Seton-Watson, December 6, 1924, Seton-Watson Papers, SSEES, Personal Correspondence Files, pp. 4.
the planned 'free elections' in Budapest. He recalled bitterly:

Knowing my Hungarians I offered, both in Budapest and in Paris, to return for the elections to ensure, so far as my presence could do so, that they were fairly held. This offer was, I need hardly say, turned down...

Sir George had wished to see a coalition government in Budapest with the participation of the moderate Social Democrats and Liberals. In November 1919, however, he entrusted the leadership to the Conservatives of Hungary. He was influenced by Horthy and Bethlen, particularly the latter whom he regarded as the future leader of Hungary\(^2\). Unlike many American diplomats in the twenties, who characterised Horthy as 'an honourable but stupid man' or 'an old seadog on horseback'\(^3\), Clerk regarded the admiral as a 'person of capacities', 'a strong man who can be trusted'\(^4\). When the Social Democrat Garami expressed his deep-rooted distrust of the Admiral, the British emissary briefly replied that 'Horthy is a gentleman'.\(^5\) Hence, Clerk was perfectly satisfied with the Hungarian Admiral's formal assurance that his troops 'will be kept under strict discipline and that no reaction or revenge would be tolerated'.\(^6\)

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1 ibid.
2 Romsics, I. pp.99.
3 L.Nagy, Zs. op.cit.
4 D.C. Campbell to A.W.A. Leeper, Budapest, November 23, 1919 DBFP, Vol.VI. pp.402., see also Juhász, Gy. op.cit. pp.32.
5 Garami, E. op.cit. pp.175.
and Clerk were equally encouraged by the 'moderation and dignity' of Horthy, who pledged to the Anglo-Saxon representatives in private that there would be no terror in Budapest, and that 'only a few people will swim'. ¹ When this promise was broken and even American diplomats told horror stories of 'the Hungarian Ku Klux Klan'², Clerk and the Foreign Office denied any responsibility.

In a polemic with Oscar Jászi Sir George proclaimed:

So far as I am concerned, I feel no responsibility, though deep regret, for the fate of Hungary after I left it...³

Soon after his second mission to Budapest Clerk became convinced that Hungary was to become the trouble spot of Central Europe. All the same, in November 1919, Sir George played a pivotal role in laying the foundations of the Anglo-Hungarian 'special relationship'. The British emissary vehemently urged the Supreme Council to 'give Hungary a chance'⁴. Furthermore, he advised the Foreign Office to grant diplomatic recognition and provide financial assistance to the re-established Danubian state. Finally, on December 1, 1919, he confirmed that 'he had acquired the conviction at Budapest that the Hungarians were prepared to accede to the demand that peace be signed'⁵.

² L.Nagy, Zs. op.cit.
³ Clerk to Seton-Watson, December 6, 1924, op.cit.
⁴ Notes of a meeting of the heads of delegations of the five great powers, Paris, December 1, 1919, DBFP, Vol.II. pp.436.
⁵ ibid.
4. Anglo-French Rivalry and the Treaty of Trianon

When the territorial provisions of the Peace Treaty were presented to the Hungarian Delegation in January 1920, all Magyar hopes were pinned on Britain. The 'perplexing anomaly' in the British attitude towards the Treaty of Trianon was ignored by the Anglophile Horthy and his entourage. The missions of Gorton and Troubridge, the relief operations of Goode, and above all the diplomatic conduct of Clerk seemed to confirm the common Hungarian assumption that Britain was ready to sponsor and lend political support to an Anglophile Cabinet in Budapest. Furthermore, the hypothesis that the Foreign Office would back Hungarian territorial claims was not unreasonably based on the fact that the British Prime Minister had openly criticised the terms of the Peace Treaty and urged the Allied Supreme Council to make concessions to Hungary. Lloyd George aired the opinion that the Hungarian claims were sound, because 'a whole community of Magyars had been handed over like cattle'. Although in early March the British Prime Minister had suddenly given up his insistence on a 'fair and conscientious' re-examination of the Hungarian borders, the Magyar politicians counted on the

1 Thomas Sakmyster has demonstrated that despite the surge of sympathy from several quarters of British opinion, the Foreign Office followed the advice of a handful of East European specialists guaranteeing that the Treaty of Trianon remained unaltered. See Sakmyster, T. 'Great Britain and the Making of the Treaty of Trianon' op.cit. pp.107.


3 ibid.
Welshman’s sympathy and support.\textsuperscript{4} Also comforting for the political élite in Budapest was the fact that Lord Bryce, Lord Newton, Lord Montagu, and Sir Samuel Hoare had started a campaign in the House of Lords for the mitigation of the Hungarian Peace Treaty. In addition, Bethlen, as the acting head of the Hungarian Delegation at the Peace Conference\textsuperscript{2}, secured the backing of another powerful group of British conservatives\textsuperscript{3} for his manoeuvres in delaying the signing of the treaty. Thus, by early January 1920 when Sir Thomas Hohler, the first postwar British High Commissioner arrived in Budapest, a new chapter had opened in British-Hungarian relations. Huszár, the Prime Minister, warmly welcomed Sir Thomas to Hungary and expressed his gratitude for the assistance and moral support of England.\textsuperscript{4} In turn, the British High Commissioner noted that it was traditional in Britain to hold out a helping hand to her late enemies, to assist them to rebuild their country’s future.\textsuperscript{5}

Hohler was the archetype of the British diplomat who had a strong empathy for the country in which he was sent to serve. Moreover, he ‘happened to be an old and very intimate friend’\textsuperscript{6} of

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\item When Apponyi, the head of the Delegation travelled back to Budapest on January 18, 1920, Bethlen became the leader of the Hungarian delegates and remained so until February 10, 1920.
\item The most prominent members of this group were Lord Cecil, Asquith, and Maclein. See Romsics, I. op.cit. pp.102.
\item Hohler to Curzon, Budapest, January 12, 1920, BDFA, Vol.I. pp.45.
\item ibid.
\item Juhász, Gy. op.cit. pp.36.
\end{enumerate}
\end{footnotesize}
Horthy. The close acquaintance of the Magyar 'Reichverweser' and the High Commissioner dated back to 1908, when they both served in Constantinople and Horthy impressed the junior English diplomat 'as a regular sailor of a type which would do credit to the British navy itself'. Throughout his four years in Budapest Hohler wholeheartedly supported Horthy, although he was not blind to the Governor's weaknesses. In 1924 he gave a fairly balanced picture of the Regent to Curzon:

Admiral Horthy is a man of sterling honesty but of no cleverness: he has no suppleness of mind... He has the views of an English country squire or naval officer of the sixties or the seventies and change and innovation are abhorrent to him. This renders him liable to the charge of being a reactionary, a charge which in my opinion carries the matter a little too far...

In spite of these critical remarks, Sir Thomas was essentially charmed by Horthy's character, which was 'devoid of foolish ambition', and he also shared the Admiral's passion for hunting and 'rural amusements'. According to the Secretary of the High Commissioner 'this friendship was most valuable' during the four years Mr Hohler spent in Hungary, and at the outset 'it gave the British High Commission a lead amongst the other Allied Missions in Budapest'. Horthy was 'ready to talk more openly' with the English aristocrat 'than with most people'.

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3 ibid.
4 Redward, F.G.(1956), 'In Europe's Boiling Pot', Memoirs of a sailor turned diplomat, manuscript, SSEES, pp.79.
5 Juhász, Gy. op.cit pp.36.
Consequently the Hungarian government demonstratively favoured Hohler over other senior Allied diplomats in Budapest.\textsuperscript{1} For example Sir Thomas was offered the 'Royal Box' and reception room at the Opera where he could regularly meet members of the Hungarian cabinet for informal discussions. The Foreign Office tried to capitalise on Hohler's unrivalled position in Budapest, but there were suspicions about the political judgement of the High Commissioner. The New Europe group could hardly be expected to accept Hohler's opinion that 'the Hungarians are the strongest race in South Eastern Europe'.\textsuperscript{2} Crowe and Leeper were particularly incensed by Sir Thomas's emergence as an ardent champion of Hungary's territorial claims. The British chief representative in Budapest asserted in a dispatch to Curzon that the Hungarian peace terms appeared to be 'faulty and incapable of standing the test of time'.\textsuperscript{3} He even ventured to suggest to the Foreign Secretary that Britain should moderate the treaty to avoid Hungary becoming 'an immediate menace to the peace of Europe, and therefore to the interests of His Majesty's Government'.\textsuperscript{4} In the Foreign Office there was strong opposition to the recommendations of Sir Thomas. Leeper drafted a lengthy memorandum to rebut Hohler's contentions and his views were endorsed by senior officials. Balfour, the former Foreign

\begin{itemize}
\item \textsuperscript{1} ibid.
\item \textsuperscript{2} Juhász, Gy, op.cit. pp.45.
\item \textsuperscript{3} Sakmyster, T. 'Great Britain and the Making of the Treaty of Trianon', Király, B. - Pastor, P. - Sanders, I. op.cit. pp.122.
\item \textsuperscript{4} ibid.
\end{itemize}
Secretary, challenged his pro-Magyar sentiments and declared in Parliament that 'the frontiers of Danubian Europe were drawn by the finest experts available.'¹ Sir William Tyrrell, the former head of the PID, made withering remarks on the 'complete ignorance' of some British aristocrats who were 'easy dupes of the Hungarian gospel according to Magyar magnates'.² Lord Curzon, the new Secretary of State, did not oppose the new Hungarian orientation of the Foreign Office, but he firmly rejected any pledge to alter the Peace Treaty. The Foreign Secretary showed some understanding of the 'excited and nervous state' of the Hungarians, but he declared that the 'chief hope for 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'.³

Thus, the diplomatic staff of the British High Commission in Budapest backed the Hungarian claims against the line of the Foreign Office. Lord Hardinge was furious with Hohler for constantly publicising his pro-Magyar views in Vienna and Prague. The Permanent Under-Secretary sharply reproached the zealous diplomat:

There appears to be a growing tendency on the part of the Hungarian authorities to make use of you as the channel of representations to the governments of

neighbouring countries.... We quite understand your natural inclination to help the Hungarians in vindicating their rights, but this is not primarily the function of a British apart from the other Allied Representatives... *It is undesirable that H.M.G. should be made to appear as the particular champion of enemy claims.* Our experience is that our Allies are at times only too ready to let us appear in that role.... You will therefore do well to be very circumspect in taking up Hungarian grievances... singlehanded or setting His Majesty's representatives at other capitals in motion....

Regardless of Hardinge's stern warning Hohler persisted in advocating the Hungarian cause and defending Horthy's regime against any criticism. When Henderson and a group of Labour MPs demanded a British investigation into the political violence in Hungary, Hohler immediately replied that there was 'nothing in the nature of a terror'² in Budapest. He agreed with General Gorton that the horror stories about officer's detachments were 'fictitious'. In a dispatch to Curzon he repeated Admiral Troubridge's verdict: 'life is as secure here as in England'³. In the twenties, as a result of Hohler's leniency towards the Hungarian government, even American colleagues blamed the British Minister in Budapest for 'whitewashing the White Terror'.⁴ In point of fact Hohler deplored the violence, but he had complete confidence in Horthy. He proclaimed that the Admiral was 'absolutely honest, reliable and vigorous' and he had 'nothing

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² Hohler to Curzon, February 21, 1920, BDFA, Vol.I. pp.61-62
³ ibid.
⁴ L. Nagy, Zs. op.cit.
of the character of an adventurer or a military chauvinist.\(^5\) Paradoxically, Hohler was even ready to support the idea that Horthy should establish a military dictatorship\(^2\) in order to stop the political violence. Sir Thomas promoted Horthy as a tough anti-Communist leader, but an agreeable gentleman with English leanings. This image of the Hungarian Admiral influenced many British diplomats serving in Central Europe. In a private letter Rumbold, the British Minister in Warsaw, while appealing to the 'good nature' of his colleague in Vienna who supplied him with wine, gave an extraordinarily frank account of his political support for Hohler and the Hungarian regime:

I am bound to confess that...(Hohler) made a good case in defence of the Hungarian Government against the accusation levied at it of being party to a White Terror. No doubt, when the Bolshevist regime in Hungary was suppressed some excesses were committed. There was bound to be a reaction and I for one am delighted to think that Communists and other blackguards were knocked on the head, but I am sure that there is no regime at present in Hungary to be compared with the Red Terror. The fact is that our Labour Party at home scream when a hair of a Bolshevik or communist is injured but do not mind how many of the bourgeois and other classes are killed...\(^3\)

Lindley was in full accord with Rumbold. The British Minister in Vienna despised the Magyars, 'the successors of Jengiz Khan (sic)', but his only real concern was with the Bolshevik menace which hung 'like a black cloud over the whole

\(^1\) Juhász, Gy. op.cit. pp.37.
\(^2\) Sakmyster, T. 'Great Britain and the Establishment of the Horthy Regime' op.cit. pp.75.
\(^3\) Rumbold to Lindley, Warsaw, April 12, 1920, Rumbold Papers, Box no.26, fols. 202-203
life of Central Europe'. Thus, the reports of the White Terror were treated by many Britons in the foreign service as so much Labour propaganda. Some of the diplomatic staff at the British Legation in Budapest were openly indignant at having been assigned the task of 'tracing the alleged victims of the White Terror'. At the same time, they frequently advised Horthy to rule by parliamentarian means as opposed to military methods. The difference in the attitude of British and Hungarian Conservatives was explained to Horthy by Athelstan-Johnson, the acting High Commissioner in Budapest, in September 1920:

After dinner his Highness took me aside and after expressing to me his admiration for Great Britain...expressed to me his fears that His Majesty's Government were underestimating the latent forces of Bolshevism in England. I told Admiral von Horthy that we in England relied on the noise and smell of the 'exhaust pipes' of our parliamentary and Socialist extremists, yet found in the long run that the motor of the Government ran far better with this inconvenience than I feared it was running in Hungary today with the 'exhaust' shut down...3

His adoration for England apart, Horthy was not a parliamentarian but a military man, so the 'exhaust' remained 'shut down' in Hungary, at least in the early twenties. Yet, the Foreign Office was not too harsh in criticising the Hungarian regime, particularly after an unexpected French challenge to British primacy in Budapest during 1920.

The sudden 'reconciliation trend' in French policy towards

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Redward, F.G. op.cit. pp.80.

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Hungary was initiated by the Millerand government¹ and it resulted in swift diplomatic measures in both Paris and Budapest. In March parallel political and economic negotiations started in France, with the support of Horthy and with the participation of such pronounced Anglophile Hungarian politicians as Bethlen. Maurice Paleologue, the Secretary General of the Quai d'Orsay², proposed the creation of a Danubian confederation around Hungary, as the 'axis of Eastern Europe'³. The project clearly aimed at hindering similar British schemes around Vienna, and was thus the first distinct sign of rivalry between France and Britain for the political and economic domination of the Danubian Basin.⁴ Both Western Powers played with the idea of either the Austrian or the Hungarian capital forming a convenient centre for their hegemony over Central Europe and a bridgehead to the Balkans. Hence, British success in obtaining control over Danube shipping 'inspired a far more comprehensive and daring plan' by the French. Paleologue secured massive economic concessions in Budapest for the Schneider-Creusot Company. The British Foreign Office was aghast when the Hungarian Government offered France control of the Hungarian railways, the big factories in Budapest

¹ The Millerand government replaced Clemenceau's Hungarophobe Cabinet in January 1920.

² Millerand, the new Prime Minister, became Foreign Minister too, while Paleologue, the former French Ambassador in St Petersburg, replaced Berthelot as the administrative leader of the Foreign Ministry.

³ Ádám, M. 'Dunai Konföderáció vagy Kisantant', Történelmi Szemle, (1977), No.3-4, pp.440.

and Diósgyőr, a commercial fluvial port in Budapest, and finally even the Hungarian Credit Bank, which controlled 230 enterprises\(^1\). In effect, by the end of the spring of 1920 France had managed to overtake Britain in Hungary. The key to the French success was Paleologue's shrewd promise that he was willing to negotiate the re-annexation of border regions with predominantly Hungarian populations\(^2\). No wonder that Seton-Watson was outraged by Paleologue's 'midsummer madness'\(^3\). He proclaimed to Leeper:

> The folly of the French renders me speechless...\(^4\)

Nevertheless, the New Europe group took advantage of the French diplomatic advances in Budapest and promoted Prague as the most suitable centre of British foreign policy in the Danubian region. Any sign of British policy becoming 'sane and free from Magyar infection' was welcomed.\(^5\) Accordingly, Leeper declared in July, 1920:

> The French-Hungarian intrigue does not worry me much: it can do us no harm...\(^6\)

By contrast, the diplomatic staff in Budapest were truly

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1. The French efforts to win control of the Credit Bank caused shock waves in London as the concessions had previously been offered to a British syndicate, chaired by Lord Furness.


5. ibid.

anxious about the French enterprise there. They were alarmed by
the growing popularity of Fouchet, the French High Commissioner,
and by the apparent edge that French foreign policy in Budapest
had over Britain's. In the Central Department Hohler was to
become the scapegoat for Britain's decreasing popularity in
Hungary and the High Commissioner was sent on a six-month
'holiday'. Yet, W. Athelstan-Johnson, the acting head of the
British Mission, also failed to prevent the expansion of 'semi-
official French financial houses' in Hungary. Another blow to
British interests came when on July 19, 1920, the 'frankly and
openly Francophile' Count Teleki formed a new government in
Budapest.\(^1\) The acting head of the Mission in Budapest admitted
his failure to curb the French, but repeatedly reminded Curzon:

> It should not be forgotten that his Highness (Horthy)
is our creation....\(^2\)

Athelstan-Johnson had absolute trust in the Anglophilia of
the Governor, and he was also confident that 'for the next year
or two Admiral von Horthy is far the best man to consolidate the
internal political situation of Hungary'.\(^3\) Nevertheless the High
Commissioner's optimistic statements about Hungary were not very
popular in London. He wrote bitterly to Curzon:

> I regret to find a general feeling that Great Britain
is disinteresting herself more and more in the present
and future fate of Hungary and that this country
cannot hope for either material or moral support from

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3 Ibid.
His Majesty's Government....

The sudden cooling in Anglo-Hungarian relations was manifested in London's support for the Little Entente and a tougher stand against the Magyars on territorial issues. Although the discriminatory terms of the treaty of Trianon were most sharply criticised in England, ironically the Foreign Office became increasingly reluctant to accept any alteration of the new frontiers. On the other hand, there were signs that the Foreign Office was not willing to surrender Hungary to the French sphere of influence. It can be stated that in the various British plans for the economic reconstruction of the Danubian region, Budapest was given almost as much importance as Vienna. According to a Hungarian historian, the Foreign Ministry in Budapest did not wholly realise the extent of Britain's concern about the Franco-Hungarian negotiations. Athelstan-Johnson sent thirteen telegrams, eleven urgent messages, and thirty-two other reports to London on this thorny subject. Although it was noted in London that Millerand's policy towards Hungary was 'not only short sighted but doomed to failure', the Foreign Office was keen to oust the French from Budapest. After a strongly worded British warning had been presented to Horthy, Curzon protested robustly in Paris against the Franco-Hungarian cooperation, which was

1 ibid.
2 Juhász, Gy. op.cit. pp.47.
4 Rattigan to Curzon, Bucharest, September 17, 1920, DBFP, Vol.XII.pp.265.
'contradictory to the Peace Treaty'.

The firm British interventions proved successful, particularly after the Hungarians realised that Paleologue was promising far more than he could deliver. The final peace terms were retained in their unmoderated form however and caused bitter feelings towards France. Thus, in early August France beat a hasty retreat from Hungary and Britain regained the upper hand in Budapest in the last quarter of 1920. The chief British representative in Budapest affirmed in November that he 'noticed a decided cooling off in the warmth of the relations between France and Hungary'.

By the end of 1920 only two highly sensitive political issues remained, 'the tiresome question of the kingship' and the ratification of the treaty of Trianon, both of which caused a great deal of trouble for British diplomats in the Hungarian capital. Athelstan-Johnson regularly advised the Hungarians on these matters, though he became utterly bewildered by the attitude of the Hungarian aristocracy. The Acting High Commissioner conceded his growing confusion:

...my sense of proportion is outraged at every step. Nothing can be more typical of Hungary to-day than the story of a great Hungarian nobleman, who dressed in a garb of woe delivered himself of an impassioned harangue in the Chamber against the ratification of the Peace treaty, sang the national Anthem in the lobby with tears in his eyes during the ratification and then straightaway made his way to the Hotel Hungaria to lunch with a charming lady, whose virtue

1 Adám, M. op.cit. pp.87.
can only be said to be in inverse ratio to her beauty. He concluded what presumably must have been a somewhat epoch-making day for a Hungarian patriot by gambling at the Nemzeti Club up to 3 a.m. in the morning, and winning something like a million crowns...1

Despite the irony with which he described the nationalism of the Magyar political élite, Athelstan-Johnson was not hostile to Hungary. He advocated a tolerant British approach towards the country:

I consider the subsequent chauvinistic and fiery speeches of the irredentist members of the Chamber quite natural under the circumstances. It would be too much to expect the National Assembly 'to kiss the rod'. The main fact remains that they have accepted their defeat and its consequences, and if a little eloquence will help them to retain some shred of self-respect, it would be both unchivalrous and unwise to reproach them for a few passionate words uttered from the abyss of their humiliation and the sacrifice of their nation....2

Many Britons showed as much understanding of Hungary's grievances as the Acting High Commissioner. Nevertheless, the ratification of the Hungarian Peace Treaty was regarded by the Foreign Office as the basis of any further British involvement in Hungary. Magyar reluctance to accept the new frontiers was seen in London as the most dangerous political obstacle to the normalisation of economic life in the Danubian region. The rapid improvement in Czechoslovak-Austrian relations, after the Treaty of Saint Germain had been signed, gave Britain reason to hope that even a mutilated and encircled Hungary could be accommodated in the New Europe once the new frontiers were finalized and accepted. With the benefit of hindsight, this assumption can be

1 Athelstan-Johnson to Curzon, Budapest, November 17, 1920, DBFP, Vol.XXII. pp.337.
judged to have been naive. Curzon, however, had the word of Benes that economic relations between Prague and Budapest 'would rapidly be established so soon as peace was signed'. Consequently, even the most virulently pro-Hungarian British diplomats, such as Hohler, urged the ratification of the treaty as an indispensable condition for the building of diplomatic ties between Hungary and the other Danubian states.

In January 1921 Sir Thomas Hohler returned to Budapest and immediately started to press the issue of Hungary's rapprochement with the neighbouring countries. He made it plain that the way to London was through Prague. Accordingly, when Gusztáv Gratz, the new Foreign Minister, broached the idea of negotiations with Benes, Hohler commented that the Hungarian leaders were 'closely in line with the policy which His Majesty's Government desires to see adopted by this country'. Although Sir Thomas noted that he had 'never met a Hungarian of any class or creed' who accepted the new frontiers of Hungary, he assured the Foreign Secretary that 'the present Hungarian government is only too eager to put its house in order, refraining from adventures of all kinds'.

Hohler's optimism was confirmed by the meeting of the Czechoslovak and the Hungarian Foreign Ministers in Bruck in March 1921. Sir George Clerk declared that 'a first and most important step has been taken towards mutual toleration and

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3 Hohler to Curzon, Budapest, February 7, 1921, DBFP, Vol.XXII. pp.41.
understanding'. However, the attempt by King Charles IV to make a return in March strained the relations between Prague and Budapest once again. British diplomats tried to assure Benes of the 'correct attitude of Admiral Horthy and the Hungarian Government', but the Czechoslovak Foreign Minister broke off the negotiations. The whole affair was regarded in London as yet another French-inspired experiment to frustrate British plans for Central Europe. On the other hand, the resignation of Teleki and the formation of the Bethlen government were welcomed in London. Hohler characterised the new Premier as a 'realist' and 'liberal', whose efforts to consolidate Hungary should be actively supported by Britain. The Transylvanian Count pronounced in his first speech that Hungary must adapt herself to the situation which had been imposed on her by the Treaty of Trianon. This judicious statement was judged in London as a sign of Bethlen's political wisdom and proof that he was ready to accept British advice. In the Central Department Alexander Cadogan expressed his hope that the Hungarian Premier's political programme would be successfully implemented. Bethlen's good reputation in London was further enhanced in May when his

1 Clerk to Curzon, Prague, March 17, 1921, DBFP, Vol.XXII.

2 Although Sir E. Crowe questioned the 'third-hand stories' about Millerand's involvement, Curzon commented on April 15, 1921 that 'there is no doubt that Karl was let down by the French'.

3 ibid.

4 Romsics, I. op.cit. pp.126.

5 ibid.
government applied for admission to the League of Nations, and in July when the Treaty of Trianon was finally ratified. British diplomats had trust in the Hungarian Premier in spite of the well-known fact that he cultivated good relations with some of the French, German, and Italian representatives too. The Foreign Office credited Bethlen with sound foreign policy, given his caution concerning the Habsburg-question, his avoidance of passionate harangues on the unjust Peace Treaty, and the degree of readiness he showed to negotiate with the Successor States. In a personal encounter in London, even R.W. Seton-Watson was impressed by Bethlen’s professed intentions to reach an agreement with Romania.¹ In the early twenties the pragmatic and Anglophile Count was regarded in the Foreign office as a ‘straightforward, honest, intensely patriotic man’, with whom ‘it is easy to do business’.² As C.A. Macartney pointed out, Bethlen’s policy was ‘national without fanatical excesses’³; thus London was right to assume that he would listen to British advice and resume talks with the Czechoslovak government. Bethlen and Benes both understood that the basic condition for substantial British financial assistance was their willingness for regional reconciliation. Hence in June, Benes, who apparently hoped for a British loan, proposed a Czechoslovak-Hungarian-Austrian

¹ Seton-Watson was particularly surprised by Bethlen’s professed intentions to come to terms with Romania. See Seton-Watson, H. ‘R.W. Seton-Watson and the Trianon Settlement’, Király, B. – Pastor, P. – Sanders, I op.cit. pp.11.


Customs Union in Marienbad. Sir George Clerk reported that the Czechoslovak Foreign Minister had also hinted that at a later date he was prepared to give some minor territorial concessions to the Hungarians. Sir Thomas Hohler did not trust Benes, but explicitly warned the Hungarians not to refuse the offer as Britain wanted to promote the development of better neighbourly relations between the two countries. In short, despite the evident rivalry and political friction between the British missions in Budapest and Prague, Clerk and Hohler both supported rapprochement between the two Central European states. They agreed that economic cooperation between Budapest and Prague would facilitate expansion of British trade and provide 'the best method of prolonging the peace in Central Europe'. Similar views were expressed by the British Legation in Austria. Keeling, the chargé d'affaires in Vienna, gave his full support to the Customs Union project, regardless of the fact that Renner was refusing any agreement with the Hungarians until 'West Hungary had been ceded in toto'. In any case, the quarrel between Austria and Hungary over Burgenland, 'a narrow slip about 100 miles long' with a 'general resemblance to Northamptonshire', proved to be a major obstacle of British-sponsored plans for economic cooperation in the triangle of Vienna, Prague, and Budapest. It

1 Juhász, Gy. op.cit. pp.61.

2 Hohler to Curzon, Budapest, January 12, 1923, BDFA, Vol.II. pp.5.

3 Keeling to Curzon, Vienna, October 4, 1921, DBFP, Vol.XXII. pp.479.

was anticipated in London that such 'a high spirited people as the Magyars will not part with so rich a province without a fight'. Hohler warned the Foreign Office that a military conflict between Austria and Hungary would extend to Czechoslovakia and her allies, and therefore inevitably lead to 'finis Hungariae'. Although the 'unduly alarmist' dispatch of Sir Thomas was ridiculed in London, it was recognised that British diplomats needed to demonstrate the 'utmost impartiality, much tact and some patience'. Curzon declared that British support for Hungary's admission to the League of Nation was dependent on the Bethlen Government's attitude to Austria. At the same time the Foreign Secretary welcomed Benes's offer to mediate between Austria and Hungary. Curzon's support for the Czechoslovak initiative bore testimony to the pivotal role assigned to Prague by the Foreign Office in the reintegration of the Danubian region. Czechoslovakia was regarded in London as the only element of stability in Central Europe.

In October 1921, however, there was a dramatic change in the British assessment of Benes's diplomacy. The mobilisation of the Little Entente troops during the second Habsburg restoration attempt in Hungary made many Britons seriously question the ends and means of Czechoslovak foreign policy. Hence, in the Habsburg affair the Foreign Office expressly took sides with Budapest against Prague. In November 1921 Curzon even accused Benes of

2 Hohler to Curzon, Budapest, September 9, 1921, DBFP, Vol.XXII, pp.375.
3 ibid.
having an ulterior motive 'to trump up some pretext for
dismembering Hungary'.\(^1\) The Foreign Secretary's firm stand
against Czechoslovakia was also motivated by the 'extremely
regrettable' French involvement in the Habsburg affair.\(^2\) Lord
Hardinge stated that the new Czechoslovak-Hungarian dispute was
in his opinion 'the inevitable cause of friction between the
British and French Governments'.\(^3\)

By the end of 1921 the growing aloofness in the diplomatic
relations between Britain and France culminated in a controversy
over Hungary's application to enter the League of Nations and her
efforts to raise a large international loan.\(^4\) The Little Entente
states and France tried to thwart any British projects for the
reconstruction of Hungary. Consequently, by early 1922 the
Danubian region was, politically as well as economically, divided
into two camps. Regardless of the fundamental differences between
the British and Hungarian attitudes towards the Trianon treaty
and the status quo in Europe, Budapest was to become a second
centre of the British sphere of influence in Central Europe.

\(^1\) Curzon to Hardinge, Foreign Office, November 10, 1921, DBFP, Vol. XXII.
pp.568.


\(^3\) ibid.

\(^4\) Ràndki, Gy. op.cit. pp.33-34, Sakmyster, T. 'Great Britain and the
Establishment of the Horthy Regime' op.cit. pp.77.
5. Hungarian Reconstruction and the Austrian Model

In early 1922 the reconstruction of Austria was given priority over the rehabilitation of Hungary by the Foreign Office. Yet, British government officials and financial experts were of the opinion that the economic problems of these two Danubian countries were interrelated and required similar treatment. It was generally assumed that once Austrian inflation was brought down British attention should be focused on Hungary. Montagu Norman, the most influential supporter of the Bethlen regime in the City, argued that after the Austrians had set their house in order, Budapest should be placed at the top of the agenda. The Governor of the Bank of England urged the Foreign Office and the Treasury to 'tackle Hungary so as to establish one by one the new parts of old Austria'. In 1923 he went as far as to say that the economic rehabilitation of Hungary was of the 'highest importance to Europe'. Though more sceptical voices were to be found in the Foreign Office, careful attention was nevertheless paid to preventing both vanquished Danubian states 'from throwing up their hands and going Bolshy'. Sir Eyre Crowe made his usual vitriolic remarks regarding Hungarian politics,

1 Maria-Luise Recker documented that Norman and the experts of the Treasury were in agreement that Austrian reconstruction should be followed by the stabilisation of Hungary and perhaps even the Balkan states. The final goal of Montagu Norman was to create an economic federation of 'half a dozen countries near the Danube free of Customs barrier'. Recker, M.-L. op.cit. pp.164.

2 Norman to Crowe, June 27, 1923, PRO, FO371/C11702/942/21, see also Sakmyster, 'Great Britain and the Establishment of the Horthy Regime', op.cit. pp.77.

3 According to Bateman of the Foreign Office, the British stabilisation plans in East-Central Europe were prompted by anti-Bolshevik considerations, see Bateman to Waly (Treasury), September 11, 1928, in Recker, M.-L. op.cit. pp.163.
but even he admitted that 'we need delay no more' in assisting Hungarian reconstruction.\textsuperscript{1} Cadogan of the Central Department minuted that 'Mr Norman's attitude has the approval and support of His Majesty's Government'.\textsuperscript{2}

The first opportunity to raise the issues of the Austrian and Hungarian economies together in the general context of European reconstruction was at the Genoa Conference. Paradoxically, Lloyd George's grand design 'to promote accommodation, appeasement and coexistence with former enemies',\textsuperscript{3} including the Soviet Union, was based on the 'very natural prejudice, which exists in every civilised breast against Bolshevism'.\textsuperscript{4} During the preparatory meeting in Cannes, the British prime Minister contended that in countries like postwar Hungary the danger of Bolshevism was much greater if the Great Powers were to fail in the task of European reconstruction. He continued by saying that Austria and Hungary have 'contributed to the general wealth of the world, and the fact that they have ceased to make a contribution weakens and attenuates the industrial blood of the commercial countries of the world'.\textsuperscript{5} Hence, Lloyd George advocated an ambitious project for the

\textsuperscript{1} Crowe to Norman, June 28, 1923, PRO FO 371/C11337/942/21
\textsuperscript{2} Cadogan's minute, Foreign Office, June 29, 1923, PRO FO 371/C11337/942/21
\textsuperscript{4} Lloyd George's notes on an Allied Conference held at Cannes, January 6, 1922, DBFP, Vol.XXII. pp.22.
\textsuperscript{5} ibid.
stabilisation of the bankrupt ex-enemy states and the economic reintegration of the Danubian region. At the same time he made it clear that he did not have 'the least desire to shirk' any of the obligations of the Peace Treaties.¹ Despite his well-known sympathy for the revisionist states, he did not wish to raise the troublesome question of frontiers. In Genoa, Lloyd George made a point of being friendly to the isolated Hungarian Delegation, which, having been excluded from all subcommissions, was killing time in cafés and restaurants. Bánffy, the Hungarian Minister for Foreign Affairs, spoke 'with great pleasure of the kind treatment he had experienced at the hands of the members of the British Delegation, and in particular of Lloyd George'.² Nonetheless at the conference British support for Hungarian claims remained lukewarm.

In the early 1920s Bethlen outwardly suppressed his revisionist intentions and instructed the officials of his government to refrain from irredentist comments during their official visits to foreign countries.³ Nevertheless, the Hungarian Premier disliked any scheme for reconstruction which involved the acceptance of the territorial status quo. Consequently, in 1922 Bethlen turned down the first British suggestion that he follow the example of Austria and relinquish national ambitions in the hope of gaining a substantial loan. As late as July 1922 the government in Budapest was convinced that

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¹ ibid.
³ Romsics, I. op.cit. pp.155.
American banks were prepared to lend huge sums to ensure Hungary’s economic stabilisation. Thus, while the Austrians pleaded with the West for financial aid, Bethlen decided to use the Genoa Conference merely as a forum in which to protest against the Czechoslovak and Romanian treatment of their respective Hungarian minorities. On the very first day of the Conference there was an open clash between Bethlen and Benes on the question of the three million ethnic Hungarians living in the Little Entente states. Lloyd George initially supported Bethlen’s request to discuss the Hungarian grievances, but towards the end of the Conference he acceded to the Czechoslovak demand that the appeal regarding Hungarian minorities be shelved. The Magyar complaints were referred to the League of Nations, and the Foreign Office refused to be directly involved in any further discussions of this delicate issue. In July 1922 Sir Eyre Crowe heaped scorn on the Bethlen government’s request that Lord Balfour should ‘take up the Hungarian cause’ in Geneva. The Permanent Under-Secretary of the Foreign Office apprised the Hungarian Minister in London:

In fact we might have some hesitation in being pushed by nations who wished to raise troublesome questions of this kind into the position of protagonist... It was not desirable...that Great Britain should appear

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in the role of Hungary’s special champion...  

Three days later, however, an unsigned memorandum of the Central Department provided a frank explanation for Crowe’s hostile attitude. According to this document the Hungarian request was turned down because of the risk that Britain ‘would lose what little influence it might possess at Bucharest’. At the same time, the memorandum suggested that Lord Balfour would speak in favour of the Hungarian claims if some other country were to raise the issue. In short, Britain quietly and modestly assisted ‘her creation’, the Hungarian government, but was extremely reluctant to accept any special responsibility or major commitment which threatened her interests elsewhere. For example, the Foreign Office openly championed Hungary’s admission to the League of Nations because there was no principal opposition to it, but when the Bethlen government was invited to Geneva a Central Department memorandum emphasised that ‘Hungary herself must be a protagonist on behalf of her minorities’.

This cautious British attitude towards the regime in Budapest to a large extent derived from the numerous embarrassments caused by


3 Although the Little Entente demanded guarantees against a future Habsburg restoration in Budapest as a prerequisite for Hungary’s admission to the League of Nations, the Great Powers took the side of the Bethlen government. Hungary became a member of the League in September 1922, at the second General Assembly, and the Little Entente states concentrated their efforts on preventing Hungary from receiving a loan. See Ormos, M. ‘Magyarország bejelentése a Nemzetek Szövetségébe’, Századok, Vol.91.(1957) pp.262. See also Adám, M op.cit. pp.256.

Magyar irredentism in London. Hohler and his First Secretary, John Balfour, declared that no greater importance need be attached to the ranting oratory of the ‘Awakening Hungarians’ than to the ‘tub-thumpings of a Hyde Park orator on a Sunday afternoon’. But even the most defiantly pro-Magyar observers had to admit that:

…it is distinctly unfortunate that the Government should permit the existence of an organisation which damages the national prestige abroad, and provides an unanswerable argument for those who maintain that Hungary is not a democratic country in the Western sense of the term....¹

The die-hard conservative Hohler strongly opposed any ‘rash experiment to seek to cure the ills of this country by a course of unadulterated democracy’, but even he found the political system of Hungary to be somewhat antiquated.² He likened Horthy’s Hungary to ‘England after the Napoleonic wars’.³ By 1923 he too grew more impatient with the old-fashioned political views of ‘His Serene Highness’, the Regent. After a lengthy conversation in Buda Castle the British Minister informed Curzon:

I regretted to notice that the Admiral...was distinctly more conservative - I hesitate to use the word reactionary - than he was a year or so ago…⁴

British diplomats were especially uneasy about Hungary’s electoral system. Balfour regarded the government in Budapest as

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³ ibid.
⁴ ibid.
'a body of serious practical men', but openly disapproved of the franchise introduced by Bethlen. In May 1922 he predicted that:

...the forthcoming elections promise to be as corrupt as any in the annals of Hungarian history...

Last but not least, British politicians were concerned at the clandestine activities of Magyar officials and the Hungarian military. Lieutenant-Colonel C.W. Selby, the British representative on the Inter-Allied Military Commission in Budapest, reported to the War Office that in Hungary 'elaborate arrangements exist for the reorganisation and compulsory training of a force vastly in excess of the army conceded to Hungary under the Peace Treaty'. Selby also noted that under the guise of patriotism Hungary 'pursues an irredentist propaganda, which must at the end have its effects on the mentality of the nation'.

Hence, the Foreign Office did not want to be seen as the patron of the Horthy regime. In the early twenties British support for Hungary stopped short of any official representation of the Hungarian national cause. Although on the question of minority protection Britain generally sided with Hungary, the Central Department deplored the Magyar politicians' 'incurable partiality for rhetorical effect', which 'weakened an otherwise

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1 Balfour to Curzon, Budapest, January 17, 1923, BDFA, Vol.II. pp.11.
3 The conclusions of Selby's secret Intelligence reports were reiterated in John Balfour's despatch to Curzon, Budapest, February 16, 1923, DBFP, Vol.XXII. pp.514.
convincing case'. Some Hungarian officials were simply bewildered by the ambivalent British attitude to Hungary. In 1923 a memorandum of the Hungarian Ministry for Foreign Affairs drew the false conclusion that Britain had no political or economic interest in Hungary.

In contrast, British diplomacy was exceedingly active in Budapest throughout 1922, especially after the Bethlen government had consolidated its domestic and international positions. Hohler kept reminding the Foreign Office that the 'importance of Hungary as a market is of great value', while John Balfour emphasised that Count Bethlen, 'a man of great energy', was receiving a 'fairly sound backing'. The political consolidation in Hungary was regarded by the British representatives as a satisfactory basis for a large-scale economic reconstruction scheme on the Austrian model. In December 1922 the British Minister in Budapest broached the idea of postponing Hungary's reparation payments 'for a long number of years if not indefinitely' and thereby giving the country 'a chance to recover'.

2 György Barcza, senior diplomat and in the mid-twenties the head of the Political Department in the Hungarian Ministry for Foreign Affairs regarded the careful British attitude as a distinct sign of the traditional British 'splendid isolation'. See Barcza, Gy. op.cit. pp.186 and 199.
with a positive reception in London, where the signature of the Geneva protocol and the political success of the Austrian reconstruction plan had drawn the attention of the Treasury to Hungary.¹ Sir Otto Niemayer, Principal Assistant Secretary of the Treasury, explicitly advised the Foreign Office to adopt the Austrian scheme in Hungary in order to 'tie up another loose end', and 'increase our consolidation in South-East-Europe'.² In the Foreign Office Miles Lampson took a particular interest in the success of the Bethlen government. The head of the Central Department visited Hungary in November 1922, and confirmed Hohler's assessment that Count Bethlen was the 'one outstanding Hungarian politician of moderate views'.³ Meanwhile it did not escape his notice that Hungary was approaching insolvency. The senior British official was in full accord with Sir Thomas that any reparation payments were likely to lead 'to a crisis within measurable time'.⁴ In London he suggested that Hungarian reparations be referred for at least twenty years and expressed his opinion that the case of Austria 'furnishes a precedent which it may be desirable to follow'.⁵ Yet, Lampson was fully aware of the Hungarian government's reluctance to accept the supervision

¹ Recker, M.L. op.cit. pp. 190-191
² ibid.
⁴ Hohler to Curzon, Budapest, March 2, 1923, DBFP, Vol. XXII. pp.531.
of the League of Nations. He warned the Treasury of the 'fundamental differences' between Hungary and Austria:

In the first place the Hungarian people and the Austrian people are two different races; the Austrian is by nature docile, while the Hungarian essentially the reverse. In the second place it is only when a nation is in extremis, and in a state of despair that it will submit to place its face undeservedly in the hands of an outside party, as was done by Austria...¹

In the Central Department, Lampson, Cadogan, and Butler agreed that 'the precedent of Austria can hardly be followed too closely'² in the case of Hungary. Nevertheless they impressed upon the Bethlen government that 'without the inducement of a scheme of strict control of Hungarian finances, preferably under the aegis of the League of Nations' it was impossible to raise any substantial sum of money.³ Bethlen bowed to British pressure, as he hoped to secure loans in the City. He was anxious to please the British and in January 1923 enlisted the services of a prominent Briton as financial adviser.⁴ Sir William Goode, a journalist and former chief of the Relief Mission in Vienna, had useful contacts both in the Treasury and the British Press. His assistance proved to be invaluable to all Hungarian governments

¹ ibid.
² Foreign Office memorandum on Hungary, August 24, 1923, BDFA, Vol.II. pp.60.
⁴ Goode was unofficial adviser of the Bethlen government. He received the monthly salary of 150 pounds from Budapest and a commission after every loan issued in the City.
in the interwar period. In the Foreign Office, however, he did not have a particularly good reputation. Hohler revealed that he was 'quite unaware of the weight Sir William Goode carries as a financial expert' and Sir Eyre Crowe acidly commented, 'I believe none'.

Yet, Sir William was instrumental in the success of Hungarian reconstruction. Between 1923 and 1924 he became the 'financial guardian angel' of the Bethlen government. Seton-Watson and the Hungarian émigrés of the Károlyi type were positively outraged by Sir William's 'native Irish élan' with which he helped Horthy's Hungary. He played an 'unofficial, but truly crucial role in formulating the League scheme and acted as a mediator between the Treasury and the Hungarian government. 'Vilmos Bácsi' (Uncle Bill), as he was affectionately called by the head of the Hungarian Foreign Ministry's Political

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1 In 1921, when the Austrian section of the Reparation Commission was dissolved, the Austrian government invited Goode to remain in Vienna as financial adviser, but the financial committee of the League of Nations discouraged this proposal. Unable to serve Austria, Goode turned to Hungary and offered his services to the Bethlen government.


3 Goode was born in Australia of an Irish family, and he was educated in Foyle College, Londonderry, Ireland.


Department⁶, guaranteed unrivalled influence for Britain in Hungary’s economic life. In May 1923 Curzon candidly praised Bethlen’s decision to invite Goode to Budapest as unofficial ‘financial adviser extraordinary’.² Although in June the Foreign Secretary prudently asserted that ‘His Majesty’s Government are not posing as sponsors of Hungary’,³ the Foreign Office openly supported the Hungarian government’s appeal to the Reparation Commission which was actually worded by Sir William himself.⁴

Neither was British interest in the reconstruction of Hungary diminished by the strong French opposition to it. The Reparation Commission rejected a British proposal in January,⁵ and a joint Anglo-Italian appeal was turned down in May,⁶ but these failures only strengthened the British determination to

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¹ György Barcza was one of the most senior Magyar diplomats in the interwar period, and was a high-ranking official in the Hungarian Ministry for Foreign Affairs in the mid-twenties. He claimed that the Bethlen government’s foreign policy was directed by Kanya, Khuen-Héderváry and himself. In the late thirties, as Minister in London, Barcza worked closely with Sir William, who was the financial adviser of the Legation in London. Barcza, Gy. (1994), Diplomata emlékeim 1911-1945, Budapest, Vol.I. pp.506.

² Ormos, M. (1964), Az 1924. évi magyar államkölcsön megszerzése, Akadémiai, Budapest, pp.49.


⁵ The British suggestion that all reparation demands on Hungary be cancelled found no support in the Commission.

⁶ The appeal was rejected solely because of the double vote of the Reparation Commission’s French President.
assist the Bethlen government. Although Curzon maintained that Britain did 'not wish to assume individual responsibility' for any reconstruction schemes, he assured Hohler that the Foreign Office was 'generally anxious to set Hungary upon the right rails'. Accordingly, in May 1923 Bethlen was given an ostentatiously warm welcome in London, both at the Foreign Office and in the City. The opponents of the Hungarian orientation were effectively silenced in London. Although during the spring Seton-Watson launched a press campaign against the Horthy regime in The Times, 'some hitch occurred behind the scenes' and by the end of March his articles were rejected. The 'very much annoyed' Scottish publicist claimed to Mastny, the Czechoslovak Minister in London, that the Hungarian Legation was plotting against him, and that Count Szapáry was portraying him 'in a disadvantageous light'. In point of fact, it is more likely that the Foreign

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1 Ignác Romsics demonstrated that in 1923 it had become a matter of British pride to find a solution to the Hungarian problem. In the Reparation Commission France and the Little Entente states set out to hinder any British proposals. Hence, the approval of the League scheme in 1924 was a great diplomatic success for Britain. Romsics, I. op.cit. pp.153.
3 Bethlen arrived in London on May 7, 1923, and during the three days of his stay he met Baldwin, Curzon, and Crowe as well as the bankers Rothschild, Baring, Schroeder and Montague Norman. After the talks with Norman Bethlen commented, 'We can count on him in the future as our honest friend'. See Ormos M. op.cit. pp.49.
4 He wrote to the editor of the Times on 14 March 1923: "I venture to maintain that really cordial relations can never be established between Hungary and her neighbours until the Horthy régime has been overthrown..." Seton-Watson Collection, New College, Oxford, Box F
5 Seton-Watson to Mastny, March 27, 1923, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.17.
6 Ibid.
Office had interfered, as both Curzon and Lampson had lost patience with Seton-Watson. A memorandum of the Central Department quoted Lampson in saying that 'one of the twin Erynies of Magyarism, Dr Seton-Watson is already on the war path'.

Curzon even issued a 'friendly but frank warning' to Seton-Watson to refrain from interfering in Hungarian domestic politics. The Foreign secretary regarded Seton-Watson's 'fanciful schemes' to unseat the Bethlen government as 'highly mischievous'.

When the Scottish academic returned from his Central European trip Lampson personally reproached him:

I told Mr Seton-Watson that the path the Little Entente proposed to tread was a very risky one: if Bethlen fell, Gömbös would probably succeed him and the fat would be in fire. Mr Seton-Watson made the somewhat naive reply that the Little Entente would probably prefer that. I left him in no doubt that His Majesty's Government would have nothing whatever to do with any incursion into purely domestic Hungarian politics....

By 1923, the Foreign Office was diametrically opposed to

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1 Memorandum regarding the forthcoming visit of the Hungarian Prime Minister and the attitude of his government towards the Inter-Allied Military Commission of Control in Hungary, Foreign Office, May 7, 1923, DBFP, Vol.XXII. pp.630-634.

2 In April 1923 Seton-Watson met his old friend Jászi in Belgrade, and was introduced by him to Károlyi. According to the dispatch of Sir Alban Young, British Minister in Belgrade, they discussed 'the possibilities of the evolution of a Government in Hungary conforming to the standards of a democracy'. Their plan to topple the Bethlen government was full-heartedly supported by Benes. Young to Curzon, Belgrade, April 19, 1923, DBFP, Vol.XXII. pp.602. and Curzon to Young, F.O. April 28, 1923, DBFP, Vol.XXII. pp.619. See also Hajdu, T. ed.(1990), Károlyi Mihály levelezése Vol.II. Akadémiai, Budapest


4 PRO FO 371/8863 C 11337/942/21

5 Lampson's minute, Foreign Office, June 28, 1923, PRO FO 371/8863/C11337/942/21
Seton-Watson’s recommendations. Instead of using the issue of the Hungarian loan to topple or democratise the Magyar government, the Foreign Office was committed to sustaining and supporting the Horthy-Bethlen regime. Most senior members of the Foreign Office trusted that Bethlen was the only moderate politician in Budapest who had the power and the diplomatic skills to quieten the militant nationalists of ‘the turbulent Gömbös faction’. Hence, the news of the Hungarian Premier’s intention to resign in May 1923 caused shock waves in London. Lampson and Niemayer ‘suggested that the Hungarian government could scarcely act in a more unpatriotic and ill-advised manner’. The head of the Central Department requested Sir William Goode to impress upon the Count ‘the unwisdom of resignation’ and gave a promise to ‘bring especial pressure to bear in Paris and Prague’ to help Bethlen’s efforts to secure a loan. The canny Transylvanian Count was easily persuaded by the British, and his domestic victory over Gömbös, ‘his reactionary

1 Seton-Watson’s ‘brilliant’ plan was summarised by Oszkár Jászsi in a letter to Károlyi. The Scottish publicist suggested to the Little Entente states that they cancel their reparation demands on Hungary if Horthy and Bethlen were prepared to resign. Jászsi commented that Horthy’s entourage could not have accepted such an offer, but the rejection was likely to be ‘the last nail in their coffin.’ Jászsi to Károlyi, Vienna, March 23, 1923, Hajdu, T. op.cit. pp.523.
2 Hohler to Curzon, Budapest, June 1, 1923, BDFA, Vol.II, pp.39.
3 Record by Alexander Cadogan of a visit to the Foreign Office by Sir W. Goode and Mr Niemayer, F.O. May 24, 1923, DBFP, Vol.XXII. pp.666.
4 Ibid.
5 It is clear that he had no real intention of resigning. The bogey of the ‘Awakening Hungarians’, however, helped him to secure Western European support. see Romsics, I. pp.161.
evil genius', and the 'jingo side' further enhanced his excellent reputation in London.\(^2\) Although an unexpected incident, the revelation of a hidden ammunition dump in Kecskemét, caused considerable embarrassment to the Foreign Office and gave the opponents of the scheme for Hungarian reconstruction a final opportunity to intervene, British confidence in Bethlen was unshaken.\(^3\) Hohler argued that the Hungarians were put 'in a position similar to that of school children submitted to a discipline too strict for their observance, so that they are always caught in acts of disobedience, whereas were the rules a little less severe, it would be found that their behaviour was, after all, not so outrageous as had appeared the case'.\(^4\) Similarly paternalistic was the approach of Lampson who urged the 'foolish' Hungarian government 'to wipe off the slate',\(^5\) but maintained his view that 'the financial policy, and to a considerable extent the foreign policy, of the present Hungarian government have on the whole been such as to create confidence'.\(^6\)

\(^1\) This was Butler's opinion of Gömbös in December 1923.

\(^2\) John Balfour stated that Bethlen's improved domestic position meant there were 'better prospects of obtaining a loan'. Balfour to Curzon, Budapest, August 10, 1923, BDFA, Vol.II. pp.57-58.

\(^3\) Bethlen learnt from the Kecskemét incident and from 1923 his government's officials paid extra attention to the concealment of illegal war materials, thereby avoiding international scandals. In the event of Allied inspection they usually made sure to swiftly remove the weapons and ammunitions to other sites.


\(^5\) Record by Lampson of a conversation with Szapáry, the Hungarian Minister in London, F.O. June 18, 1923, DBFP, Vol.XXII. pp.725.

\(^6\) DBFP, Vol.XXII. pp.634.
Consequently the Foreign Office continued with the preparations for the Hungarian scheme, and increased the pressure on Prague. Apart from the French leaders, Benes was the most outspoken opponent of the Hungarian reconstruction plan, and had, moreover, the solid anti-Hungarian bloc of the Little Entente behind him.

Thus, a Foreign Office document concluded:

> It is self-evident that the improvement of relations between Hungary and Czechoslovakia is of direct concern not only to Great Britain, but to the world at large, for such improvement cannot fail to contribute to the economic resettlement of Central and Eastern Europe...¹

In 1923 the Foreign Office simultaneously advocated Hungary's rehabilitation and encouraged economic cooperation in the Danubian Basin. An opportunity for a British-sponsored rapprochement between the two hostile states arose from the fact that Benes sought to raise a large loan in the City. Lampson recommended a pragmatic response for the Czechoslovak request for money:

> Our Treasury folk may be trusted to take advantage of this coincidence to make it clear that the City is not keen to advance money to countries pursuing the suicidal policy of making one of their neighbours go bankrupt, and we shall tell Benes that we count a good deal on him to bring not only his Czechs, but the Roumanians and Serbs also into the right line....²

In the Central Department, Aveling and Butler opposed endangering British economic interests in Successor States,³ but Cadogan formulated a tough policy in line with Lampson:

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³ Recker, M.-L. op.cit pp.197.
In regard to the Little Entente, we shall pursue a policy of denying any financial assistance until it changes its standpoint concerning Hungary's financial reconstruction.¹

Accordingly, the Treasury adopted the 'big stick policy',² and 'very plainly told' Benes and the Romanian Finance Minister that 'no money would be forthcoming to either of them if they persisted in pushing their neighbour, Hungary, over the precipice'.³

Dr Mastny, the Czechoslovak Minister in London, tried to convince Cadogan that 'considerable embarrassment would be caused to his government by any attempt to couple the two questions of the Czechoslovak loan and the scheme for Hungarian relief', but the British official 'did not pay too much heed' to the Czech argument.⁴

Owing to British coercion, the Little Entente states eventually adopted a more favourable position regarding the Hungarian loan at the Sinaia Conference in July 1923.⁵ In return for this, however, they wished to participate in the supervision of Hungarian finances, and demanded a seat on the Arms Control

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¹ Adám, M. 'The Little Entente and Europe' op.cit. pp.262.
² Clerk to Lampson, July, 4, 1923, FO 3718572 C11732, see also Recker, M.-L. op.cit. pp.196.
³ Foreign Office Memorandum on Hungary, August 24, 1923, BDFA, Vol.II. pp.60.
⁵ They accepted that nothing should be deducted from the first instalment of the Hungarian loan for the purposes of reparations. Juhász, Gy. op.cit. pp.70.
Commission. Lampson called the demands 'grotesque'. Even the pro-Czech Sir George Clerk ridiculed the Czech drive to secure 'all sorts of guarantees and control'. He observed to Curzon that:

...indeed they would have liked to have established a Little Entente Zimmermann in Budapest...

By August 1923 the Hungarian loan project reached a deadlock because of the Little Entente opposition. So, the Foreign Office suggested to Bethlen that he enter into direct talks with Benes. Hohler urged the Hungarian government to halt the 'policy of pinpricks' and foster better relations with the neighbouring countries, particularly Czechoslovakia.

The chiefs of the Hungarian Royal Ministry of Foreign Affairs expressed scepticism at the chances of reconciliation between Budapest and Prague. As Kálmán Kanya, acting Foreign Minister, put it to Hohler with 'even more than his usual mordacity':

It was impossible...even to know where one was wandering with M. Benes...

All the same, Bethlen was prepared to meet the 'garrulous'

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4 Hohler to Curzon, Budapest, September 14, 1923, BDFA, Vol.II. pp.63.
5 On April 3, 1925, Sir Colville Barclay reported to Chamberlain that Hungarian diplomats routinely referred to Benes as a 'garrulous' politician. BDFA. Vol.II. pp.134.
Benes, and even took the initiative in suggesting negotiations. During the summer of 1923 British diplomats could not fail to observe that the Czechoslovak-Hungarian talks were being delayed by the government in Prague. Curzon instructed Sir George Clerk to warn Benes that 'His Majesty's Government are not impressed by the attitude he is apparently adopting'. The Czechoslovak Foreign Minister was infuriated by the repeated British interventions, which 'gave him away to his best political enemies', but yielded under pressure.

The Bethlen-Benes meeting took place in September 1923 in Geneva, where both 'great tacticians' adopted a conciliatory attitude. The Czechoslovak politician acceded to the scheme of the League of Nations, and Bethlen in return made a pledge that Hungary would refrain from pursuing a revisionist policy and the restoration of the Habsburgs. In addition, it was agreed to open political and commercial negotiations in November. Thus, the

1 Contrary to Marxist historiography, recent Hungarian works have demonstrated that Bethlen 'struggled for détente' with Czechoslovakia. Regardless of his acute distaste towards and distrust of Benes, he was the one who proposed talks. Although Benes was also interested in a future reconciliation, he did not wish to ease Hungary's isolation immediately. Adám, M. op.cit. pp.270-271.

2 Benes insisted that the meeting shold be held in Prague, which was an unacceptable proposition for the Hungarians. Bethlen suggested London, but the Foreign Office preferred a 'neutral place' such as Vienna.


4 Benes's resentment was frequently reported by Sir George Clerk in Prague. See Recker, M.-L. op.cit. pp.197.

5 Benes accepted the conciliatory proposal of the Assistant Secretary-General of the League of Nations, according to which the loan should be granted through a joint procedure of the League and the Reparations Commission.

6 The negotiations proved to be unsuccessful. A commercial convention was signed, but not implemented.
Foreign Office achieved three successes at one stroke; the avoidance of 'financial collapse' in Budapest, the temporary suppression of Magyar revisionism, and the improvement in the economic climate of Central Europe.

By contrast the Hungarian Prime Minister 'was exposed to no little blackmail on the side of the Succession States' and even British support was conditional on his conciliatory attitude.¹ Butler noted that 'the Hungarians must not be silly', because 'in Eastern Europe no country can expect to get something for nothing'.² Cadogan anticipated that Bethlen 'will have some problem with his own people'³, but it was nonetheless not a major British concern.⁴ Thus, when the League of Nations approved in principle the reconstruction scheme the Hungarians were forced to make major concessions.⁵ According to the Reparation Commission's decision of December 1923, Hungary had to pay 200 million gold crowns over a period of twenty years.

By the turn of 1923 and 1924, the agreement for

¹ Remarks on the background of the development of Hungary's economic and financial situation since 1918, unsigned and undated memorandum by a Hungarian government official, for C.A. Macartney, Macartney Papers, Box No.2.

² Memorandum by Butler on Hungarian Reconstruction, F.O., December 7, 1923, DBFP, Vol.XXII.


⁴ The British-sponsored compromise was based on the principle that the League should work out and supervise the scheme for Hungary's financial reconstruction, but the Reparation Commission had to approve the plan.

⁵ Bethlen was fiercely attacked at home for sacrificing the financial independence of Hungary and accepting the supervision of the League's 'financial commissar'; because the loan scheme intailed Hungarian reparation payments, as he waived the claims of 1500 million Gold Kronen against Bucharest for Hungarian industrial and railway material taken by Romanian troops in 1919, and finally since the accusation was made that Hungary did not need the loan for financial stabilization.
reconstruction was concluded between the Council of Ambassadors in Paris and the Council of the League of Nations, on the one hand, and the Hungarian government, on the other.¹ The stipulations of the agreement distinctly resembled the British plan.² Hence the experts of the Central Department were optimistic as to the chances of raising a large loan in London. As Butler put it in December 1923:

It seems probable that...the British Treasury will use their influence to induce British banks and houses to provide an important percentage of this sum. Once this is done British interests become very closely involved in the stability of Hungary...³

In fact the Hungarian government wanted to raise a large portion of the loan in America, but, after the Morgan House had pulled out of the scheme, Bethlen became totally dependent on the benevolence of the City.⁴ By 1924 this Hungarian reliance on London’s financial and political support resulted in an unparalleled British commitment to Central Europe.⁵

Bethlen’s trip to London in January 1924 was a symbolic

¹ Remarks on the background of the development of Hungary’s economic and financial situation since 1918. Macartney papers Box no.2. pp.9.
² The Hungarian reconstruction scheme was finally accepted in March 1924 and, as Marie-Luise Recker has demonstrated, the Foreign Office considered the Hungarian solution as the model for a settlement of the question of German reparations. Recker, M.-L. op.cit. pp.203.
³ Memorandum by Butler on Hungarian Reconstruction, F.O., December 7, 1923., DBFP, Vol.XXII.
⁴ Ormos, M. op.cit
⁵ More than half of the reconstruction loan of 250 million gold crowns was floated in the City, most of all by the Bank of England and the Rothschild Banking House.
manifestation of the harmonious relations between London and Budapest. To the great frustration of the Little Entente statesmen, the Transylvanian Count was honoured with a Royal audience. Seton-Watson was also totally appalled by the news, and objected to Allen Leeper:

At the risk of thinking me a busy body, I must protest against the disastrous step of allowing Count Bethlen to be received by the King... Quite frankly I interpret it as part of a general attempt to 'rush' everyone into a Hungarian loan policy...''

Leeper himself was openly antagonistic towards the Horthy regime, but he also disapproved of Seton-Watson's interference in Hungarian affairs:

I hardly think that the King could or ought to have refused to see Bethlen...''

The strong Hungarian orientation of the Foreign Office continued in 1924 even under the Labour Government. Károlyi, who obtained a British visa with the assistance of Seton-Watson and Steed³, vainly appealed to MacDonald for political support. As Szapáry, the Hungarian Minister in London, put it to a journalist, the 'dangerous firebrand' Károlyi was 'put into cold

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1 Seton-Watson to Leeper, January 23, 1924, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.14.
2 Leeper to Seton-Watson, F.O., January 29, 1924, Seton-Watson Papers, SSEES Personal Correspondence Files, Box no.15.
3 Seton-Watson wrote an appeal to Lampson on June 27, 1923, in which he compared Károlyi to his earlier protégé, the Czechoslovak President. Meanwhile he advised the Red Count to 'go slow' until he could find his way as Masaryk had done, in British journalism and politics. Seton-Watson planned a press campaign against Bethlen and warned Károlyi not to throw himself into the arms of a section of the Labour Party', which would prejudice him in British eyes. Seton-Watson Papers, SSEES, Personal Correspondence Files, Box No.12.
storage'. The Social Democrats Peidl and Garami were no more successful. The new Foreign Secretary was just as committed to raising the loan for Hungary in London as was his predecessor. Harold Nicolson wrote to the Treasury in May 1924:

Mr MacDonald is aware that it is not within the practice of the Lord Commissioners of His Majesty's Treasury in any way to influence the independent judgement of the City....but he trusts that they will take the occasion, if consulted, to point out that reconstruction of Hungary is a most important element in the general stabilisation of Central Europe and that His Majesty's government...would view with disappointment any lack of interest which might be shown in the project by the London market...

Nicolson emphasised that the British government not only favoured the scheme, but had exerted strong pressure on Hungary's neighbours to accept it. The Foreign Secretary went so far as to declare that Britain shouldered 'certain indirect responsibility' for the success of Hungary's reconstruction.

The hopes of the Hungarian exiles to use the Labour Party against the Horthy regime came to nothing. MacDonald was eager to sustain Britain's 'predominant political position' in Budapest. Nevertheless, 'in view of the growing public interest', the Labour Foreign Secretary instructed Hohler to

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1 Beszélgetés Szapáry gróf volt londoni követünkkel, Az újság, November 1, 1924, an annotated copy in Seton-Watson Papers, SSEES, General Correspondence

2 MacDonald informed Hohler that 'the report has been denied that these gentlemen were asked to come to this country by the Prime Minister, either directly or indirectly', BDFA, Vol. II. pp.87.


4 ibid.

5 Hohler to MacDonald, Budapest, March 12, 1924, BDFA, Vol.II. pp.88.
convince Bethlen of the need for democratisation. In a friendly message, MacDonald warned Count Bethlen that British sympathy 'must depend on his honourable observance of the undertaking given to the Supreme Council in 1919'. In his congenial and 'purely private' reply, the Count gave a long dissertation on the 'Clerk elections' of 1920, but categorically rejected any British interference in the internal affairs of Hungary. MacDonald accepted the argument that democratisation could not be imposed on Hungary by a foreign power, and did not force the issue.

Meanwhile, Sir Thomas Hohler was transferred from Budapest to Santiago, the Foreign Office categorically denying any political motives. The Central Department admitted that 'Mr Hohler is perhaps inclined to regard the external affairs of Hungary, particularly where the Little Entente, Dr Benes and the Hungarian minorities are concerned, through Magyar
spectacles. Nonetheless a statement was issued refuting any political charges against Sir Thomas. After all, many influential members of the Foreign Office shared Hohler’s good opinion of Horthy and Bethlen. Moreover, it was acknowledged in London that Sir Thomas was not entirely uncritical of the Hungarian political élite, particularly after he had been chastised by the Foreign Office in the early twenties. Even adversaries such as Seton-Watson had to admit in December 1921 that ‘Hohler has learnt a certain amount in the last three months’.

In sum, Hohler’s recall brought no change in Anglo-Hungarian relations. Sir Colville Barclay, the new British Minister in Budapest, was just as Hungarophile as his predecessor. According to Redwood, Hohler’s ex-secretary, the new chief of the British Legation ‘soon became most popular with Hungarians’. ‘The smiling white-haired grandseigneur’ of the British foreign service arrived in Budapest at the very time when the Hungarian National Bank was established, inflation was halted, and the City

1 ibid.
2 The memorandum denied that the ‘reactionary state of affairs in Hungary is due to the support which the British representative has given to the present government’.ibid.
3 Seton-Watson to Jászi, December 29, 1921, Seton-Watson Papers, SSEES, Personal Correspondence Files
4 Redward became commercial secretary in 1925 and he also acted as an interpreter and translator for the Legation. In the thirties he became Press Attaché in Budapest. Redward, F.G. op.cit. pp.153.
5 English translation of a leading article written at the time of Barclay’s transfer to Portugal, Budapesti Hírlap, Tuesday, May 22, 1928, Barclay Papers, British Library of Political and Economic Science, LSE, London, Bundle No.23.
raised four million pounds for Hungary's reconstruction. No wonder that he was 'warned' by a colleague that 'the Hungarians are great Anglomaniacs'. Nonetheless, in Budapest Sir Colville was enchanted by the 'deep sense of gratitude to England' and the 'friendly attitude of the general public to British subjects'.

As he entered the Regent's Palace, 'covered with a solar system of radiant decorations', he was unexpectedly stormed by a friendly troop of Hungarian journalists. The Pesti Naplò reported that the new minister, who belonged 'to the most amiable category of diplomats', expressed 'with lovable, open words his joy that he was sent to Budapest, to the Magyars'.

Despite the overwhelming welcome, Barclay was guarded with Hungarian journalists throughout his four years in Budapest. He quickly realised that 'all utterances of foreign statesmen or persons of distinction are carefully examined to see whether they contain any promise, indication or even allusion to revision, and if any such can be found they are emphasised and exploited in the leading articles of the daily Press'.

The new minister was a keen advocate of Hungary's economic reconstruction, but he did not favour the Magyar thrust towards revision. He even regarded the Hungarian obstruction of the Allied Military Control as the

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1 Max Muller to Barclay, Warsaw, June 29, 1924, Barclay Papers, Bundle No.29.
2 Barclay to MacDonald, Budapest, August 8, 1924, DBFP, Vol.XXVI. pp.295-296
3 English translation of an article from the Pesti Naplò, Wednesday, July 9, 1924, Barclay Papers, LSE, Bundle No.18.
4 ibid.
5 Barclay to Chamberlain, Budapest, April 3, 1925, BDFA, Vol.II. pp.133-134.
'chief irritant' in Central Europe, though he found it 'natural of a proud race'. All the same, by the second half of 1924, he had the impression that Hungary was 'entering upon a phase of more peaceful evolution'.1 He was convinced that the 'continuance of Count Bethlen in office is a guarantee of stability'.2

In his first annual report Sir Colville confidently concluded that:

the country has been enabled to devote itself to the task of reconstruction under the firm and able guidance of Count Bethlen... Hungarians are distinctly grateful and animated by the friendliest feeling towards Great Britain...3

This sanguine tone was dominant in Barclay's dispatches throughout 1925 as well. In July he proclaimed:

The harvest promising to be a bumper one. Everyone looks happy. It almost seems too good to be true...4

In the Monthly Review of the Anglo-Austrian Bank Ltd., Sir William Goode sounded a similarly positive note:

The successful experiment in Austria has been followed by a still more successful experiment in Hungary....5

Yet, beneath the surface, there were signs of a fundamental political disagreement between London and Budapest. Bethlen was not infused with the 'Locarno spirit' and frankly stated to

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1 Barclay to Macdonald, Budapest, August 8, 1924, DBFP, Vol.XXVI. pp.296
2 ibid.
3 Annual report, 1924, Barclay Papers, LSE, Bundle No.8.
4 Barclay to Lampson, 23, July 1925, Barclay Papers, LSE, Bundle no.29.
Barclay:

No government could stand for a day who concluded a pact guaranteeing the frontiers of Hungary as they now stand...

The British Minister was particularly alarmed by the Count’s allusions to the parallel aims of German and Hungarian foreign policy. Bethlen argued that ‘England was too far to bother about’ Central European nationality issues, but Sir Colville was not convinced. He was also uneasy about the Magyar attitude towards the Inter-Allied Military Control Commission. Barclay often supported the Hungarian government against the French Representative, ‘who rubbed everyone up the wrong way by ultra-militaristic methods’, but he was annoyed by the ‘stubborn obstinacy’ of the Hungarian government in refusing to comply with the demands of the Conference of Ambassadors. He vainly warned Bethlen that the policy of obstructiveness ‘would make it more difficult to obtain further credits abroad’. The government in Budapest noticed that Sir Colville was opposed to exerting any military or financial pressure on Hungary, since Britain had a

1 Undated draft of Barclay’s dispatch to Lampson, Barclay Papers, LSE, Bundle, No.18.

2 Bethlen dexterously used the ‘pangerman bogey’ when he needed British help. Time and again he warned Barclay that ‘Hungary may be confronted by new situation which will require...a close understanding with Germany’. Barclay to Chamberlain, Budapest, May 20, 1925, BDFA, pp.151.

3 Barclay reported with relief when Le Bleu was recalled in 1925, ‘I should think the Hungarians will give him a rousing farewell; it is a pity that he did not go a year ago. I then reported that his personal attitude was responsible for most of the friction with the Military Authorities here...’ Barclay to Lampson July 23, 1925, Barclay Papers, LSE, Bundle no.29.


5 Barclay to Lampson, January 12, 1925, Barclay Papers, LSE, Bundle No.8.
stake in the success of the country's reconstruction. Hence, the British diplomat failed to find any effective way of controlling the Hungarian military without 'taking a severe line'. He had to confess to Lampson that he 'had no brainwaves' and left his French colleague to deal with the sensitive issue.

Hitherto it has been the French who hectored and dictated with the result that they are absolutely loathed in this country, whilst we are respected and liked for our chivalrous attitude to a fallen enemy. Sympathy for England has resulted in the development of considerable trade between the two countries, which is surely worth while to foster. If a disagreeable step is necessary, why not leave the initial suggestion of this to the French? They have nothing to lose here - we have much...

According to Barclay's Annual Report, Anglo-Hungarian relations in 1925 'remained as cordial as ever', although on the question of revision there was no common ground between the governments in London and Budapest. Sir Colville reported that the Hungarians regarded British policy not only as a 'check to French aspirations' but as 'a step towards a revision of the Peace Treaties, the dream of all Hungarians'. In contrast, a Foreign Office memorandum explicitly stated in November 1925 that 'any revision of the frontiers is impossible now'. Although the Central Department document advocated the 'appeasement of

1 ibid.
2 Barclay to Lampson, Budapest, January 12, 1925, Barclay Papers, LSE, Bundle 8.
4 Barclay to Chamberlain, Budapest, April 3, 1925, BDFA, Vol.II. pp.133-134.
5 Memorandum on the Situation in Central Europe, F.O., November 11, 1925, DBFP, Vol.XXVII. pp.128.
Hungary' by her neighbours, it envisioned a solution which was the complete antithesis of the Hungarian approach:

... if Hungary can be induced to see that the frontiers of the Treaty of Trianon will not be altered, and that as time goes on the Hungarians in the lost territories will tend more and more to merge into the nationality of the adopting State, then if the Little Entente will make some practical concession, the beginning of an agreement might be in sight...

Nevertheless, in Budapest there were deluded hopes about a British-sponsored revision of the Trianon Treaty, especially after Austen Chamberlain had made some vague references to a future 'readjustment' of the frontiers. In Geneva the Foreign Secretary confided to Bethlen that:

It was possible that, with the lapse of time and with the application of the terms of the Covenant of the League, the existing territorial situation might alter...

The Foreign Secretary's encouraging words were designed to bait Bethlen to accept an 'Eastern Locarno' on the German pattern. In fact, Chamberlain was exerting 'gentle pressure' on Bethlen to 'prove his statesmanship' and promote reconciliation with Czechoslovakia without making any territorial demands. The Secretary of State offered his services as a mediator between Budapest and Prague, and he was convinced even in March 1926 that

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1 The document recommended the creation of a demilitarized zone in Central Europe, and some minor concessions to Hungary. For instance it proposed the creation of 'conciliation boards' to settle the question of minority protection.

2 ibid.


4 ibid.
'it was a thousand pities' to miss such an opportunity.1

The Hungarian Press, however, was much more excited by Chamberlain's allusions to Article 19 of the Covenant of the League of Nations than by his efforts to pacify the hostile Central European states. A headline of the Pester Lloyd was euphoric:

England sends a vigorous and encouraging message...2

In reality the Foreign Office did more to discourage Hungarian revisionism, even in the mid-twenties. Chamberlain, Lampson, and the British minister in Budapest were extremely careful not to wound Magyar national pride, but they nonetheless disapproved of Hungary's efforts to undo the Trianon Treaty.3 This caution proved justified at the end of 1925 when a Hungarian irredentist conspiracy, the 'extraordinary forgery affair', caused a sudden international crisis.4

As late as the end of January 1926 the Foreign office took the line that 'the hub-hub about the forgery business was great nonsense'.5 The head of the Central Department failed to

2 Translation of an extract from leading article in Pester Lloyd, June 26, 1925, Barclay Papers, LSE, Bundle No.23.
4 On December 14, 1925, ex-Colonel Arisztid Jankovich, in possession of a diplomatic courier's passport, issued by the Hungarian Ministry of Foreign Affairs, arrived at the Hague with a package containing ten million French francs in counterfeit notes. He was caught straight away on was trying to cash the first 1000-franc notes.
5 Lampson to Barclay, F.O., January 8, 1926, Phipps Papers, Churchill College Archives Centre, Cambridge, Box No.2/20 fol.31.
understand 'what the pother is about' and he remained 'completely sceptical' about the reports concerning the Bethlen government's involvement in such an underhand affair. For Lampson it was 'quite incredible that anyone outside a lunatic asylum should take up such a scheme'. Thus, when it was proved that the franc notes had been counterfeited with the approval of some Magyar government officials, Lampson was utterly distraught:

Perhaps my stolid Anglo-Saxon mentality is not subtle enough to understand what it is all about! Honestly I don't understand the thing in the least, and feel instinctively that it is thoroughly unclean and the less we have to do with it the better...

Yet, Lampson was even more alarmed by the news that Bethlen, who could 'hardly master the situation' in 1926, was contemplating resignation. The head of the Central Department urged the British Minister in Paris:

We must really do what we can to scotch this business: it has already done much mischief in matters of real importance, e.g. it has prejudiced all efforts to get conciliation between Hungary and her neighbours...

Senior figures in the Foreign Office stood by the Bethlen government, but in private they were baffled and angered by the 'damned nuisance' of the forgery. Lampson was bitterly

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1 Lampson to Phipps, F.O., January 8, 1926, Phipps Papers, 2/20 Fol. 30.
2 Lampson to Barclay, January 8, 1926, op.cit.
3 On September 24, 1926, Bethlen offered his resignation to the Regent. He pointed out to Horthy that he had remained in office during the first half of the year only in order to refute the charges at home and abroad that his government was 'a party to the franc note forgery'. Szinai, M. - Szucs, L.ed. (1965), The Confidential Papers of Admiral Horthy, Corvina, Budapest pp.40.
4 Lampson to Phipps, F.O., January 14, 1926, Phipps Papers, Box No. 2/20, fol.38.
5 Lampson to Barclay, January 11, 1926, Barclay Papers, LSE, Bundle No.18.
disappointed with the Hungarians:

What incredible donkeys these people must be...¹

In the second half of the twenties Bethlen was still regarded in London as the 'one big man in Hungary', but the Central Department grew ever more cautious in dealing with his government. Howard Smith explicitly stated that:

It would doubtless be wrong to give the impression that His Majesty's Government desire to support Count Bethlen through thick and thin...²

At the turn of 1926 there was an appreciable cooling in Anglo-Hungarian relations. Although the Foreign Office continued to assist the Bethlen government in 'winding up inter-Allied military control'³, by 1927 Italy had superseded Britain in the role of champion of Hungary.⁴

¹ Lampson to Barclay, F.O., January 11, 1926, Barclay Papers, LSE, Bundle No.18.
² Howard Smith, Central Department, January 26, 1926, BDFA, Vol.II. pp.214.
⁴ During Bethlen's visit in Rome, on April 5, 1927, an Italo-Hungarian treaty was signed, which affirmed the 'eternal friendship' of the two countries. Thereafter Mussolini became a staunch advocate of territorial revision in Central Europe. Unlike British officials, the Duce did not fail to make impassioned references to Hungary's cause. See Sakmyster, T. op.cit. pp.40-41, Juhász, Gy. op.cit.82-85
6. Revision Versus Reconstruction - British Withdrawal from Hungary

Hungary’s new Italian orientation was not taken too seriously in London. Although the Foreign Office had no shortage of information concerning the overtures Bethlen had made to Italy, there were no British attempts to prevent an agreement between Rome and Budapest. This indifference stemmed from two sources.

On the one hand Mussolini’s Italy was too weak to challenge British economic supremacy in Budapest\(^1\). On the other hand the importance of British political influence in Hungary was diminished by Hungarian resistance to any regional reconciliation along the lines of Locarno.\(^2\) György Barcza, the Head of the Political Department in the Hungarian Ministry of Foreign Affairs, who was labelled as a ‘blind Anglophile’ by many of his colleagues, argued in his memoirs that Bethlen’s Italian orientation was purely the result of Britain’s ‘ostensible’ withdrawal from Hungary.\(^3\)

All the same, by 1928 Barclay had to admit that Hungary had come ‘closer to Italy than to any other state’.\(^4\) Whilst dismissing predictions that Hungary would turn into a ‘mere

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1 The financial bonds between Budapest and London remained strong throughout the interwar period. György Barcza was told in the City in the late thirties that in Europe there were only two ‘good debtor’ states, Finland and Hungary. The government in Budapest was prompt in the annual repayment of loans even immediately prior to the severing of diplomatic relations in 1941.

2 Memorandum by Howard Smith on ‘The adaptibility of the Locarno System to Central and Eastern Europe’, February 15, 1928, DBFP Seies IA Vol.IV.pp.265

3 Barcza, Gy. op.cit. pp.199.

satellite of Italy', he could not hide the fact that British prestige had waned.\textsuperscript{1} The British Minister in Budapest maintained that as long as the 'capable and energetic' Count Bethlen remained in office there was 'no likelihood of the adoption of any adventurous policy by Hungary'\textsuperscript{2}, yet he regarded the 'restored self-esteem' and the new, 'active' foreign policy of Hungary with some suspicion.

In London Magyar revisionist propaganda was seen as a time-bomb, especially after Lord Rothermere had embraced the Hungarian cause.\textsuperscript{3} The press campaign of the British tycoon was not officially supported by the Hungarian government, but Count Bethlen frankly confessed to Sir Colville that 'he was rejoiced to know that the voice of a powerful and disinterested foreigner had been raised in denunciation of the injustice inflicted upon Hungary by the terms of the Treaty of Trianon'.\textsuperscript{4}

In British governmental circles the Rothermere campaign was regarded as 'effective and disturbing'.\textsuperscript{5} Although there were some officials in the Central Department, such as Howard Smith, who seriously contemplated the possibility of frontier

\begin{itemize}
\item \textsuperscript{1} ibid.
\item \textsuperscript{2} ibid.
\item \textsuperscript{3} On June 21, 1927, the Daily Mail published an article entitled 'Hungary's Place Under the Sun' in favour of the alteration of the frontiers in the Danubian region. The article was followed by a press campaign, which caused much excitement in France and the Little Entente states, particularly Czechoslovakia.
\item \textsuperscript{4} Barclay to Chamberlain, Budapest, October 20, 1927, BDFA, Vol.II. pp.304.
\item \textsuperscript{5} Headlam-Morley to Temperley, November 19, 1927, Headlam-Morley Papers, HDLM ACC 727 Box No.40. Correspondence Bundle (1926-1927)
\end{itemize}
rectifications, even they opposed the revisionist agitation, on the grounds that it hindered any rapprochement in Central Europe. In Whitehall Sir Charles H. Bateman's argument prevailed:

An attempt to upset the peace treaties now would result in nothing but chaos. Right or wrong, the peace treaties have got to stand as they are at least for another twenty years...

In actual fact the Rothermere action was self-defeating. On at least one occasion the revisionist campaign in the press prompted Chamberlain to favour the Little Entente instead of Hungary. The Foreign Secretary concurred with Sargent's contention that:

...it is most unsuitable that H.M. Government should at the present moment appear to be defending Hungarian interests in opposition to those of the Little Entente. Lord Rothermere's pro-Hungarian campaign in the Daily Mail has caused considerable perturbation in all the neighbouring countries and in spite of the protestations there is a general suspicion... that the Daily Mail's views are more or less those of H.M. Government...

Headlam-Morley, Historical Adviser to the Foreign Office, suggested that the revisionist articles be ignored and that no official statement be issued on this thorny topic. Accordingly, the British Legation staff in Budapest were instructed not to become involved in the affair at all. Barclay even became

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1 Howard Smith argued that an 'Eastern Locarno' should be based on either frontier rectifications, or undertakings to rectify the frontiers within a specified time. DBFP Series IA, Vol.IV. pp.265.
2 Bateman's minute, F.O., June 23, 1927, PRO FO 371/12185/97
4 Headlam-Morley to Temperley, November 19, 1927, Headlam-Morley Papers, HDLM ACC 727 Box No.40. Correspondence Bundle (1926-1927)
indignant when his name was coupled with Rothermere’s in the Hungarian newspapers. He could hardly avoid ‘post-prandial references to Rothermere’, but he denied any links to the Lord.¹ When Harmsworth, the son of Rothermere, suddenly appeared in Budapest ready to be elected ‘King of Hungary’, Sir Colville warned the Legation staff to avoid any contact with the young man.² In spite of this extreme precaution, in April 1928 Sir Colville himself fell into a ‘trap’ laid by the Revisionist League. When the Cambridge University Athletic Club visited Hungary the British Minister learned from the newspapers that he would have to act as ‘patron of the sports’ along with Rothermere. The exasperated English diplomat gave a long lecture to Walkó, the Hungarian Foreign Minister:

I expressed to him that the British Minister could not be exposed to a repetition of such bad taste. The fact that his name appeared side by side with Rothermere’s was calculated to give the masses an erroneous impression...³

Although the whole affair was a ‘mere storm in a teacup’, Barclay promised to Sargent that ‘more circumspection will be used in future’.⁴

Between 1927 and 1931 Anglo-Hungarian relations remained cordial, but Britain’s attitude towards the Bethlen government —

¹ Barclay to Sargent, Budapest, April 18, 1918, Barclay Papers, Bundle No.29.
² Barcza recorded that Harmsworth remained a friend of Hungary despite the humiliation suffered in Budapest and London. He complained to the Magyar diplomat that in London he was mockingly called ‘King of Hungary’ even into the thirties when, following his father, he became Lord Rothermere.
³ Barclay’s note of April 25, 1925, and Barclay’s dispatches to Sargent of April 10 and April 18, 1925. Barclay Papers, LSE, Bundle No.29.
⁴ ibid.
grew ever more detached. In the late twenties the Foreign Office became markedly passive towards all Central European states, but the change in Anglo-Hungarian relations was most striking of all. The Bethlen government's Italian orientation and the Count's interest in a German-Hungarian rapprochement were the chief causes of London's reservations. In addition, Hungary's growing foreign debt raised serious doubts about British economic involvement in Budapest.¹ 1928 was the first year since World War I when new foreign loans were not sufficient to cover the annual repayment of the Hungarian debt.² The Rothermere campaign, which only ran out of steam in 1929, caused further strains in diplomatic relations between the two countries. For all these reasons the political importance of the British Legation in Budapest was greatly reduced. When Harold Nicolson was offered the job of First Secretary in the Hungarian capital he rejected the post with the acerbic comment that he was 'unable either to dance, sing or shoot'.³ Nicolson was not blind to his unpopularity in Hungary as a result of his role at the Peace Conference, avowing to Owen O'Malley:

I should be scarcely welcome there....⁴

In any case, for Nicolson, the prospect of being 'No.2' in

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¹ In 1928 even Hungarian fiscal experts questioned the logic of the loan policy. See Ferber, K. 'A Controversy on the Indebtedness of Hungary at the End of the 1920s' op.cit.
² ibid.
³ Nicolson to O'Malley, Seven Oaks, August 23, 1927, St Antony's College, Oxford, Nicolson hanging file
⁴ ibid.
the British Legation in Budapest promised to be 'a somehow inglorious close' to his diplomatic career. ¹ Although some senior members of the British foreign service, such as Sir Geoffrey Knox, trusted that Budapest was a 'delightful post' even in 1936,² by the end of the twenties Hungary had lost much of its appeal for British career diplomats.

Viscount Chilston, who was transferred from Vienna to Budapest in 1928, enjoyed a high reputation in Hungary, but, in comparison to his predecessors, wielded modest political influence.³ He cultivated good relations with Bethlen, though he regarded the Count as 'a master of the art of bluff'.⁴ The new head of the British Mission in Budapest showed some understanding of 'the well-known Hungarian temperament' but he found it extremely hazardous that Bethlen was pandering to the 'overwhelming national feeling for revision' and had started to 'play up to the popular tune'.⁵

The revisionist campaign was no help to Bethlen in securing new loans from the City. In a dispute with Seton-Watson, Sir William Goode professed in 1928 that 'the financial relations

¹ ibid.
² Knox to Phipps, Budapest, January 3, 1936, Phipps Papers 2/20, fol.9.
³ Redward recorded that Lord Chilston's 'quiet and friendly attitude and his dry humour quickly endeared him to the Hungarians'. According to the former press attaché British prestige received its 'first big knocks' in Budapest only in the mid-thirties. F.G. Redward op.cit. Chapter XV, British Ministers to Hungary
⁴ Chilston to Henderson, Budapest, September 30, 1929, BDFA II. pp.371.
⁵ Chilton to Cushing, Budapest, October 23, 1928 and Chilston to Henderson, Budapest, June 12, 1929, BDFA, Vol.III. pp. 334, 357.
between England and Hungary already involve many millions sterling, and are likely to involve many more in the future'.¹

Yet, by the end of the twenties the Hungarian government was hard pushed to raise any money in London.² In June 1930 Bethlen went on a 'loan-raising tour' to England, but could secure no more than a small one-year credit.³ Although the Count was received by the King, and had genial conversations with Labour politicians, he failed to obtain the required twelve million pounds. Instead of a substantial loan he was advised by London to change the Hungarian electoral system and introduce the secret ballot in every constituency.⁴

By the early thirties both the political and the economic situation in Budapest militated against further British assistance to Hungary. In 1931 the fall of the Bethlen government and the escalation of the economic crisis signalled the end of the 'special relationship'.⁵ Although it was rumoured in Budapest that the Count was 'not unhopeful of returning to power again', Viscount Chilston maintained:

¹ Sir William Goode to Sir Howard D'Egville, February 23, 1928, Seton-Watson Papers, SSEES, General Correspondence, Box No.15.
² The Bethlen government needed a huge loan for the reconstruction of the Hungarian Railways. The required sum was even higher that the loan granted by the League of Nations. The request was turned down by Niemayer, partly because of the Rothermere campaign. See Feber, K. 'A Controversy on the Indebtedness of Hungary at the End of the 1920s', Acta Historica, Vol.32 (1986) No.1-2. pp.121.
³ Juhász, Gy. op.cit. pp.96.
⁵ The economic crisis started slowly in the late 1920s, hitting Hungary with its full force in 1931. The slump in the prices of agricultural products had particularly serious repercussions in Hungary.
The horizon is heavily clouded...¹

The British Minister described Count Gyula Károlyi, the new premier as 'colourless' and suspected the rise of a more 'enigmatic figure', Gyula Gömbös.² In November 1931 Viscount Chilston accurately predicted that:

The next few months may witness his elevation to the premiership...³

Ten months later Gömbös, a great admirer of the Duce, was indeed appointed Prime Minister, to the great frustration of many pro-Hungarian Britons.⁴ The new Italian- and German-oriented Hungarian regime was accepted but overtly frowned upon in Britain. Yet, in 1933 even Bethlen, 'the Grand Old Man of Hungary', found that the atmosphere in England was no longer so hospitable. His lectures in London and Cambridge resulted in great controversy. The crux of the Count's argument was that any confederation, Customs Union, or economic cooperation in the Danubian Basin could only be based on a new territorial settlement. This thesis was challenged not only by Seton-Watson⁵, but by Austen Chamberlain himself. The former Foreign Secretary contended in July 1933:

¹ BDFA, Vol.III. pp.116, 125.
² Chilston to Reading, Budapest, November 7, 1931, BDFA, Vol.III. pp.133.
³ ibid.
⁴ According to some contemporaries, such as Barcza, Gömbös was so much under the spell of Mussolini that by the mid-thirties he made deliberate attempts to imitate the expressions and the gestures of the Italian dictator.
Until recently the revisionists have had it too much their own way and the problem has been simplified in a way which has misled public opinion in this country. I am glad of any effort made to bring the real facts before all who take any interest in such matters...¹

The change in Chamberlain's opinion was primarily due to the embarrassments caused by the Rothermere campaign,² but he was also greatly disappointed by Bethlen's diplomacy during the late twenties. Despite Britain's repeated advice that Hungary seek economic agreement with Czechoslovakia, while having the hope of territorial concessions until later, the Magyar Government considered the frontier adjustments to be the precondition for any schemes of regional integration. Despite this rigid Hungarian approach, Chamberlain even tried to persuade Gömbös to seek reconciliation with Benes and the Little Entente.³

In sum, even in the late thirties the normalisation of Czechoslovak-Hungarian relations remained a major theme in the Central European policy of the Foreign Office, despite the fact that the Danubian area was regarded in London as 'a cockpit of German and French rivalries'.⁴ British diplomats time and again

¹ Chamberlain to Seton-Watson, Seton-Watson Papers, SSEES, General Correspondence, Box No.15.

² The campaign adversely affected even Anglo-French relations. Adám, M. op.cit. pp.292.

³ Chamberlain visited Budapest as a guest of Sir Geoffry Knox in 1935. He met the Prime Minister and raised the idea of a link-up between Hungary and the Little Entente. In reply he was told that economic cooperation was not possible without territorial revision. Bárčzy, I., June 16, 1945, 'Magyarország háboruba való belépésének története', Macartney papers, Box No. 3/a doc. no.1

urged rapprochement in Budapest and Prague, but they could offer no more 'financial inducement' for any Danubian schemes. After hopes for the rehabilitation of Austria and Hungary had come to nothing, the Foreign Office concluded that they should not 'throw good money after bad'.

Although Niemayer of the Treasury maintained in 1927 that the financial stabilisation of Hungary and Austria had been the single outstanding success of the League of Nations, towards the end of the decade he opposed a new loan scheme for these countries. The severity of the economic crisis in 1931, coupled with the spiralling foreign debt and insolvency of the Successor States, discouraged further British experiments in Danubian reconstruction. By 1932 Robert Vansittart, the Permanent Under-Secretary in the Foreign Office, had written off the whole of Central Europe. He expressed his hope that the 'rot might be localised' and would not involve the rest of the continent.

By contrast, in the 1930s some Britons were still promoting Czechoslovakia as 'Keystone of Central Europe', a stabilising force in a region of small nations. By this time though British government officials had come to regard the Czechoslovak 'Model-

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1 ibid.
4 Seton-Watson, R.W. 'The Keystone of Central Europe', Listener, June 16, 1938, Seton-Watson Collection, New College, Oxford Box F.
Succession State' with disfavour. The adroit, profoundly Germanophobe and anti-Hungarian diplomacy of Benes met with undisguised British disapproval.' In the Central Department A.F. Aveling observed as early as 1927:

...there is no doubt that the real stumbling block in the way of any gesture of friendliness on the part of Hungary is Benes himself, who is a red rag to the Hungarian bull. To the average Hungarian he personifies all the iniquities of the Treaty of Trianon and all the insults which have wounded Hungary's amour-propre since the war...

Another Central European expert of the Foreign Office added that all Hungarians hated Benes. Whilst the Czech politician called the Hungarians 'idiots', 'swine', and 'people inimical to culture', Kálmán Kanya, one of the most senior Magyar diplomats simply described Benes as a 'horrible individual'. British officials did not take sides openly against Czechoslovakia, though it was noted in the Central Department that 'Hungarian irritation by Benes' was 'not unnatural'. By the 1930s the Czech Foreign Minister's statesmanship was regarded in London as nothing more than 'an excellent imitation of French methods and

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1 By the mid-twenties Benes had the reputation in the Foreign Office of being 'quite untrustworthy'. See Campbell, F.G. (1975) Confrontation in Central Europe, op.cit. pp.141.


4 Campbell, G. op.cit pp.190-196.

5 Memorandum by C.H. Smith, July 29, 1930, FO 371/14396 C6032, see also Romsics, I., 'Eduard Benes and the Czechoslovak-Hungarian border' New Hungarian Quarterly, Winter 1992
politics'. In the Foreign Office Sargent's vicious viewpoint prevailed:

The force of circumstances turned M. Benes into the greatest political humbug in Europe.

1 Vansittart's memorandum on Czechoslovakia, May 1, 1930, PRO FO 371/15205
IV. 'The Lynchpin of Central Europe'

1. 'The Best Justification of the Peace Conference'

'Prague is going to be the hub of Central non-German Europe and we must help in this process and not merely watch it platonically', Seton-Watson urged his friends in the Foreign Office in 1919. The Scottish expert endeavoured to promote Czechoslovakia as the nucleus of British policy in Danubian Europe, and the Political Intelligence Department was receptive to the idea. Namier disseminated the idea in the Foreign Office that the Czechs were 'our most devoted and efficient Allies in Eastern and Central Europe' and 'it is really they who destroyed Austria'. Headlam-Morley was somewhat less enthusiastic about the dissolution of the Habsburg Monarchy and the creation of new states. He warned that 'the Germans in Bohemia and the Magyars must be treated on exactly the same principle as the Czechs'. In any event, he bowed to the argument that the creation of new states, such as Czechoslovakia, provided 'an unprecedented opportunity for the legitimate extension of British influence in the heart of Europe.' Although the Assistant Director of the Political Intelligence Department was personally in favour of a 'disinterested and impartial' British policy in Central Europe,

1 Seton-Watson to Headlam-Morley, Prague, May 29, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9.
2 Namier's memorandum, 'The Czechoslovak State', December 4, 1918, PRO FO 371/Peace Conference 89/82
3 PID Memorandum, November 1918, PRO FO 371/4353, Peace Conference 55/23
4 Ibid.
he assumed that in Prague, Belgrade, and Warsaw a 'large fund of goodwill' existed towards Great Britain. He could therefore envisage British economic expansion in Central Europe and a 'good political understanding' with the victor states, above all Czechoslovakia.

Hence, by November 1918 the experts of the PID were in agreement that the Czechs were 'likely to prove to us the greatest asset in Central and Eastern Europe'. Four months later the spread of Bolshevism in Central Europe highlighted the strategical importance of the 'Bohemian mountain bastion'. As Sir Samuel Hoare, 'a kind of patron saint of the Czechs' in the Foreign Office, put it to Lord Balfour:

Both as an anti-Bolshevist bloc and an anti-Magyar power it is essential to maintain the strength and the prestige of Czechoslovakia....

In London, however, the foundation of the 'new Bohemia' failed to make everyone's 'hearts sing hymns at heaven's gate'. In fact, the Foreign Office showed 'a somewhat lordly indifference' towards all the Successor States and during the

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1 ibid.
2 ibid.
3 This was Namier's description of the Czechoslovak state.
4 According to Lockhart, Sir Samuel was 'zealous for new fields to conquer in the estate of foreign affairs' when he 'found his way to Prague in 1920'. Bruce Lockhart, Sir R.W.(1934), Retreat From Glory, London, pp.94.
6 Nicolson, H. op.cit. pp.33.
7 Seton-Watson to Masaryk, March 1, 1920, Seton-Watson Papers, SSEES, Box no.24.
establishment of the British Legation in Prague 'Czechophils' were not easy to come by 'in the diplomatic market'. In the War Office the Czechoslovak Republic was positively unpopular. Military Intelligence experts anticipated that the small Central European state would not be able to resist a Soviet invasion and as Cadogan put it even 'their best friends can only hope that they will not be put to the test'. Accordingly, the first British representatives in Czechoslovakia were not overly inspired with friendly feelings towards the republican regime.

Sir Thomas Montgomery-Cuninghame, military attaché in Prague, was openly hostile towards the Czechs before he had even set foot in Bohemia. His first impressions of the new state only reinforced his deep-rooted prejudices:

At every station at which we stopped, once we had entered Bohemia, local choirs were drawn up on the platform to welcome their president home with song... Lord, how I hated it!... Masaryk was met at the railway station by Dr Kramar and other local dignitaries, and was duly kissed in a way which would have been embarrassing to an Englishman, but which seemed to come quite naturally to a Slav. There was of course much emotion exhibited by everybody. Dr Machar, the national poet, with tears streaming down his cheeks, said to me, 'Ah Colonel, why do you not write verses about the thousandspired city of Prague?' He was pointed out to me as one of those most responsible for what they all called the 'spiritual renaissance' of their race. This no doubt was much to his credit, but did not explain satisfactorily why the Czechs had made him Inspector General of their Army....

The old-fashioned professional English soldier was scornful

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1 Seton-Watson to Headlam-Morley, Prague, May 29, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9.

2 Cadogan's minute August 9, 1920, PRO FO 371/4722/C3309/3309/12

of both the military establishment and the civil administration of the new republic. He was especially sceptical about the professed Anglophilia of the Czechs:

Before I left for Vienna I watched Masaryk inaugurating the new Czech Parliament... What he said was translated to me and much of it referred to the British conception of democracy, which was set as a model for the Czechs to copy. Of course they could not do it....

The Lieutenant-Colonel's first confrontation with the Czechoslovak government was generated by the ethnic conflict in the Sudetenland. Cuninghame supported the demands of the Bohemian Germans for political autonomy and fiercely criticised the excesses of Czech nationalism. In late 1919 he reported that the 'Czechs behaved with foolish violence and provoked unnecessary hatred which will now take years to eradicate'. Cuninghame's prophecy was to be fulfilled; the problem of the Sudeten Germans proved to be long-lived and such that it profoundly affected diplomatic relations between London and Prague. In 1919, however, the New Europe group was quick to quash criticism of the Czechs in London. Seton-Watson warned that Cuninghame's Slavophobe views caused 'considerable uneasiness' in Prague;

1 Cuninghame op.cit pp.308.
2 Cuninghame to Twiss, Vienna, July 1, 1919, DBFP Vol VI. pp.8.
accordingly the Foreign Office pressed for the appointment of a new military attaché to Czechoslovakia.

Even after Montgomery-Cuninghame had been succeeded by Basil Coulson, the War Office remained hostile to the new republic. To the great frustration of the Czechoslovak government, the new attaché was just as ill-disposed towards the Successor States as his predecessor. His sympathies lay with the 'blacks', or the 'old feudal aristocrats', who 'were to a man contemptuous of the Czechs'. Consequently, the Colonel, who occupied the splendid Lobkowitz Palace and indulged himself in an extravagant lifestyle, soon became suspect in the eyes of the Czechoslovak leaders. Amongst the avowed friends of the Czechs in London he earned the reputation of being 'indiscreet and certainly not a genius'. According to a colleague, fellow Scotsman Bruce Lockhart, Coulson routinely 'exceeded the bounds of diplomatic discretion in his comments on the Czechs'. The military attaché was extremely disparaging of the successive Czechoslovak governments' 'weak vacillating policy' and he expressed no

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1 ibid.
3 During his service in Prague Coulson 'crashed financially'. See Bruce Lockhart op.cit. pp.262.
4 Despite the Colonel's political views Seton-Watson assured Masaryk that Coulson's reports were less hostile to the republic than it was suspected by the Czechs. See Seton-Watson to Masaryk, July 7, 1919, Seton-Watson Papers Box no.24.
5 ibid.
admiration for the Professor-President either. Once he remarked:

The people looked to Masaryk to take the Government into his own hands and to exercise direct control on the branches of administration, whereas he has sunk into the subordinate role of a figure head...

In early 1920 two unsigned Military Intelligence reports from Prague set a markedly unfriendly tone:

It is impossible to believe that the new Czechoslovakia will or can be built up by the same men who destroyed the old Empire... The chief cry of the present authorities is 'Down with Austria' - in fact down with all non-Czech elements, which policy is adopted in a manner, which is almost fanatical...

Coulson's main source of information was 'a person in one of the Ministries in Prague', but his recommendations strongly resembled Lieutenant-Colonel Cuninghame's views:

It is...felt (in Prague) that the Danube Confederation is a matter of absolute necessity in order to rehabilitate former economic conditions and to equalise the present extremely unjust system of administration...

By contrast, in the Foreign Office Lewis Namier proclaimed in the aftermath of the war that:

No re-federation between the Czecho-Slovak State and German Austria is possible, as it would imply an indirect connection with Germany. Nor can the Czechs

2 Political Report, DMI, Prague, July 25, 1920, PRO FO 371/4722/C3317/2605/12
3 ibid.
4 Cuninghame was an advocate of the 'Habsburg version of federation'. According to István Borsody's thesis, in the interwar period there were three versions of the federalist argument in Central Europe, 'the Habsburg, the Hungarian and the Little Entente versions'. See Borsody, S (1980), The Tragedy of Central Europe Yale Russian and Eastern European Publications, New Haven, pp.20.
5 ibid.
federate with the Magyars so long as any trace is left of the old Magyar imperialism and the old Magyar oligarchy....' 

In point of fact, the New Europe group was not opposed to a Danubian federation as long as the centre of the Association of states was Prague and not Vienna or Budapest. Allan Leeper wrote to his brother in February 1919:

I find that from whatever corner of Europe we start, we always run into the Czechs. They are especially valuable to us at present when we are trying to get together the peoples of South Eastern Europe to form a bloc....'

Leeper envisioned an alliance which included Yugoslavia and Romania, but not Austria and Hungary. The Australian expert of the Political Intelligence Department favoured a 'solid front' of the victor states against the vanquished in Danubian Europe. His chief, Headlam-Morley, was more sympathetic towards postwar Austria, which he considered 'as much of a new state as Czechoslovakia', although he was also firmly in favour of Czech orientation in Central Europe. On Seton-Watson's advice he urged the Foreign Office to send at least 'some Slavophil man with

1 Memorandum by Namier, 'The Czechoslovak State', PID, December 1918, PRO FO 371/4355/Peace Conference 89/82

2 The PID supported the 'Little Entente concept' of Danubian Union. Borsody S. op.cit. pp.20.


4 A.W.A. Leeper to Seton-Watson, July 6, 1920, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.14.

Russian experience’ to Prague to ‘keep our end up’ there. 6

Cecil Gosling, the first professional British diplomat, was dispatched to Prague as a temporary chargé d’affaires in late 1918. 2 He arrived in Czechoslovakia as a staunch ally of the new state, which he considered as the ‘rallying point for Entente interests in Central Europe’. 3 In his first report in February 1919 he urged Lord Curzon to assist the republican regime:

The feelings of the Czech government and people towards Great Britain are of the warmest nature, and they have possibly an even greater confidence in the British than they have in the French.... I submit, my Lord, that it is most important that His Majesty’s Government... should without delay, make clear their firm intention of supporting the government of the Republic, both politically and economically, thus strengthening its position against the Germans and Magyars both within and without its frontiers... 4

In February 1919 Gosling was certainly under the spell of Masaryk. Although the Scholar-President appeared to be ‘well advanced in years and far from robust’, he struck the British diplomat as ‘a man of high principles, statesmanlike, fair-minded, courageous and determined’. 5 Yet, immediately on his first audience in the Hradcany, Gosling ‘expressed dissent with the very optimistic views’ of Masaryk on ‘racial problems’. 6

1 ibid.
2 Gosling had been transferred from Gothenburg to Prague and appointed head of the mission in Czechoslovakia, well before British High Commissions were opened in Vienna and Budapest. Gosling’s appointment, however, was ‘temporary’; he had no real prospect of being promoted to Minister in Prague. In contrast Lindley in Austria and Hohler in Hungary were not only High Commissioners but ‘Ministers designate’. See PRO FO 794/4 (Lindley file)
4 ibid.
5 ibid.
Despite his total confidence in the moderate and reasonable views of the President on the treatment of minorities, the British diplomat was alarmed by the ethnic conflicts of the multinational republic. The British chargé d'affaires did not support the 'excessive demands' or the secessionist aspirations of the German minority, but he was deeply concerned about their grievances. In March and April 1919 he urged the Foreign Office to exert pressure on the Czechoslovaks to adopt a more conciliatory attitude towards the Germans and on one occasion even advocated the dispatch of British troops into the Sudetenland to act as a peace-keeping force. Another time he went as far as pronouncing that the Czechs' 'tactless and heavy-handed behaviour towards a more culturally advanced nationality turned the Germans into a compact and aggressive element in the Republic'. The British diplomat started to demand that 'reasonable concessions' be made to the Germans and Hungarians, as he became steadily more intolerant of the 'appalling mistakes' made by the Czechs. As a

6 ibid.

1 According to Mark Cornwall the Czech-German clashes of March 1919 inclined Gosling increasingly to the view that the Czechs were largely becoming responsible for alienating their new subjects. Cornwall, M. 'A fluctuating Barometer: British Diplomatic Views of the Czech-German Relationship in Czechoslovakia 1918-1938' op.cit. pp.314. See also Hanak, H. 'British Attitude Towards Masaryk', Hanak H.ed. (1989), T.G. Masaryk (1850-1937) Vol III. Macmillan, London, pp.130.

2 Cornwall, M. 'A fluctuating Barometer...' op.cit. pp.314.


4 ibid.

result of Gosling's fierce views on ethnic issues, his amicable relations with Masaryk deteriorated rapidly. In addition the chargé d'affaires was appalled by the 'strongly Austrophobe' views of the President.\textsuperscript{1} In August 1919 he recorded with astonishment:

\begin{quote}
Monsieur Masaryk admitted to me that he would have preferred a continuance of Bolshevism to a Hapsburg on the throne at Budapest....\textsuperscript{2}
\end{quote}

Hence, Gosling gradually became averse to Czechoslovak politicians of all sorts who appeared to him 'on the whole, ignorant and narrow minded'.\textsuperscript{3} In June 1919, he came to the conclusion that the leaders of the new state had 'lost the confidence of the public'.\textsuperscript{4}

Five months later, when Benes returned from Paris, the head of the British Mission in Prague once again sounded a more positive note:

\begin{quote}
Since the arrival of M. Benes in Prague, I have been impressed by his energy, statesmanlike outlook and mental calibre, which is in marked contrast to that of his other colleagues of the cabinet... The President is old and weak. He needs strong and efficient support. He will perhaps find it in his Foreign Minister...\textsuperscript{5}
\end{quote}

By the end of 1919, however, Gosling became totally disillusioned about the Czech administration. Confiding in a a

\begin{quote}
\textsuperscript{1} Gosling to Curzon, August 4, 1919, BDFA Vol I. pp.25. and Gosling to Curzon, Prague, October 24, 1919, BDFA Vol I. pp.29.
\textsuperscript{2} Gosling to Curzon, Prague, August 10, 1919, DBFP, Vol VI. pp.143
\textsuperscript{3} Gosling to Curzon, June 23, 1919, DBFP, Vol VI pp.3.
\textsuperscript{4} ibid.
\textsuperscript{5} Gosling to Curzon, Prague, October 24, 1919, BDFA Vol I. pp.29.
\end{quote}
colleague, he asserted that even the most 'backward' South-American states, where he had passed most of his career, were run 'on more enlightened and less corrupt lines than is Czechoslovakia'. This damning view of the republic was undeniably coloured by Gosling's bitterness about his bleak career prospects in Prague. Lockhart noted in his memoirs:

I soon discovered that he was a disappointed man, for he had already been a minister in South America and had probably high hopes of further promotion. And to feel that he was only a glorified 'locum tenens' must have been galling....

In any case, towards the end of his 'temporary' assignment the chargé d'affaires became increasingly biased against the Czechoslovak regime. This is not to say that he became an enemy of the 'new Bohemia'; rather he voiced the opinion in the Foreign Office that Masaryk's republic lacked cohesion and that the Czechs had 'succeeded in hostilising not only their former enemies', the Germans and the Hungarians, but also the Moravians and the Slovaks. He went as far as criticising the President's attitude to the minorities:

Acts of religious, linguistic and racial intolerance committed by the leaders of the people are, I believe, distasteful for him, but he has not successfully used

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1 Gosling made this remark to Lindley, the High Commissioner in Vienna, who reported it to Lord Curzon, DBFP, Vol VI. pp.551., see also Franke, R. op. cit. pp.54.


3 As Harry Hanak has demonstrated, Gosling never regarded Czech rule as tyrannical and did not advocate the separation of the non-Czech areas from the Republic, although he was much harsher on the Czechs than his successor, Sir George Clerk.

4 Gosling to Curzon, June 28, 1919, DBFP Vol VI. pp.3.
his influence to prevent their occurrence, and one feels that he lacks the broad and generous outlook on life, the spirit of justice and toleration which one would expect in a man of his quality....'

By contrast, Masaryk declared that he liked Gosling. He explained to Seton-Watson that he could openly discuss with the English diplomat even the most sensitive of issues. Yet, he suspected that the head of the British Mission in Prague was influenced by 'German and Vatican intrigues':

The British policy here (Central Europe) is not yet quite clear... A small instance or proof of that uncleanness is the fact that your Government has sent here so many Catholics, that even the unpolitical (sic) public speaks about it and wonders what it means. Gosling ... was in connection with our high clergy and with the nobility; he intervened very often in various, even private matters in the benefit of the clergy and their protégés. He took the part of the clerical party too decidedly...'

Masaryk's seemingly unaccountable interest in the denomination of British diplomats can be viewed as an expression of his strong anti-Habsburg sentiments. The President suspected that Catholic Britons, particularly the new converts, were 'apt to come under the influence of the nobility', namely the 'Kaisertreu' German and Hungarian aristocrats.' He noted to Seton-Watson that 'in Budapest Admiral Troubridge goes to every mass and is under the influence of Magyar "Christians'", while Basil Coulson joined the Roman Catholic Church in Prague, 'under

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1 ibid.
2 Franke, R. op. cit. pp. 55.
3 Masaryk to Seton-Watson, February 1, 1920, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no. 24.
4 ibid.
the influence of Gosling'. For Masaryk this explained why British diplomats did not like 'the simplicity and rusticity' of the Czechoslovaks. Consequently, the first British representatives found in Prague 'a curious atmosphere of restraint, fear and suspicion'. Even Sir George Clerk, a 'loyal friend of the Czechs', was expected to be monarchist and reactionary. No wonder that the less pro-Czech British representatives like Gosling and Coulson were totally out of favour in Prague. Bruce Lockhart, the commercial secretary of the British Legation who arrived in Prague at the end of 1919, quickly gained the impression that the 'Czechs were up in arms' against Gosling - and not altogether without reason.

The leaders of the PID were alarmed by the apparent conflicts between the British representatives and the Czechoslovak government. As early as February 1919 they proposed enlisting 'the most valuable services' of Seton-Watson and attaching him to the British Mission in Prague. Crowe, Tyrell, and Hardinge backed initiatives to 'increase British representation in Czechoslovakia', hence the Foreign Office's approval of Headlam-Morley's suggestion to send the Scottish

1 ibid.
2 ibid.
3 Clerk to Seton-Watson, February 2, 1920, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.4.
4 Hanak, H. 'British Views of the Czechoslovaks from 1914 to 1924' op.cit pp.96.
5 Bruce Lockhart op.cit. pp.52.
expert 'on important business' to the new republic.' At the last minute, however, Seton-Watson resigned from his mission because of the sudden death of a close relative.' It was only in May that he managed to visit Prague, after Headlam-Morley had entreated him to do so:

I am now writing under instructions to ask what you are doing and whether you would still be available to go; I raised the point and there is a general consensus of opinion that it is very desirable that you should be there. If you could go we could depend upon having reliable information and I am sure that you would be more capable of exercising a good influence upon the Czechs than anyone else....'

Thus the Foreign Office sent to Prague a personal friend of Masaryk to confirm the reliability of British diplomatic reports on Czechoslovakia's ethnic conflicts. Not surprisingly, the British emissary quickly came to the conclusion that Czech-German hostilities had not intensified too perilously and that 'rumours of trouble between the Czechs and the Slovaks need not be taken seriously for the present'. He argued that there were 'definite signs of a more conciliatory attitude' on the part of the Czechs, and a 'relative lack of friction' between the different national

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1 Headlam-Morley to Tyrell, February 24, 1919, and the minutes of Crowe, Headlam-Morley and Hardinge of the same date, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9., see also Seton-Watson C. - Seton-Watson H. op.cit. pp.351.


3 Headlam-Morley to Seton-Watson, April 7, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9.


groups. The Central European expert also challenged the 'absurd myth', put about by the British chargé d'affaires, that the President was weak and isolated.1

In Paris Sir Eyre Crowe fully endorsed the views of the Scottish mediator:

Mr Seton-Watson confirms the highly favourable opinion we had formed of the character and political principles of the leading Czechoslovak statesmen. His views concerning the proper treatment of the German-Bohemian problem...deserve careful consideration. I share them entirely...2

The political backing of such a high-ranking British official as Crowe assured Seton-Watson that Gosling did 'not represent in any way British policy'.3 On the other hand, in the summer of 1919, the New Europe group failed to secure the appointment of an 'actively friendly' British minister 'with pronounced Czech sympathies'.4 Seton-Watson made a passionate appeal to Headlam-Morley:

Do try to get the new Minister to Prague quickly. It is such an opportunity and it won't last forever! How I wish I could make our people see how much is to be done, and what really great issues hang upon it!...5

The assistant director of the Political Intelligence

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1 ibid.
2 ibid.
3 Seton-Watson to Masaryk, March 1, 1920, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no. 24.
4 Confidential letter signed by Lord Hardinge. Seton-Watson to Headlam-Morley, Prague, May 29, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9.
5 Seton-Watson to Headlam-Morley, Prague, July 17, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.9.
Department tried to push the matter in the Foreign Office, but in vain. He admitted in private:

I feel I am quite helpless to do anything about Prague. I do not know by whom or on what advice these matters are decided, I have no position which justifies my interference; I have...completely failed.  

Gosling remained in Czechoslovakia until January 1920. Although in the autumn of 1919 Sir George Clerk, a supporter of Masaryk and an admirer of Seton-Watson, was nominated as head of the British Legation in Prague, the appointment was delayed by Clerk’s missions in Bucharest and Budapest. Even so, towards the end of 1919, the New Europe group contrived to accelerate the reorganisation of the British diplomatic mission in Prague and ensured that the new staff had become dominantly Czechophile in character. Bruce Lockhart, the first commercial secretary of the Legation, recalled in the early 1930s:

I came to Prague with pro-Czech sympathies. They survived my stay there. I am pro-Czech to this day, partly, because I am a champion of the rights of small nations; partly, because so many of my compatriots were snobs who condemned the Czechs off-hand without knowing them; but chiefly because of my admiration for the Czech leaders.  

Although the extravagant young Scotsman was openly more interested in angling and hunting than Central European politics he noted in his memoirs:

Prague was a new world to conquer. I had the necessary armour and weapons — letters of recommendation from such stalwart pro-Czech champions as Wickham Steed and

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1 Headlam-Morley to Seton-Watson, Paris, July 21, 1919, Seton-Watson Papers, Personal Correspondence Files, Box no.9.

Seton-Watson... 3

Steed himself assumed that he had a decisive say in the appointment of British representatives in Czechoslovakia. 2 He wrote to 'Scotus' in August 1919:

Can you suggest a name of a good British Consul General for Czechoslovakia? I gather that the appointment is now under consideration, and if a good man can be found and be recommended by us, our recommendation would carry weight. You know more about likely persons than I do. If you can think of one or two names, you might wire them to me... 3

Seton-Watson and his friends were conscious of their power and influence in the Foreign Office. They knew that in the British Delegation in Paris supporters of Czechoslovakia were in the majority. Yet, in London, amongst professional diplomats and the senior staff of the Foreign service, Vienna remained more in favour than Prague. 'Scotus Viator' was so nettled by the anti-Czech bias of various British politicians that he published a letter in a Prague newspaper on the 'faults committed against Czechoslovakia'. 4

One of the ardent critics of Masaryk's republic in the diplomatic corps was Lindley, the British High Commissioner in Vienna, who was joined by the positively anti-Czech Hohler, the High Commissioner in Budapest, in January 1920. For obvious

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1 Bruce Lockhart, Sir R.H.(1934), Retreat From Glory, Putnam, Covent Garden, London, pp.43.
3 Steed to Seton-Watson, August 1, 1919, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.26.
4 Gosling to Curzon, Prague, July 11, 1919, DBFP Vol. VI. pp.72.
career reasons they both opposed the Czechoslovak orientation of British policy in the Danubian region. Irrespective of their ambitions, however, they had a strong dislike of Czechoslovak politics. Lindley was exasperated by the Austrophobia of the government in Prague. After a long conversation with Masaryk he reported that the Professor-President had demonstrated an 'unstatesmanlike and dangerous' hatred of Vienna. The British diplomat's prejudices against the Bohemians were reinforced by a petty incident at the Austrian-Czechoslovak border. He recorded that a Czech frontier officer tried to blackmail him during the Christmas of 1919, when he went on a short private visit to Prague.

In sum, the atmosphere in early 1920 was not conducive to British overtures in Prague. Masaryk himself pointed out to Lord Curzon in 1923:

In the early years after the war the British representatives and consuls in the neighbouring states had not been inspired by any too friendly feelings towards Czechoslovakia...

Anglo-Czechoslovak relations, however, dramatically improved after Sir George Clerk moved into Thun Palace. The Minister, 'a man of liberal views', quickly became an intimate friend of Masaryk and Benes. Although he was hardly a Slavophile, he had a favourable first impression of the dominant nation of

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2 ibid.
3 Curzon to Peterson, October 22, 1923, BDFA Vol.II. pp.64. See also Jelinek, Y. 'Thomas Garrigue Masaryk and the British Foreign Office' in Schmidt - Hartmann - Winters ed.(1991), Großbritannien die Vereinigten Staaten von Amerika und die böhmischen Länder, Munich, pp.277.
Masaryk's republic:

The Czechs had, from long association with the Germans, absorbed certain qualities which made them, of all Slav peoples the most stable and most efficient: tenacious, industrious, apt for gain, sober and moderate in foreign policy, and innately hostile to Bolshevism....

Clerk openly 'sympathised with the aspirations of the virile Czechs'. On the other hand, according to one of his secretaries, he used his considerable personal influence 'to guide Czech Chauvinism into quieter channels'. For all that French influence was growing in Prague, he professed that it was a 'British interest that Czechoslovakia should prosper', if 'the statesmen of 1919' were not to be proved 'bungling amateurs'. Throughout his seven years in Prague, Sir George regarded Czechoslovakia as the 'lynchpin of Central Europe', Britain's best bridge to Russia as well as 'the best justification of the Peace Conference'. The senior British diplomat was not blind to the weaknesses of 'Czecholand' and maintained that the administration in Prague was 'not above reproach'. He often dwelled on the flaws of the Bohemians and made several cutting, not to say

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1 Clerk recalled his first impression of the Czechs during a conversation with Take Jonesco, the Romanian foreign minister. See Clerk to Curzon, Prague, November 1, 1920, BDFA Vol I. pp.156.
3 ibid.
4 Clerk to Lampson, Prague, September 15, 1923 PRO FO 371/8572, see also Cornwall, M. 'A Fluctuating Barometer...' op.cit. pp.314
5 See the annual reports of the British Legation in Prague in 1922 and 1923. See also Recker, M.-L. op.cit pp.207.
6 Clerk to Curzon, October 5, 1922, DBFP Vol XXIV. pp.362.
arrogant, remarks on the 'self-importance of this conceited and provincial-minded people'. On one occasion he described the Czechs as 'outwardly one of the least prepossessing of mankind'.

Even so, Clerk was a renowned well-wisher of the republic. He regarded the Czechs as 'the brain of the Slavs and their interpreter to the Western world'. He also praised the 'pacific intentions and the non-imperialistic spirit of Czechoslovakia'. Above all, he was confident in the viability of the new multinational state. In the early 1920s he predicted:

If any of the Succession States and other products of the war is going to last, it is this hard-headed unpleasant mannered country...

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1 Clerk to Curzon, January 10, 1924, BDFA Vol II. pp.81, see also Campbell, F.G.(1975), Confrontation in Central Europe, Weimar Germany and Czechoslovakia, Chicago, pp.180.


3 Clerk to Curzon, October 5, 1922, DBFP Vol XXIV. pp.364.

4 Clerk to Curzon, Prague, September 12, 1922, DBFP Vol XXIV. pp.340.

5 Clerk to Crowe, Prague, November 29, 1921, FO 371/5829 C23034, see also Hanak, H. 'British Views of the Czechoslovaks...' pp.99.
2. Prague: A 'Political Observatory' in Central Europe

Clerk arrived in Prague at the time of the 'pre-election turmoil' in January 1920 and his first impressions of Czechoslovak politics filled him 'with a feeling of complete helplessness and hopelessness'. Masaryk was ill and Benes was 'fully occupied in fighting Kramarz in the National Assembly', meaning that the British Minister 'could not really get in touch with things and people' for a few weeks.' In addition, Sir George had to face a 'marked falling off in the popularity of all the Allied countries' who were represented in Czechoslovakia.' In his first dispatches he forwarded two memoranda from his commercial secretary on the 'irksome irritation' caused by the indifference of the Western Powers towards the republic.' Although Lockhart was convinced that the United States was 'far more blamed than England', he observed the disappointment of Dr Heidler, the Czechoslovak Minister of Commerce, 'at the little interest, which Great Britain had shown in Czechoslovakia.' The Czech politician complained that in the second half of 1919 even Italy had done more business with Czechoslovakia than Great Britain, not to

1 Clerk to Curzon, Prague, February 2, 1920, Seton-Watson Papers, SSEES, Private Correspondence Files, Box no.4.

2 ibid.

3 Bruce Lockhart devoted two memoranda to the decreasing popularity of the Allies as a result of the 'ever falling exchange'. See Clerk to Curzon, Prague, February 3, 1920, and Clerk to Curzon, Prague, February 10, 1920, BDFA Vol I, pp.54, 58.

4 ibid.

mention Germany. The young British diplomat was strongly concerned about any German attempts 'to acquire a financial control in Czecho-Slovakia'. He noticed that anti-German sentiments were only 'artificial' amongst the business community in Bohemia.↑ Hence, his proposal for an ambitious British venture in Prague:

I should recommend as the first means of establishing closer economic relations with this country the despatch of a financial mission to Czechoslovakia in order to enable our banks to arrive at an understanding with the Czechoslovak banks and even, if possible, to acquire interest in them. The Czechs themselves would not be averse to such an influx of British capital. In fact, Dr Benes expressed himself as directly in favour of it....↑

Clerk himself was in favour of the financial project, although he solemnly remarked:

In my humble opinion until the new and enlarged states which have resulted from the war are prepared to build up a genuine inter-economic life among themselves, they will be unable to put their domestic finance upon a relatively stable foundation....↑

In Bucharest and Budapest Clerk acquired a fair knowledge of the nationalism in the Successor States. He was aware of the fact that the economic and political climate did not favour British enterprises in the fragmented Danubian region. Yet, against all the odds, Clerk advocated reconciliation and British expansion in Central Europe. In 1933 Bruce Lockhart paid tribute to the efforts of Sir George:


↑ ibid.

↑ ibid.
His counsel was always on the side of moderation. He smoothed out difficulties between the Austrians and the Czechs. He made the Hungarian lion drink Tokay at his table with the Slovak lamb. If the Succession States of Central Europe have not yet established that form of economic cooperation which is essential to their future welfare... it is not for want of friendly and tactful advice on the part of the then British Minister in Prague....

Notwithstanding his sincere efforts to 'save Central Europe from chaos and starvation', Clerk was not an impartial observer of Central Europe. He was bent on establishing a British stronghold in Prague. He claimed in private:

There is, and can be, no foundation for nervousness about Buda Pest (sic) as the centre of our policy. On the other hand, if Prague is to be the centre, it must qualify itself by becoming, as potentially it can become, the most advanced and stable of the new States. Only for this the Czechs must make life possible for their German and other fellow-citizens. Chauvinism is too rampant at the moment....

Clerk was just as critical of Bohemian 'ultra-nationalism' as Gosling, and one of his reports gave the distinct impression that the Czechs were 'intolerant and pig-headed to a degree'. In February 1920 he observed that the National Democrat Kramar, the first Prime Minister of Czechoslovakia, was 'anti-everything that is not Czech'. On the other hand, Sir George often downplayed the flaws of the Czechoslovaks in his dispatches and gave a

1 Bruce Lockhart, op.cit. pp.66.
2 ibid.
3 Clerk to Seton-Watson, Prague, February 2, 1920, Seton-Watson Papers, SSEES, Personal Correspondance Files, Box no.4.
4 In the Central Department Miles Lampson made this remark on the basis of a dispatch of Clerk. See Franke, R. op.cit. pp.58.
considerably more positive picture of the republic than his predecessor.\textsuperscript{1} He admitted that many Czechs politicians were 'miserably lacking in political insight', but he was convinced that the political skills of government officials were 'far in advance of their Deutsch-Böhmen opponents'.\textsuperscript{2} Clerk's leniency towards the Czechs primarily stemmed from his faith in the President and his 'European-minded Foreign Minister'.\textsuperscript{3}

Czechoslovakia is still too new a state, its government is still too inexperienced in the art of government... It is to be hoped that the elections may support the reasonable and liberal policy of President Masaryk and Dr Benes, rather than the ultra national Czech spirit, whose voice is at the moment loud in the land...'

Soon after his arrival Clerk established a close personal relationship with Masaryk and Benes, which guaranteed him prestige and political influence in Prague, similar to those of Sir Thomas Hohler in Budapest. The President was a frequent guest in Thun Palace, while the Foreign Minister and his secretary had regular 'matutinal 7 a.m. tennis encounters' with Clerk and Bruce Lockhart.' The commercial secretary of the British Legation himself became a close friend of Masaryk's son, and a good acquaintance of Benes, but he trusted that his chief had unrivalled prestige amongst Entente representatives in

\begin{itemize}
  \item \textsuperscript{1} Cornwall, M. op.cit. pp.314.
  \item \textsuperscript{2} Clerk to Curzon, Prague, September 12, 1922, DBFP, Vol XXIV. pp.339.
  \item \textsuperscript{3} ibid.
  \item \textsuperscript{4} Clerk to Curzon, Prague, February 10, 1920, BDFA, vol. I pp.56.
  \item \textsuperscript{5} See Lockhart op.cit and Clerk to Lampson, March 20, 1923, PRO FO 371/8846.
\end{itemize}
Czechoslovakia. He claimed that Clerk, 'the perfect stage diplomatist', even overshadowed the French in Prague:1

His personal relations with President Masaryk and Dr Benes were more intimate than those of any other diplomatist in Prague, and although France was...the guardian Power of Czechoslovakia, it was to Sir George and not to the French Minister that the Czech statesmen came when they were in doubt what course to pursue...2

In 1920, Clerk was proud and occasionally even boastful of his privileged position in Prague. He wrote to Curzon:

I have no doubt that France has been feeling that she is losing ground in this country...3

The British Minister's popularity clearly alarmed the French Foreign Ministry. During the Sokol Celebrations in July 1920 the French Delegation openly and defiantly challenged the British orientation of Czechoslovakia.4 To the embarrassment and dismay of the English guests, Barthou delivered a lengthy and impassioned diatribe on the subject, preaching that:

Czechoslovakia was united to France as to no other people... France had claims on the gratitude of Czechoslovakia beyond those of any other Power; and above all France and Czechoslovakia must remain solid and united, for they alone shared the common enemy, the German...5

In addition, the Quai d'Orsay appointed a new Minister to Prague. Couget was sent 'in hot haste' to the Czechoslovak

1 Bruce Lockhart, op.cit. pp.63.
2 Bruce Lockhart, op.cit. pp.66.
3 Clerk to Curzon, Prague, July 6, 1920, BDFA, Vol I. pp.104.
4 Clerk to Curzon, Prague, July 6, 1920, BDFA, Vol I.pp.104.
5 ibid.
capital to an empty and unfurnished legation 'to consolidate the very special position of France'.\(^1\) Clerk belittled the success of the 'desperate efforts' made by the French 'to recover some of the lost ground' in Czechoslovakia, despite the concern of the English and American diplomats in Prague at the manoeuvres of Couget.\(^2\) Lockhart ridiculed his French colleagues, whilst noting that the French Mission was growing more powerful:

> With a natural instinct for maintaining the balance of power we English sided with the Americans in order to counteract the influence of the French who with a little marquis and a couple of counts in their mission had the advantage not only of numbers but also of titles....\(^3\)

In short, at the beginning of the twenties a rivalry rapidly developed between the French and British diplomats in Prague. Clerk informed the Permanent Under-Secretary of the Foreign Office:

> As for Couget, although we are personally on the best of terms, I have always realized his jealousy of the influence of His Majesty's Government in this country, and of my position here, but henceforward I trust him in nothing....\(^4\)

The French Minister was none too popular in the Hradcany. The Czechoslovak President had a low opinion of the intellect of Couget. In 1923, when the French sent Marshal Foch to Prague to prepare a treaty between France and Czechoslovakia, Masaryk

\(^{1}\) ibid.

\(^{2}\) ibid.

\(^{3}\) Bruce Lockhart op.cit. pp.88.

\(^{4}\) Clerk to Crowe, November 29, 1921, PRO FO 794/8 Private Office:'Individual' files
remarked that Couget was left out of the negotiations because he 'would not understand what we were talking about'. By contrast, Clerk commanded the great respect of both Masaryk and Benes. Yet, his position was significantly weakened by the pro-Hungarian and pro-Austrian line of the Foreign Office. Furthermore, the powerful French military mission and especially General Pellé, the 'hero of the Marne' and the chief of the Czechoslovak Army's General Staff, exerted unparalleled influence in Prague. Last but not least, the weakness and instability of the Tusar government in the summer of 1920 did not create a propitious climate in which to implement Clerk's ambitious plan for bringing Czechoslovakia into the British orbit. He appealed to Seton-Watson for assistance:

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 job they are making of the difficult art of government. Not only is it just as well that publicity should be given to their mistakes as well as 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 the greatest value to me....'

The British Minister observed a 'spirit of uneasiness and unrest' in Czechoslovakia, caused by the 'inefficiency of Czech

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1 Clerk to Curzon, Prague, March 12, 1923, DBFP Vol XXIV. No.296
2 Clerk to Curzon, Prague, June 21, 1920, DBFP, Vol XII. pp.204.
3 Clerk to Seton-Watson, Prague, July 28, 1920, Seton-Watson Papers, SSEES, Personal Correspondence Files Box No.4.
administration'. Despite his disapproval of the separatism of the Slovaks, a population consisting of an 'ignorant and backward peasantry', Clerk had to admit in September 1920:

During the seven months that I have been here relations between the Czechs and Slovaks appear to have got worse instead of better....

Sir George was even more concerned at the activities of the 'extreme socialists'. In any case, he contended that he was 'not yet prepared to be pessimistic' about Czechoslovakia. His unshaken confidence in the Czechs stemmed from two sources. Firstly, he observed a shift in Czechoslovak foreign policy 'to come to terms with England' in the hope of an influx of British capital. The commercial secretary of the British Legation was assured by Dr Englis, the Czechoslovak Minister of Finance, that the government in Prague would prefer British economic dominance to a large-scale French enterprise. Accordingly, Clerk went on to spread his opinion in the Foreign Office that Czechoslovakia provided the most opportunities for British investments in Central Europe. Secondly, Sir George was impressed by Benes's vision of creating a 'harmonious Central European bloc with the

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1 Clerk to Curzon, Prague, September 1, 1920, BDFA, Vol I, pp.123.
3 Clerk to Curzon, Prague, September 1, 1920, BDFA, Vol I, pp.123.
4 ibid.
5 Clerk to Curzon, Prague, October 7, 1920, BDFA, Vol I. pp.140.
6 ibid.
tacit headship of Czechoslovakia'. The Czechoslovak Foreign Minister sought to kill two birds with one stone. He wished to hinder the French plans for a Budapest-based Danubian confederation while offering a military and political alliance for the victor states in Central Europe. In 1920, these twin aims of Benes appeared to be in line with British interests. Sir George aired the opinion that the 'close association between Czechs and Jugo-Slavs is the foundation of Dr Benes's policy for lasting peace in Central Europe'. It has to be added, however, that Clerk was not unaware of the dangers posed by a policy of creating a buffer zone of the 'emancipated states'. He confessed to Seton-Watson:

What I am afraid of is an attempt to create a counterbalance and thus perpetuate and increase group policies and rivalries in Central Europe...'

The Czechoslovak Foreign Minister himself admitted that the isolated and encircled Hungary was a 'gap in the structure' of the proposed Central European 'peace block'. Nevertheless, he devoted much time and energy to convincing the British and American public that the creation of the tripartite military alliance would be followed by political and economic integration in the region. Benes envisaged a gradual evolution of the

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1 Clerk to Curzon, Prague, October 17, 1920, BDFA, Vol I. pp.145.
4 Clerk to Seton-Watson, Prague, October 19, 1920, Seton-Watson Papers, SSEES, Personal Correspondence Files Box No. 4.
Czechoslovak-sponsored security system:

To the second stage of the evolution of the Little Entente belongs the adjustment of its relations and the relations of its constituent members with neighbouring states, and the drawing in of several of those neighbours to the inner circle....

The Czech founding father of the Little Entente projected the 'widening' of the Alliance, with the possible inclusion of Poland and even Austria. Meanwhile he promised a 'deepening' of the association and more than hinted at an eventual federative solution. Benes successfully combined his military design with Masaryk's war-time propaganda and Mid-European Union plan. The Czechoslovak President and his Foreign Minister were perfectly aware of Anglo-Saxon fears of and distaste for Central Europe's 'Balkanisation'. As Masaryk put it to Benes in November 1918:

The Allies want a constructive policy, not a mere negation of the old (status quo). The Democratic Mid-European Union became such a constructive organ of the small nations. This was my original idea and plan....

At the outset of the 1920s the Czechoslovak Foreign Minister's 'single minded pursuit of the Little Entente combination' impressed the British government. Notwithstanding the ironic remarks on the 'insane ambition of Benes to make Czechoslovakia the pivot of Central Europe', in September 1920 Curzon described the head of Czechoslovak diplomacy as an 'able

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1 ibid.
2 Benes, E. op.cit. pp.72.
3 Zeman, Z. 'Views of Europe, From Prague', manuscript
4 ibid.
and loyal friend of Great Britain’. Eric Phipps, Assistant Secretary of the Foreign Office, emphasized that the Little Entente 'will be of defensive character, it will safeguard peace and enjoy the full support of His Majesty's Government'. The British official, who was renowned for his expertise in French foreign affairs, expressed his hopes that the new Danubian Alliance would 'provide security against the intrigues of the French and the Italian governments'. The optimism of Phipps proved to be ill-founded. In January 1921, Clerk was struck by the 'especial dependence on France' evident in Czechoslovak foreign policy: 'I notice a tendency...to consider France as bound to be the foremost protector of Czecho-Slovak interests....'

Benes was 'by training a Francophil', but in Sir George's account his sudden reliance on the French was motivated by his disappointment in the British. Firstly, the Czechoslovak plea for credits was turned down by Curzon, as a result of the 'blockade' policy of the Prague government. Secondly, British support for Austria and Hungary frustrated Benes's plan to promote

2 Adâm, M. The Little Entente and Europe op.cit. pp.94.
3 ibid.
4 Clerk to Curzon, Prague, January 28, 1921, DBFP Vol XXII. pp.33.
5 ibid.
6 Clerk to Lampson, June 20, 1923, Franke, R. op.cit. pp.114.
7 Curzon to Clerk, F.O., January 18, 1921, DBFP Vol XXII. pp.16.
Czechoslovakia as 'the real centre of Europe'.

Consequently, at the beginning of the 1920s it proved increasingly difficult to pursue a British policy which was pro-Austrian, pro-Hungarian, and pro-Czechoslovak at the same time. The success of such an ambitious strategy in the Danubian triangle was to a large degree dependent on the interrelations of the three Central European states. The improvement in the relations of Vienna and Prague gave cause for hope, but as far as Hungary was concerned there was no real chance of rapprochement. Masaryk pronounced in 1920 that 'the Magyars will be a trouble for us and Europe' for a long time; 'they cannot forget the Slovak, Rumanian & Southslav (sic) flesh pots.' In addition, the British found strong self-seeking qualities in all the Danubian countries, which were pleading with the City for financial assistance. The Czechoslovak President himself was openly inimical towards all the neighbouring 'beggar' states, when he aimed at obtaining loans in London.

The economic situation is strained, not to say bad... It is very difficult to master the situation, because we are surrounded by beggars, who have the same difficulties, though in a higher degree...

Bruce Lockhart, an ardent British advocate of economic integration in interwar Central Europe, found the atmosphere in Prague to be intolerable and as the months passed he became 'more

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1 Clerk to Curzon, Prague, January 28, 1921, DBFP Vol XXII. pp.33.
2 Masaryk to Seton-Watson, February 1, 1920, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.24.
3 ibid.
sceptical and more cynical':

Overweening national ambition expressed in terms of money, and property, was the chief obstacle not only to peace but to cooperation.... No nation or individual, was prepared to sacrifice one inch of territory, one krone of property, for the common good....2

The second obstacle to a parallel British enterprise in all the three Danubian capitals was France. Having failed in Budapest, the French launched diplomatic initiatives in Prague and in no time were posing as a 'guardian' of the Little Entente. Hence, in 1921 the grand design of Benes was reassessed in London and dismissed as a mere sop to French political interests, which only 'increased the chorus' against Britain.' Moreover, the diplomacy of Benes during the two Habsburg restoration attempts cast serious doubts on the Czechoslovak-inspired security system in Central Europe. Although a powerful Czechophile lobby still existed in the Foreign Office, only few British officials were really impressed by the Little Entente ultimatum to Hungary, which was applauded by Clerk as a 'signal triumph for Czechoslovak statesmanship'.3 Sir Thomas Hohler even appealed to the Foreign Office to 'call a halt' to Benes's activities 'as threatening general peace'.4 Crowe and Curzon stated on several

1 Bruce Lockhart, op.cit pp.110.
4 Clerk to Curzon, Prague, April 15, 1921, DBFP Vol XXII. pp.126.
5 Hohler to Curzon, Budapest, May 13, 1921, DBFP Vol XXII. pp.169.
occasions that Hohler was 'apt to be too alarmist and panicky'.

Yet, they expressed strong reservations about Benes's intentions as well. In fact, the Foreign Office took the most active steps to prevent war and even threatened to sever diplomatic relations with Prague and Belgrade in order to curb the military preparations of the Little Entente. During the Habsburg coup d'etat in October the British government positively cursed the diplomatic conduct of the Czechoslovak Foreign Minister. Although Benes professed that he did not favour a military solution, he alleged that in Prague 'public opinion wants war'. In October 1921 Clerk's apology for the bellicose Czechoslovak foreign policy was equally ineffective. Lord Hardinge sent a stern warning to the British Minister in Prague:

His Majesty's Minister should adopt a much stronger attitude towards Czech government if war in Central Europe is to be averted....

The Habsburg affair ended without a Central European war. However, a real war of words erupted between the British ministers in Budapest and Prague. The agitated dispute was prompted by a confidential statement on the part of a French diplomat in Budapest, contending that the Czechoslovak troops which had been mobilised were commanded by well-paid French

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1 Minute of Crowe's, December 5, 1921, PRO FO 794/8
3 Benes to Berthelet, October 17, 1921, in Adám, M. op.cit. pp.161-162.
4 Hardinge, decyphered telegram, October 29, 1921, PRO FO 794/8
5 PRO FO 794/8 Private Office: 'Individual' Files (Clerk files)
officers who wished to justify their existence and 'test the weapons they have forged'. Clerk regarded the story as 'dangerous nonsense' and related it to his French colleague, who complained to his chiefs in Paris. As a result of the whole affair the pro-Hungarian and 'indiscreet' French Minister was recalled from Budapest. Hohler protested furiously in the Foreign Office at Clerk's mishandling of the delicate affair. In point of fact Benes had indeed requested to the French Premier that the planned intervention against Hungary be carried out under the command of French officers, but Briand hesitated to jeopardise French influence in Budapest without any special reason. The Foreign Office, however, became alarmed by the prospect of French military involvement in a Central European crisis. The voluminous correspondence of Sir Eyre Crowe and the two hostile British diplomats on this thorny issue finally 'went to sleep' in December 1921, but the political disagreement and the 'fog of suspicion' between the British Legations in Budapest and Prague remained for years. Quite apart from the apparent rivalry between Clerk and Hohler, the basic point at issue was whether Czechoslovakia had been a menace to Central Europe or the guardian of the region's stability during the restoration attempts. The polemic 'on the merits and demerits of the Czechs

1 Hohler's decyphered note, Budapest, November, 1921, PRO FO 794/8
2 Clerk to Crowe, Prague, November 29, 1921, PRO FO 794/8
3 Pouchet to Briand, November 8, 1921, in Adám, M. op.cit pp.163.
4 ibid.
and the Hungarians' preoccupied the whole staff of both British Missions.¹ Even the commercial secretaries were involved in the essentially political debate. In the Legation in Budapest Humphries devoted a lengthy memorandum to denouncing the 'Czecho-Slovak aggression'. In Prague, Bruce Lockhart zealously defended the Czechs:

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 regime in order to install in Budapest a Socialist government....²

Economic arguments were also advanced in the controversy but only to accentuate the advantages or disadvantages of Czechoslovak and Hungarian orientation for Britain. Lockhart held that Czechoslovak finance was 'on a much sounder basis than that of any other state in Central Europe', while Hohler's commercial secretary attacked the protectionism of the government in Prague.³

All the same, by 1921 in the Foreign Office the supporters of Hungarian orientation prevailed. Sir Eyre Crowe, the Permanent Under-Secretary for Foreign Affairs, and some of his protégés in the Central Department, such as Leeper, Nicolson, Wigram, Cadogan, and even Lampson still considered Czechoslovakia as the 'most important' Successor State, though they could not ignore

¹ Cecil to Curzon, Prague, November 11, 1921, DBFP Vol XXII. pp.570.
² ibid.
³ ibid.
the increasing French influence in Prague.' Furthermore, as Crowe pointed out to Clerk, the Czechs had a 'bad press' in London.2 The international situation and the domestic politics of Czechoslovakia equally militated against British overtures in Prague. Clerk himself was galled by the corruption of Czech officials and the 'glaring injustices' of the land reform, which he once described as 'bare-faced robbery'.3 He reported to Curzon that the government in Prague was set out on creating a 'broad belt of Czech colonisation encircling Germans and Magyarised Slovaks'.4 After less than two years in Prague, Sir George also acquired a strong distaste for party politics in Czechoslovakia:

The fact is that the government were in reality never free from party politics. Everything that they wished to do had first to receive the sanction of the 'Petka', the Parliamentary Committee of the five leaders of the five most important Czech parties.... The real power lay in the hands of this committee, an imperium in imperio of a dangerous nature, since its members had the real control without the responsibility for their acts... The regime of the 'Petka' should be done away with before it crystallises into the Constitution....'

In addition, the British diplomat regarded the appointment of Benes as Prime Minister 'with some apprehension'.6 He feared that the new Premier, 'by streets the most intelligent Central

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1 Cadogan's minute, October 18, 1923, Franke, R. op.cit. pp. 116.
2 Crowe to Clerk, F.O. December 9, 1921, DBFP Vol. XXII. pp.617.
3 Clerk to Curzon, Prague, June 24, 1921, BDFA Vol I pp.255-256.
4 ibid.
5 Clerk to Curzon, Prague, July 30, 1921, BDFA Vol.I. pp.265.
6 Clerk to Curzon, Prague, October 3, 1921, BDFA Vol.I. pp.277.
European statesmen' and an 'asset' in the field of foreign affairs, was prone to losing his control of Czechoslovak diplomacy.

In spite of his frustrated ambitions and growing irritation with Bohemian politics, Clerk continued to be a benevolent critic of 'Czecholand'. He maintained that:

Czecho aspirations, while not more altruistic than those of any other state with which I am acquainted, approach more nearly to common sense and offer more hope of stability than those of any of the country's possibly more attractive, but certainly even more idiotic neighbours....'

In late 1921, however, Sir George had to face the reality that British interest in Czechoslovakia had become 'more academic and benevolent than that of France'. The senior English diplomat clung on to his status in Prague, and yet he was powerless to prevent the gradual cooling in Anglo-Czechoslovak relations. The Little Entente states' militant handling of the Habsburg affair was not quite enough to explode the 'Czech myth' in the Foreign Office, but it caused considerable resentment in London. Still in 1922, the renowned optimist Benes bragged in a letter to Masaryk that he 'got on well with the English'. At the same time, the Czechoslovak Foreign Minister was slowly becoming the butt of criticism and ridicule in London. Lord Curzon, whilst

1 Clerk to Lampson, March 20, 1923, FO 371/8846, see also Franke, R. op.cit pp.114.
3 The 'Czech myth' exploded in 1924, when Lampson circulated a strongly worded report of Clerk's to the King and the Cabinet. Franke, R. op.cit. pp.58-59.
conceding to Clerk's argument that 'Dr Benes's policy was essentially peaceful and free from adventure', remarked acerbically:

My own impression (of Benes) is that he travels too hard and talks too much...2

In short, Prague was not to be the pivot of British foreign policy in Central Europe. The head of Czechoslovak diplomacy appeared to be unduly self-confident in claiming:

Out of the new states at least one should, as soon as possible, be completely consolidated... Czechoslovakia was the likely candidate for this role in the interest of all of Europe...3

The importance of Prague as 'the cultural and geopolitical centre of a large zone of small nations and states'4 was seen by many Britons as grossly exaggerated. In 1921 there was not much British economic interest in Czechoslovakia either. Regardless of the successive pleas of Benes for loans, which were firmly backed by Clerk and Lockhart, the bankers of the City of London were reluctant to commit in the order of ten million pounds to a country in a 'baffling and remote part of Europe', which was known to be closely linked with France.5 In the words of the British Commercial Secretary in Prague, there were 'legitimate

1 Clerk to Curzon, Prague, October 5, 1922, DBFP Vol.XXII. pp.364.
4 ibid.
5 Zeman, Z. op.cit pp.11.
fears' in Czechoslovakia that 'British bankers were counting on Berlin, Vienna and Budapest to act as conduits for British economic expansion in the East'. There were many signs that the Foreign Office was more interested in reestablishing the links between Vienna, Budapest, and Prague, than in creating a new centre in the middle of Europe. Although the 'new Bohemia' was far more prosperous than her Central European rivals, for Britain the Czechoslovak capital had become the weakest point in the Danubian triangle. In Prague, unlike in Budapest, British influence had been successfully undermined by France. Clerk maintained his position as probably the most influential foreign adviser of Masaryk, but in the teeth of rising Czech Francophilia Sir George's persistent diplomatic struggle against French aspirations was doomed to failure. The British Legation in Thun Palace gradually became a popular meeting point for Western diplomats and Czech government officials, but by no means the centre of British power in Central Europe. It served only as a vantage point, 'an admirable political observatory from which to watch the storm-clouds which the Peace Treaty had left over the Danubian plain'.


2 Lockhart op.cit. pp.56.
3. ‘One Foot On Each of Two Horses’: The diplomacy of Benes

The historian of European politics will have to dwell seriously on the Genoa Conference...’

This prediction of Benes’s proved to be extremely accurate. And yet, the Czech Prime Minister’s statesmanship has received scant praise in the extensive historiography of the conference. Quite the contrary, Czechoslovakia is regarded as a ‘significant loser’ of the diplomatic battle in Genoa. Despite all the manoeuvres of Benes, Britain and France were not reconciled at the conference. In addition, a German-Russian agreement was concluded in Rapallo, which appeared to pose a new and direct threat to Prague. And last but not least, Lloyd George grew hostile towards the head of the Czechoslovak Delegation. Although the wily Czech Foreign Minister had a time-honoured habit of making triumphs out of his failures, in May 1922 he was even reproached by his mentor, President Masaryk, who expressed deep concern at British criticism of Czechoslovak diplomacy.

Benes was wary of Lloyd George’s aims from the very start. Even so, he boasted to Masaryk that he could ‘save the conference’. As a ‘very sly and shrewd politician who knows on

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1 Benes’ speech in the Czechoslovak National Assembly, May 23, 1922, in Hadler, F. ‘The European Policy of Czechoslovakia’ op.cit pp.171.


3 Benes to Masaryk, Genoa, April 17, 1922, Zeman, Z. op.cit pp.17.
which side his bread is buttered', he tried to take advantage of the international forum to promote the Little Entente as a 'Fourth Great Power' in Europe. He claimed to be representing the eighty million people of Central Europe, the population of the Little Entente states, and Poland - whose membership, however, he had steadfastly blocked. Benes advertised himself as the spokesman of the whole region, regardless of the fact that during three months of preparations he had not even been able to formulate a common platform for the Italian conference with his close allies. In fact, at the beginning of 1922 he did not actually consult his Romanian and Yugoslav colleagues, but pursued his own ends. In any case, he took advantage of his reputation as the harbinger of the Central European bloc of states and begged the British Prime Minister to 'give his benediction' publicly to the 'survival and prosperity' of the Little Entente.'

The thrust of Benes's strategy was to regain some of the lost ground for Czechoslovakia in London by way of demonstrating her independence from France. Still, he was prudent enough to

1 This was one of Joseph Addison's numerous antagonistic comments on Benes. Addison to Sargent, Prague, January 25, 1932, PRO FO 371/15900, See also Franke, R. op.cit. pp.193.

2 Hadler, F. 'The European Policy of Czechoslovakia' op.cit pp.178.


avoid a break with Paris. In a secret telegram to Prague he stated:

I think I shall join Lloyd George if his negotiations on the Russian question are successful. But I shall not do anything openly against France...

In the Foreign Affairs Committee of the Czechoslovak Parliament Benes professed that his guiding line in foreign affairs was 'neither a French, nor a British, nor a German, nor a Russian...but only our Czechoslovak policy.' Then, during the Genoa conference, he expounded to Masaryk that he 'sometimes supports the English, sometimes the Italians, at other times the French', but his main objective was 'to even things out'. These comments aside, Czechoslovak diplomatic strategy was built on close collaboration with the Great Powers, above all France and Britain. In the Senate Benes declared:

Intimate cooperation with France and Britain is the conditio sine qua non of our entire policy....'

Consequently, in early 1922 the Czechoslovak Prime Minister embarked on a 'solo venture' to mediate between Paris and London. Although the task of reconciling Poincaré and Lloyd George was an extremely difficult one, the Czech 'arbiter' was inordinately confident. In February, after lengthy conversations with Curzon, Balfour, and Lloyd George, he proclaimed that he had

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1 Adám, M. 'The Genoa Conference and the Little Entente' op.cit. pp.198.
2 Benes' address in Parliament, January 18, 1922, see Hadler, F. op.cit pp.178.
3 Žeman, Z. op.cit. pp.17.
4 Benes's speech, March 8, 1921, Hadler, F. op.cit pp.172.
5 ibid.
succeeded in 'achieving an accord between Britain and France'. In a telegram to Prague he confirmed that 'complete agreement was achieved' in England. At the Czechoslovak Legation in London Jan Masaryk congratulated Benes. He reported to his father that the success of Czech diplomacy was 'mounting to a triumph'. The President's son ridiculed the 'petty political illiterates' in Prague who underestimated the genius of Benes. He recorded:

I talked to Lloyd George again yesterday, who thanked me, with a trembling voice (and he is not very good at trembling) for the service rendered by Benes...

Indeed, the Czech politician played a crucial role in mediating between the rival Entente Powers. According to some accounts the meeting between Poincaré and Lloyd George at Boulogne-sur-Mer was the result of Benes's shuttling between the Western capitals. Although Benes 'established no personal amitié' with Lloyd George, on one occasion even the British Prime Minister openly praised his 'statesmanship'. All the same, the Foreign Office was not impressed by Czechoslovak policy, and Curzon vetoed the Little Entente's participation in any preliminary meetings of the conference.

1 Hadler, F. op.cit. pp.181.
2 ibid.
In Genoa, British suspicions about the Czechoslovak Premier were confirmed. At the very beginning of the Conference, Benes emerged as the leading opponent of the British-sponsored Hungarian proposal on minority questions. Thereafter, he was blamed for the intransigent attitude of the Little Entente states on the question of Austrian reparations as well as for the deadlock of British-Russian talks. In addition, Lloyd George was positively angered by the Czechoslovak politician's demonstratively friendly relations with H. W. Steed. The Francophile editor of The Times was an ardent political opponent of the British Prime Minister and a sharp critic of the European reconstruction plan. Shortly before the Genoa forum opened he had telegraphed from Vienna that:

the conference will succeed if it leaves the European situation no worse than it was before....

In Italy, Benes saw a fair amount of Steed. After all he was 'not only an old personal friend but a man who had done work during the war for which the Czechoslovak Republic owed him a debt of gratitude'. The Czech politician was aware of the British Prime Minister's irritation with the editor of The Times, but did not pay too much attention to it. He wrote to Masaryk from Genoa that 'Steed and Mme Rose are here, and they persecute Lloyd George a lot, who is meant to be furious with them'. In spite of the immense political risks, Benes frequently supplied

1 Steed's telegraph of April 9, 1922, Seton-Watson Papers, SSEES, Box no.26.
2 Memorandum by Clerk, July 19, 1922, Frankle, R. op.cit. pp.92
3 Zeman, Z. op.cit. pp.22.
the British journalist with first-hand information. Once he leaked a private conversation with the British Prime Minister and the correspondent used the confidential material against Lloyd George. Steed reported:

On May 5, the British Prime Minister informed the principal delegate and Foreign Minister of a country, which adheres to the Little Entente that should the Conference fail to reach a general European agreement with the Bolshevists, Great Britain would revert to a policy of entire isolation and would take no further interest in European Affairs...

According to Lloyd George the reports of The Times were 'just the ravings of a person who is insane with desire to wreck the Conference'. However that may be, he became positively outraged by Benes's indiscretion. Steed's story of the growing British disinterest in European affairs, labelled as 'a deliberate and malicious invention' by Austen Chamberlain, caused real friction between the Czechoslovak and the British delegation. Griggs, the Prime Minister's secretary, requested the Foreign Office to inform Masaryk that 'Benes's relations with Wickham Steed were not bien vus.'

The Anglophile President of Czechoslovakia was 'greatly distressed' by the news of a personal conflict between Lloyd

1 Manuscript of Steed's 17-page article, undated, Seton-Watson Papers, SSEES, Box no.26.
2 ibid.
3 ibid.
George and Benes. He was anxious to demonstrate his loyalty towards England, particularly after the first Czech Government loan had been issued in the City on April 6, and the Anglo-Czech Bank had been opened on April 12. For Masaryk, the controversy about Benes's diplomatic conduct came at the worst possible time, when there were distinct signs of a small improvement in Anglo-Czechoslovak relations. In the spring of 1922 the conditions for British enterprise in Prague were favourable due to a 'gradual diminution' of French influence. Clerk noticed that 'cracks were plainly discernible in the foundations of Czech and French friendship'. He was pleased to report from Prague that the wisdom of a 'more or less blind allegiance to France is now at least open to question'. In England, in the spring of 1922, Miles Lampson was so impressed by the statesmanship of Benes that he announced:

He is the biggest man in Central Europe today...

Even the Private Secretary of Lloyd George admitted that Benes's diplomacy before and during the earlier stages of the Genoa Conference undoubtedly 'gave the impression that he

1 Clerk to Curzon, Prague, June 4, 1922, DBFP, Vol XXIV. pp.216., see also Zeman, Z. op.cit pp.22.
2 DBFP Vol XXIV. pp.186.
3 Clerk to Balfour, Prague, May 25, 1922, DBFP, Vol.XXIV. pp.211.
4 ibid.
5 ibid.
6 Franke, R. op.cit pp.117.
favoured British views'. The Steed affair, however, cast serious doubts about Benes's loyalty to Britain.

In the wake of the failed Genoa forum a Foreign Office document struck an unprecedentedly unfriendly note on the Czech Premier, describing him as no more than a double-dealer:

Mr. Lloyd George became firmly convinced about halfway through the conference that Mr Benes was playing a double game and inciting the Bolsheviks to resist our proposals in order to leave the ground clear for a separate agreement between his government and them. This is indeed what happened. Within a few hours of the breakdown of the Conference he was busy negotiating an agreement: and I must say that the information about his activities which reached me from quite independent and reliable sources was not altogether to his credit...'

In Whitehall Allen Leeper, the Assistant Private Secretary of Curzon, took up the Czech cause and tried to controvert the 'lies disseminated about Benes and his alleged "disloyalty" in Genoa':

Benes (and Benes means Masaryk) is too honest and determined a man not to make enemies. The present grievances against him are to my mind absurd. He is a true and intelligent friend of this country....'

Sir Eyre Crowe shared Leeper's views 'entirely'. The administrative leader of the Foreign Office minuted:

"It would be in many ways deplorable if we lost the good will of Czechoslovakia, the most reputable and best intentioned of the new states..."

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1 DBFP Vol.XXIV. pp.216.
2 Joseph Peguy, F.O., October, 27, 1922, see Franke, R. op.cit pp.93.
3 A.W.A. Leeper's minute, June 6, 1922, DBFP Vol.XXIV. pp.216.
4 ibid.
5 Crowe's minute and Balfour's comment, June 6, 1922, DBFP Vol. XXIV. pp.216.
Crowe sought to 'clear up the matter' with Lloyd George, and Balfour, who 'always thought well of Benes', offered his assistance. Meanwhile, the Czechoslovak Prime Minister himself made an attempt to iron out the differences between the Czechoslovak and British governments. He confessed to Clerk that 'the progress of events at Genoa had obliged him to adopt an attitude which might have disappointed the hopes of the British members of the Conference'. Still, he denied any interference in British domestic affairs. He contended that his attitude to Britain 'had not been judged fairly on its merits but had been prejudiced by his association with Mr Wickham Steed'. By 1922 Sir George himself regarded Benes as an 'unconscious opportunist', but went on defending him in the Foreign Office:

As a matter of fact, he had nearly on every occasion when he saw Mr Wickham Steed begged him to be more moderate and sensible and had pointed out the folly and danger of his perpetual attacks on the British Prime Minister, and he had so far impressed Mr Wickham Steed as to secure some moderation....'

The Czech Premier's apology was not wholly convincing, but the Foreign Office did not press the matter any further. Balfour, the acting Foreign Secretary during Lord Curzon's illness, did not wish to sever relations between London and Prague just at the moment when the Baring Bank was issuing the first tranche of a substantial Czechoslovak loan. Clerk was forced to admit that 'Dr

1 Memorandum by Clerk, July 19, 1922, see Franke, R. op.cit. pp.92.
2 ibid.
3 Clerk to Curzon, Prague, October 5, 1922, DBFP Vol.XXIV. pp.360.
4 ibid.
Benes has not and never will have the moral weight of the President', 1 but he emphasised that Czechoslovak foreign policy was essentially inspired by President Masaryk, who 'trusts us as noone else'. 2 The British Minister in Prague once again expressed his total confidence in the viability of an independent Czechoslovakia, which 'can bind itself neither to France nor to England'. 3 At the time of the resignation of Benes's government, in October 1922, he explained to Curzon:

Dr Benes is like a circus rider with one foot on each of two horses. So long as they canter harmoniously round the ring he maintains his balance perfectly, and even when they tend to draw apart he contrives to maintain the equilibrium for a surprising length of time, but finally comes the moment when he has to stick to one horse or the other or fall on the ground between the two, for not all his art can bring the two horses together again...'

Clerk conceded that 'Dr Benes's tendency has been perhaps to stick to the French horse', but he hinted that the delicate Anglo-French equilibrium in Prague could be sustained for a long time. 4 Sir George assured the British Foreign Secretary:

Dr Benes.... hopes he may never be called to divide his allegiance between England and France, for he regards the enduring of that alliance as the sheet

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1 Clerk to Curzon, Prague, October 5, 1922, DBFP Vol.XXIV pp.360.
2 Clerk to Balfour, Prague, June 4, 1922, DBFP Vol.XXIV. pp.216.
3 Clerk to Balfour, May 25, 1922, DBFP, Vol.XXIV. pp.211.
5 ibid.
anchor of Czechoslovakia's existence....

Curzon fully endorsed the 'very accurate' analysis of Clerk. Although he had the habit of making caustic remarks about Benes's verbosity, the Secretary of State had a great respect for both Czech leaders in the early twenties. In February 1923 he announced in a speech in the Aldwych Club:

Czechoslovakia is ruled by enlightened and patriotic men. I refer to professor Masaryk and Dr. Benes...

Several months later, at an official banquet during the Czechoslovak president's visit to London, Lord Curzon made still more flattering remarks on the 'Great Twin Brethren' of Masaryk and Benes 'to whom the Dorians pray':

The names of President Masaryk and Dr Benes were indissolubly linked with the fortunes of their country. Dr Benes is the real founder of the Little Entente; and it is no longer an exaggeration if I say that there is no man in Europe at present who exercises a more vital influence on foreign affairs than the Foreign Minister of the Czechoslovak state. (Cheers) Whenever I have had an interview with Dr Benes, I always feel as though a breath of fresh air blew from the eastern lands of Europe into the dungeon in which I am confined. (Cheers) And if I am now to state the attitude of the British Government to the Czechoslovak Republic, I can say that we regard this great experiment, now nearing the fifth year of its commencement, with profound sympathy and admiration....

The extremely friendly and complimentary remarks of Curzon

1 Clerk to Curzon, Prague, October 5, 1922. DBFP Vol.XXIV. pp.364.
3 Notes for Lord Curzon's speech of 28 February, 1923, Headlam-Morley Papers, Churchill College, Cambridge, Box No.2.
4 Curzon's speech at a banquet during Masaryk's visit, October 2, 1923, Seton-Watson Papers, SSEES, Box no.26.
suggest that ‘these were the nicest days in British-Czechoslovak relations’.' In any case there were already considerable strains in the relations of Britain and Czechoslovakia in 1922 and even more so in 1923. Despite Benes’s successive pledges, the government of the new Republic refused to pay the pre-war debts to Britain. Soon after the first tranche of the Baring loan had been issued Cadogan commented in the Central Department:

I do still complain that, while every concession has been made throughout to Czechoslovakia, we have never succeeded in obtaining any substantial concessions from them... We have received promises, assurances, verbal undertakings & c. from Dr Benes, which appear to be worth exactly nothing....

In August 1922, the Czechoslovak Foreign Minister’s cool response to Ignaz Seipel’s desperate plea for economic assistance caused another disappointment in London. The Austrian Chancellor set out on a pilgrimage for Anlehnung in Berlin, Verona, and Prague, but in vain. Akers-Douglas, the British Minister in Vienna commented:

The Czechs should remember...who it was that severed the ancient, natural economic links which bound together Austria and what is now Czechoslovakia. It is not Austria, and Austria even now would welcome the re-establishment of those links...

The Foreign Office exercised strong pressure on the Czech leaders to change their hostile attitude towards Vienna. In September, Clerk visited Masaryk at his country house in Lana

1 Jelinek, Y. 'T.G. Masaryk and the British Foreign Office' in Schmidt - Hartmann - Winters ed.(1991), Großbritannien die Vereinigten Staaten von Amerika und die böhmischen Länder, Munich
2 Cadogan’s minute, July 25, 1922, Franke, R. op.cit. pp.111.
(Lány), to attempt to persuade him that ‘Czechoslovakia should be better able than any other State to give effective help to Austria’. The President was receptive to the British suggestion and made the surprising offer of establishing a union between Czechoslovakia and Austria. He proposed a close association of the two states, ‘common foreign policy, customs and monetary union and also an army uniformly equipped and able to work in cooperation’. In the spirit of ‘utmost frankness’, Masaryk explained the motives of his plan:

We prefer our union with Austria to the union of Austria with Germany or Italy...'

For Clerk the prospect of such a confederation or Zollverein between two hostile countries seemed to be ‘remote’, but he saw ‘no inherent objection to the scheme in principle’. In London, Lord Curzon ‘willingly gave his general assurance’ that the British Government was ‘determined to accept any scheme which on its merits will promote the revival of Austria’.

In sum, in 1922 the Foreign Office refrained from exerting direct influence on the government in Prague. On the important

1 Clerk to Curzon, Prague, September 12, 1922, DBFP Vol.XXIV. pp.339.
2 ibid.
3 Campbell, F.G.(1975), Confrontation in Central Europe, Weimar Germany and Czechoslovakia, Chicago, pp.115.
4 Clerk to Curzon, Prague, September 12, 1922, DBFP Vol.XXIV. pp.339., see also Campbell F.G., op.cit pp.115.
5 ibid.
6 Curzon’s reply to Clerk, September 22, DBFP Vol.XXIV. pp.341.
issues, however, it tried to induce the Czechoslovak Minister for Foreign Affairs to demonstrate his good will and flexibility. For example, in Geneva, at the third Assembly of the League of Nations, Lord Balfour gave all his 'support and help' to Benes on the troublesome question of minorities, in order to assure Czechoslovak participation in the reconstruction of Austria. ¹ Although in the Central Department, Alec Cadogan condemned the 'great hostility' of Czech officials to the German language and culture, in 1922 the Foreign Office accepted the 'Czechification' of the Deutschen-Böhmen as a 'necessary but painful adjustment'. ² Thus, the British representatives in Geneva looked favourably upon Benes's manoeuvres to block the petitions of the Ruthenians and Sudeten Germans at the League of Nations. With the assistance of Balfour, the Czechoslovak Foreign Minister managed to secure from the Assembly a resolution condemning 'disloyal and insincere' minorities. ³ In return, however, he had to accept the British line on the question of Austria's rehabilitation and Hungary's admission to the League.

For all this, Central Department officials were convinced that the government in Prague would not hinder British plans for the reconstruction of Central Europe. Yet, Benes had no intention of allowing the rehabilitation of Hungary. He conceded to Clerk that 'it was better to have Hungary within the frame and subject

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¹ Clerk to Curzon, Prague, September 22, 1922, DBFP Vol. XXIV. pp.352.
² Cadogan to Tufton, August 29, 1922, DBFP Vol. XXIV. pp.322., see also Cornwall, M. 'A Fluctuating Barometer...' op.cit pp.315.
to restrictions of the League rather than perpetually agitating outside', but he ruled out any more concessions to the Magyars. John Cecil, the First Secretary of the British Legation in Prague, reported to Curzon that Benes was 'not at all optimistic' about the prospects of a rapprochement with Hungary because of the 'extravagant claims' of the Magyars.' British officials voiced doubts about the sincerity of Benes's argument. In fact, even Clerk was piqued by the determinedly anti-Hungarian attitude of the Czechoslovak Foreign Minister:

Every time that Benes speaks of Hungary he always shows that, in spite of his officially expressed desire to conciliate them, he really in the back of his mind would like to humiliate them on every occasion.... He has... always said that a permanent peace with Hungary is impossible, that Hungary will never be reconciled and when he says this he appears to say it with some relish as though it were in the ordinary nature of things...^2

Although President Masaryk intimated time and again that a minor rectification of the Czechoslovak border with Hungary was not out of the question, it was noted by the Foreign Office that Benes did not regard it as either possible or admissible to yield a single square meter to Hungary. On the other hand it was hoped in London that Czechoslovakia, in Clerk's opinion 'a centre of relative decency', would at least not obstruct the economic reconstruction of Hungary. Curzon, Crowe, and Lampson concurred with the opinion of the British Minister in Prague that

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1 Cecil to Curzon, Prague, October 27, 1922, DBFP Vol.XXIV. pp.380.
3 ibid.
Czechoslovak foreign policy was 'free of all taint of political intrigue'. In June, when Sir Thomas Hohler launched a new campaign against Benes, the head of the Central Department flatly stated:

Clerk is of course our first authority on Benes: if we believed that the latter was 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....

Although Miles Lampson became rapidly disillusioned by the 'far too specious and plausible' Benes, in June 1923 he still accepted Clerk's positive judgement on Czechoslovak foreign policy. Then came a sudden shock. The Czechs voted with the French against an Anglo-Italian proposal for Hungary's rehabilitation at the Reparation Committee. This time it was not easy to rebut Hohler's contention that Benes was 'dead set' on causing trouble for the Magyars. The chief of the Central Department had to admit that the Little Entente states were taking 'a very risky path'. 'It is a policy with which we have no truck' Lampson told Seton-Watson categorically.

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1 Clerk to Curzon, Prague, October 5, 1922. DBFP Vol.XXIV. pp.361.
3 Lampson's minute, January 17, 1925, Franke, R. op.cit. pp.117.
4 Hanak, H. 'British Views of the Czechoslovaks...'op.cit. pp.100.
5 Butler's Minute, June 28, 1923, PRO FO 371/C11337/942/21
6 Lampson's minute, June 28, 1923, PRO FO 371/8863/C11337/942/21
7 Lampson's minute, July 3, 1923, Franke op.cit pp.118.
Czech intransigence towards Hungary resulted in strong resentment amongst Treasury officials too:

The influence of Czechoslovakia and enlightened policy which in other connections she has pursued, are well known and appreciated in this country which has given its sympathy and on many occasions its practical support to the Czechoslovak renaissance. The impression created by her attitude on Hungarian reparation has for this very reason been all the more disappointing....

Above all, Benes's diplomacy was the cause of rapid disenchantment in the City of London, where the Czechoslovaks were trying to raise a huge loan. Montagu Norman, the driving force behind the British policy for Central European reconstruction, was especially disconcerted. 'We are having a great deal of trouble with the Czechs', he recounted to Crowe.

The Governor of the Bank of England and the Permanent Under-Secretary of the Foreign Office were in full agreement that the only way to change the uncompromising attitude of the Little Entente was to 'work on them through the Czechs'. Accordingly, Norman advised the Baring Brothers not to issue the second tranche of the loan to Czechoslovakia. Meanwhile, he explained to Mastny, the Czechoslovak Minister in London:

We think moment approaching when it might be possible to deal with second tranche but we doubt if British government would look with favour on our taking matter up so long as Czechoslovakian (sic) Government by its attitude before reparation Commission continues to debar economic rehabilitation of Hungary. We wait to hear whether it will be possible for your government to...

2 Norman to Crowe, June 27, 1923, PRO FO 371/8863 C 11702/942/21
to take such action as will modify this attitude. We should regret to miss possible favourable opportunity for making second tranche as these opportunities do not often recur.....'

Although direct British pressure on Prague bore fruit in the long run, in the summer of 1923 it resulted only in an immediate and marked cooling off in Anglo-Czechoslovak relations. The 'exceedingly upset' Benes told Clerk that he had decided not to visit London and that he would venture to get the money elsewhere. Sir George was perturbed by the announcement and during 'two heart-to-heart talks' he tried to persuade Benes 'not to be an ass'.^2 Meanwhile he endeavoured to soften the attitude of the Foreign Office too. He used all his persuasive power:

Little though I like the Czechs as a man and a brother, I am sorry to see him unnecessarily rubbed up the wrong way, because it reacts to our disadvantage....'

Notwithstanding the risk of Czechoslovakia's 'definite enrolment in the French camp', Lampson remained unyielding:

Dr Benes may rant and rave: but that merely shows that the financial pressure is proving effective. I should allow him to rant as much as he likes: and if he can get the money elsewhere, tant mieux pour lui....'

So Benes had no alternative but to 'go the whole hog with France'.^3 He expressed anger and growing uneasiness about British influence in Central Europe. He conveyed to Couget as early as

Norman to Pospisil, June 7, 1923, see Franke, R. op.cit. pp.113.
2 Clerk to Lampson, Prague, July 3, 1923, Franke, R. op.cit pp.115.
5 Clerk to Lampson, March 20, 1923, Franke, R. op.cit pp.114.
May 1923 that:

...the loan (to Hungary) cannot be realized but upon Britain's intervention. And in this case Britain would probably find the ways and means to establish a sphere of interest it does not possess at present. Thereupon it will have the possibility to interfere in Central European problems - but probably not to the advantage of France and the Little Entente...

By contrast, Masaryk continued cultivating amicable relations with the British and distanced himself from the French. In March 1923, however, he was put in an 'awkward position' when General Mittelhauser started to press on him 'an urgent invitation' to Paris. As Clerk recounted to Curzon:

The President suddenly said that the French were trying their best to get hold of him and his country and put Czechoslovakia into the position of Poland...

The Professor-President had no intention of 'letting himself be used as an advertisement by France'; still, in May 1923, Marshal Foch handed him a formal invitation, which was 'impossible for him to refuse'. Although in Clerk's words 'French nerves suffered much from a quite unnecessary fear that enough fuss was not being made over the Marshal', the aggressive strategy of the Quai d'Orsay proved effective. The British Minister noted that even 'a visitor from another planet' would

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1 Couget's report to Poincaré, May 14, 1923, Adám, M. op.cit. pp.271.
2 Clerk to Curzon, Prague, March 12, 1923, DBFP Vol.XXIV. pp.542.
3 ibid.
4 Clerk to Curzon, Prague, May 25, 1923, DBFP Vol XXIV pp.669.
5 Clerk to Curzon, May 17, 1923, BDFA Vol.II. pp.37.
have gathered from the speeches of Foch what he was aiming at. The 'great soldier' declared to Benes that Czechoslovakia was 'the most important link in the French chain', and pressed for a military convention between the two countries. Masaryk was averse to having 'that sort of an understanding "in writing" ', and was therefore in no hurry to visit Paris. 'The French sent me their Marshal; I return the compliment with my Minister', he remarked drily to Clerk. Nevertheless, the Czechoslovak President was in a predicament and 'quite openly showed his desire' for British assistance. He expressed his wish to combine his negotiations in Paris with a 'quiet' visit to London and the British Minister in Prague gave a sympathetic ear to the request. Although Clerk was exasperated by the 'peculiar affection' and 'ineradicable love' of the Czech people for France, he jumped at every opportunity 'to outbid the French'.

In spite of the 'strong and outward confirmation of the close union of France and Czechoslovakia', the British Minister in Prague did not lose his inherent optimism:

....the French might be pardoned for thinking that

1 ibid.
2 ibid.
3 ibid.
4 ibid.
6 Clerk to Curzon, Prague, May 17, 1923, BDFA Vol.II. pp.38.
7 ibid.
they have this country in their pocket. But I doubt whether, when time for reflection comes, there will not be a reaction, and a tendency to feel that complete vassalage to France advances neither the dignity nor the interests of Czechoslovakia....'

The hopefulness of Sir George was time and again encouraged by Masaryk. 'This country cannot tie itself hard and fast to France' wrote Clerk, reiterating the words of the Czechoslovak President. 2 Hence, the British Minister in Prague asserted to Crowe with great confidence:

In the big things...they are, I think, more with us than the French. You will see how this comes out from the extraordinary openness with which the President talks to me and the confidence he reposes in me. Putting aside the personal aspect, this is because he feels that on the main lines the views of the two countries are identical, and he wants us to realise this and himself to feel that he has our moral support...'

Curzon and Crowe welcomed Masaryk's request to visit England. 4 British officials were keen to encourage the Czechoslovak President's attempts to resist French pressure. Yet, the British Foreign Secretary was far less enthusiastic about the proposed meeting with Benes. He remarked acidly:

As to Dr Benes he turns up where he likes, and we are always glad to see him because he saves one all the trouble in talking and assuming the entire responsibility...'

1 ibid.
2 ibid.
4 Curzon to Clerk, F.O., June 11, 1923, DBFP Vol XXIV. pp.704.
5 Curzon's minute, May 25, 1923, see Campbell, F. G. op.cit. pp.123.
By 1923 Masaryk and Benes did not command the same respect in London. Even so, during their visit in England they were treated by the Foreign Office 'as a unit'. It did not go unnoticed that during the summer of 1923 Benes suddenly grew more cautious with his overtures in Paris and even tried to postpone the negotiations on the military convention. Apparently he did not see eye to eye with Masaryk over the assessment of British and French policy, but there was no great political division between them. After all they both stuck to the 'French horse'.

In mid-October Masaryk announced in Paris:

In good and evil fortune we are with France and France can count on us...'

The leaders of the Foreign Office were not overly troubled by Czechoslovak professions of love for France. To begin with, Masaryk informed the British that during his stay in Paris the hosts would 'make a fuss of him'. Then, in a private conversation with Curzon, the President 'stated with the utmost candour the ties, political, sentimental and practical, by which his country was united to France, but he indicated quite clearly that he did not mean those bonds to be converted into chains.'

And last but not least, Masaryk emphatically denied the existence

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1 Curzon's speech, October 2, 1923, and Seton-Watson's undated notes in Seton-Watson Papers, SSEES, Box no 24.
2 Campbell, F.G. op.cit. pp. 122-123.
3 Peterson to Curzon, October 19, 1923, BDFA Vol.II. pp.63.
4 Clerk to Curzon, Prague, March 12, 1923, DBFP Vol.XXIV. pp.
5 Curzon to Peterson, F.O., October 11, 1923, BDFA Vol.II. pp.64.
of any military agreement between France and Czechoslovakia. Lord Curzon recorded:

He told me that he had rejected *in toto* the military convention which had been suggested to him by the French Government....

For all this, British Government officials trusted that the Czechs would continue their 'sober and sensible foreign policy' and would not subordinate themselves to the French military alliance. Hence, Masaryk enjoyed a remarkably friendly reception in London. The visit to England was less formal than that to France, even though it was turned into 'an international festival'. At a banquet Curzon praised Czechoslovakia as 'a model for surrounding countries, and an island of tranquillity amid the stormy seas which some of us have to survey today'. In a private conversation, the British Foreign Secretary went as far as describing the Czechoslovak Republic 'as the one solid element of stability in Central Europe'. He depicted the new Bohemia as 'the principal ray of light that penetrated' the European picture of 'no small gloom'. Masaryk, on the other hand, appeared to be 'particularly insistent upon the necessity of England not ceasing

1 ibid.
2 Hanak, H. 'British Views...' op.cit pp.102.
3 Jelinek, Y. 'T.G. Masaryk and the British Foreign Office' op.cit. pp.277.
4 Curzon's speech, October 2, 1923, Seton-Watson Papers, SSEES, Box no 24
5 Curzon to Peterson, F.O., October 11, 1923, BDFA Vol.II. pp.64.
6 ibid.
to take interest in the affairs of the Continent.'

In sum, towards the end of 1923 Anglo-Czech relations on the surface appeared to be cordial. Despite the principally pro-Magyar line of the Central Department, British government officials cultivated good relations with the Czechoslovak leaders. Although Benes's markedly anti-Hungarian and pro-French diplomacy was not above suspicion, Masaryk left an exceedingly good impression in London. Curzon was able to rest assured about French military designs in Central Europe, because he had the word of the Professor-President that a political convention between Czechoslovakia and France 'would really mean very little'. The favourable British opinion of Czechoslovakia was explicitly manifested in Clerk's annual report for 1923. The British Minister in Prague avowed that 'Czechoslovakia stands high in the quotations of European national stock' and of all the new states 'she has earned our approbation' and 'merits our support.' Admittedly though, Prague was not in the British sphere of interest in Central Europe. For the Foreign Office Bohemia was important simply in so far as the Czechoslovak government sustained its relative independence from France and played a constructive role in the reestablishment of economic links between the Successor States. For this reason, the news of the Political Treaty, which the Czechoslovak and the French

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1 ibid.
2 Curzon to Clerk F.O., January 3, 1924 DBFP Vol.XXVI. pp.3.
3 Annual Report, Czechoslovakia, 1923, PRO FO 371/9678 C 4053, see also Recker, M-L. op.cit pp.207. and Hanak, H. 'British Views...'op.cit pp.102-103.
Governments agreed to in December 1923, caused considerable disquiet in London. Miles Lampson expressed grave doubts 'whether in the long run the Czechs will find this to have been a wise move'. 1 The British press reacted particularly sharply to the 'mischievous, mad inflexibility of the Quai d'Orsay'. 2 On January 1, 1924, *The Times* went as far as questioning Czechoslovakia's 'usefulness' for Britain. The New Year article recounted that Benes's diplomacy had caused 'disappointment to the friends of the new republic in England'. 3 The columnist explicitly condemned Czechoslovakia for throwing in her lot with France:

The Alliance with Yugo-Slavia and Rumania, that finds expression in the Little Entente....is a local affair, and only indirectly affects the general politics of Europe. An Alliance with France is a different matter. It enters into the sphere of high and general policy, and does not seem to be justified by the immediate needs of consolidation in the new Republic. Czechoslovakia is perfectly safe as regards Hungary and it is hardly conceivable that she should fear any danger from the side of Germany.... 4

Three weeks later the *Morning Post* quoted Lloyd George in describing the head of Czechoslovak diplomacy as 'a fussy little man who trots about Europe - to adopt a Gilbertian phrase - running little errands for French Ministers of State'. 5

In the Central Department even Neville Butler, not usually

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1 Lampson's minute, January 2, 1924, Franke, R. op.cit pp.129.
3 Franke, R. op.cit pp.478.
4 ibid.
ill-disposed to the Republic, joined the chorus against the Czechoslovak Foreign Minister. He predicted that 'Benes will express pain and surprise' at the way in which the British Press treated him, whilst implying that this treatment was not without reason:

It should...not be any real surprise to him that tried friends of his country of the Seton-Watson type of mind, who have hitherto looked upon him as perhaps the only leader produced by a small country who really understood and cared for European reconstruction, should feel disappointed and almost outraged when at this important juncture M. Benes dramatically places Czechoslovakia on the side of the country which is militarising Europe and driving her into economic chaos....

This time Sir George Clerk had no intention of defending the Czechs either. 'Frankly I was not not sorry at the tone of the English press' he told Curzon. The senior British diplomat did not accept Benes's apology for having joined Poland 'as a faithful vassal of France'. First of all Clerk contended that the Czechoslovak Foreign Minister 'stage-managed the announcement of the treaty badly'. More importantly he thought that 'Monsieur Benes may have bound himself and his successors to the French more closely than he quite realises'. Clerk could not hide his bitterness about Czechoslovak foreign policy:

Dr Benes was probably willing to pay the price, which

1 Butler, January 15, 1924, Franke op. cit. pp. 124.
2 Clerk to Curzon, Prague, January 8, 1924, DBFP Vol. XXVI. pp. 16
3 ibid.
4 Clerk to Curzon, Prague, January 10, 1924, BDFA Vol. II. pp. 82.
5 Clerk to Curzon, January 8, 1924, Franke R. op. cit. pp. 124.
he must to some extent have foreseen, of a cooling, which he hopes will be only temporary, of public sympathy in Italy and Great Britain....'

All the same, the British Minister in Prague remained an admirer of Benes. He was not ready to attribute Macchiavellian motives to the Czech politician. He professed as late as March 6, 1924:

If only the Czechs were all Masaryk's, Benes's, and Rasin's, one might indeed almost hope for the dawn of a miniature millenium....'

By contrast, in London Benes's reputation was definitely on the wane. In his own words, he had fallen 'into the mouth of the lion'. In January 1924 he embarked on another trip to England to try to allay the British resentment caused by the Czechoslovak Pact with France, but his efforts were in vain. The 'solemn assurance' that there were no secret military provisions in the Treaty did not satisfy the British. Curzon gave the Central European guest an ostentatiously frosty reception. He condemned the Czechoslovaks for plunging into the 'circle of subordinate nations who are more or less attached to the French chariot wheels'. Benes argued his case 'at even more than his usual

1 ibid.
2 Clerk to Curzon, Prague, January 8, 1924, DBFP Vol.XXVI. pp.15.
3 Hanak, H. 'British Views...' op.cit pp. 105.
4 Campbell, F.G. op.cit pp.131.
5 MacDonald, P.O., March 20, 1924, Franke R. op.cit. pp.152.
speed' but did not quite remove 'every trace of suspicion' from the British Foreign Secretary's mind. After more than an hour Lord Curzon was still not convinced by the Czech guest and 'bade him adieu'.

By early 1924 the 'Czech myth' could no longer be sustained in England. Soon after the Czechoslovak treaty with France had been ratified on March 4, the head of the Central Department launched a vociferous campaign against the Czechs. For Lampson there was too much of an inclination to look upon this 'thrifty and industrious people' as perfect.' He wished to focus on the weaknesses of the Republic such as political corruption, the 'misuse of the Slovaks', and the oppression of the Magyars and the Ruthenes. The new approach of the Central Department was reflected in Clerk's dispatches too. The head of the British Mission in Prague reported to J.R. MacDonald:

I have noticed of late an increase of bad feelings between the Czechs and the Slovaks... The Czech official can be so incredibly tactless that it is not beyond the bounds of possibility that the Slovak, ignorant, prejudiced, and misled, may be driven into so fatal and futile a policy as to seek for complete independence from the Czechs...

On another occasion Clerk sent a lengthy report to London

1 ibid.

2 Lampson's comment on Clerk's dispatch, March 31, 1924, Franke, R. op.cit pp.58.

3 ibid.

4 ibid.

5 Clerk to MacDonald, Prague, January 25, 1924, BDFA Vol.II. pp.84.
on the 'general and almost openly acknowledged spirit of corruption' in Prague, which he regarded as 'one of the greatest weaknesses of this country'. Miles Lampson immediately circulated the sharply worded document to the King and the Cabinet. By the mid-twenties, the chief of the Central Department rarely missed an opportunity to challenge the 'entirely false prestige' of the Czechs which he 'personally always had regarded as overdrawn'.

In addition, throughout 1924 rumours spread in the British foreign service about the existence of a secret military agreement between the governments in Paris and Prague. The British Embassy in Berlin provided some documents too. The Central Department could not corroborate the evidence; nonetheless it came to the conclusion, that the political convention in itself appeared to be 'so complete as to render a separate military understanding unnecessary'. Thus, Benes's face-saving efforts in London proved futile. His total reliance on France was interpreted by British officials as a clear sign of hostility towards the Labour Government. On 15 January the Czechoslovak Foreign Secretary 'somewhat self-consciously' took aside Sir Alban Young, the British Minister in Belgrade, and

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1 Clerk to MacDonald, March 31, 1924, Franke, R. op.cit pp.58.
2 Clerk to MacDonald, Prague, March 10, 1924 and Lampson's note on the same day, Franke, R. pp.58-59.
3 'Memorandum on the Political Treaties, Agreements, Alliances and Relations at present in force in Central and South-East Europe affecting the question of Security', F.O. January 20, 1925, DBFP Vol.XXVII. pp.278-279.
4 Hohler to Curzon, Budapest, January 2, 1924, DBFP Vol XXVI. pp.2-3.
and Young to Curzon, Belgrade, January 15, 1924, DBFP Vol.XXVI. pp.33.
contended that the Political Convention with France 'had been decided on long before anyone had dreamed of a Labour Government with possible revisionist tendencies coming into power'. The British diplomat harboured doubts about Benes's contention. In any case, in the Foreign Office Nicolson gave a blunt explanation of the increasing British antipathy towards the Czechs:

The first action of any Labour Government in this country will doubtless be, not only to recognise, but to assist, and may-be to exploit, the more moderate elements in Russia. By so doing they will to some extent be able to redress the balance of power in Europe and Italy and France...will be obliged to follow suit. It will be then that the Czech alliance will be of such advantage to the French, since the relations between Prague and Moscow are, always have been extremely close. By using the Czechs as a trait d'union with Moscow the French will be able to counter the advantages which we should otherwise have gained by taking the initiative of full recognition. And we shall inevitably be obliged to seek our own trait d'union in Germany...'

As a result, J. Ramsey MacDonald, the head of the new government and Secretary of State for Foreign Affairs, who took office on January 22, 1924, was not overly imbued with friendly feelings towards Czechoslovakia. Although the Labour Cabinet supported Benes's efforts to draft the Geneva Protocol of Pacific Settlement of International Disputes, J.R. MacDonald was suspicious of all French regional military pacts and designs of 'false security'. The Foreign Secretary appealed to the 'small nationalities' at the League of Nations in September 1924:

Pacts or no pacts, you will be invaded. Pacts or no pacts, you will be crushed. Pacts or no pacts you will be devastated. The certain victim of the military age

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1 Young to Curzon, Belgrade, January 15, 1924, DBFP Vol.XXVII. pp.32.
2 Nicolson, January 2, 1924, See Franke, R. op.cit. pp.169..
and military organisation of society is the small nationality that trusts upon its moral claim to live. Evil will be made upright and entirely free to do its work if you fling yourself once more into that security which has never made you secure since the world started...'

When the Tory party returned to government on 29 October, 1924, Benes's chances of winning British support for his 'sanction-ridden' Central European security system were further diminished. 'As far as the British Empire is concerned the Protocol is dead', wrote The Times in March 1925. At a plenary meeting in Geneva on 12 September, the disappointed Czechoslovak Foreign Minister declared that the League of Nations was missing a chance that would not come again for several years. In the Foreign Office, however, the 'pactomania' and the personal ambitions of Benes were equally unpopular. The Czech Foreign Minister's vehement endeavours to achieve 'for himself and his country a position far beyond its intrinsic importance' were routinely ridiculed in London. Lampson commented that 'His Excellency' was by no means a 'heaven-inspired genius', rather a 'meddler in things' which did not concern him. Austen Chamberlain, the new Foreign Secretary, went even further. He described the head of the Czechoslovak diplomacy as a 'quite

1 MacDonald's speech was quoted in The Times, September 5, 1924, see also Franke, R. op.cit. pp.478-479.
2 Franke, R. op.cit pp.142.
3 Zeman, Z. 'Stability in Europe?' Manuscript pp.2.
4 Clerk to MacDonald, March 6, 1924, Franke op.cit. pp.117.
5 Lampson's notes of January 17, 1925 and March 5, 1925, Franke, R. op.cit. pp.117.
untrustworthy' character. In 1925 Benes’s candidacy for the post of Secretary General of the League of Nations caused an uproar in the Foreign Office. Chamberlain made no bones of his utter contempt for the Czechoslovak Foreign Minister:

If the League is destroyed, it will be by the appointment of an unfit man to the post now held by Sir Eric (Drummond). Dr Benes would be an admirable candidate for anyone who desires that result...  

By 1925 Benes could not conceal his anxiety about his declining popularity in London. The ‘rather disturbed’ politician turned to Clerk for an explanation of the uneasiness in London ‘as to his policy in regard to Great Britain’. The English diplomat gave three reasons ‘why Czechoslovak stock should not be quoted quite as high in London as it had been possibly a year ago’. First of all there was ‘a certain antagonism of views’ between the two countries about the Geneva Protocol. Secondly, the demand of a ‘security guarantee for the German frontiers of Poland and Czechoslovakia’ appeared to be unacceptable in London. Lastly, and this Clerk thought was ‘the real reason for any cooling of British affection which his Excellency has noticed’, the ‘curious policy’ of the Czechoslovak Ministry of Finance ‘inspired some slight misgivings in that very

1 Campbell, F.G. op.cit. pp.141.
2 Chamberlain, January 20, 1925, see Franke R. op.cit. pp.137.
3 Clerk to Chamberlain, Prague, February 27, 1925, BDFA Vol.II. pp.117.
4 Clerk to Chamberlain, Prague, February 27, 1925
5 ibid.
sensitive but influential body, the City'. In other words, British policy was diametrically opposed to Czechoslovak regional designs, security plans, and economic interests. From this time onwards, Czech professions of loyalty to Britain were viewed with extreme scepticism by the Foreign Office. Despite Clerk's assurance that Masaryk disliked the ‘fallacious policy’ of France, and did not share Benes’s faith in regional treaties, the interest of the Central Department in Czechoslovakia had already become lukewarm.

As a result of the evident cooling in Anglo-Czech relations, British diplomats in Prague suddenly found themselves in a backwater. Even Sir George Clerk was overcome by disillusionment at his bitter experience of the ‘swollen-headed city’. Junior diplomats such as Maurice Peterson, who in October 1923 had initially ‘jumped at the suggestion of a vacancy’ at the Legation in Czechoslovakia, were suddenly infected with a ‘feeling of unrest’ and gloom. During his eighteen months in Czechoslovakia Peterson was steadily driven to ‘less decorous amusements’ such as playing golf, dancing Waltzes at Thun Palace, and ‘playing the bagpipe to Masaryk’. Another key member of the British Legation

1 ibid.
2 Clerk to Chamberlain, Prague, December 31, 1924, BDFA Vol.II. pp.83.
3 This was Clerk’s description of the Czechoslovak capital in a private letter to Seton-Watson on May 30, 1923. See Seton-Watson Papers, SSEES, Personal Correspondence Files, Box No.4.
4 Peterson, M. op.cit. pp.38.
5 ibid.
staff, Bruce Lockhart, left the diplomatic service and joined the team of Montagu Norman in search of 'the dream of a British Central European Bank'. He soon realized that 'England had no policy either in the City or in the Foreign Office' to counter French advances in the Successor States. In addition, he had to admit that his illustrious friend, the Czechoslovak Foreign Minister himself, 'found the work of destruction easier than the work of restoration'. In the mid-twenties the young Scotsman frequently returned to Thun Palace as a guest of Sir George and the Czech leaders. He was repeatedly struck by the depressing atmosphere in Prague:

Unlike the war-crisis, to which an end was always in view, the peace-crisis was one of helpless drift..."
Has anyone attempted to realize what would happen 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... 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....'

This prophesy of Headlam-Morley did not have much effect on the Foreign Office in February 1925. At the beginning of that year Chamberlain summoned a meeting of the 'best brains' in Whitehall to formulate a 'policy' on European security, but well in advance he rejected outright any British guarantees regarding the Polish and Czechoslovak frontiers. He flatly stated:

It is one thing to defend the Channel on the eastern frontiers of the Low Countries and France. It is quite another thing to guarantee the very unstable situation in Eastern Europe which the Peace Treaties 'Balkanised' with a vengeance...'

Following the guidelines of the Foreign Secretary, and under the supervision of Sir Eyre Crowe, Harold Nicolson elaborated the British strategy of 'restricted promises'. He argued that the defence of the British Empire did not necessitate any commitments to the Central and Eastern European small countries. Nicolson went as far as alluding to an eventual resettlement of

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3 Memorandum by Nicolson on British Policy considered in relation to the European Situation; prepared in pursuance of directions from the Secretary of State, F.O. February 20, 1925, DBFP Vol.XXVII. pp.311-318.
Germany's eastern frontiers:

Although in the present mood of Europe it would be useless even to mention the revision of the peace treaties, yet if the concert of Europe can thus gradually be recreated, saner councils will prevail...

Six years after the Paris Peace Conference the Foreign Office draft policy document depicted the European situation in dark colours:

One half of Europe is dangerously angry; the other half is dangerously afraid...

In the 1920s British policy grew gradually closer to that of the 'angry' countries, particularly in Central Europe. Although Chamberlain and the 'high-brows' of the Foreign Office advocated a 'new Entente' between 'frightened' France and Great Britain, there were hardly any British politicians who cared about the security of the Danubian 'status quo powers' like Czechoslovakia. In fact, senior diplomats, such as Sir George Grahame in Brussels and Sir Eric Phipps in Paris, opposed even an Anglo-French or Anglo-Belgian pact because they regarded such agreements to be 'the first step' towards a larger alliance, 'le bloc occidental'.

Grahame, a staunch ally of 'the rather stiff

1 ibid.
2 ibid.
3 Sir George Grahame (Brussels) to Eric Phipps (Paris), March 10, 1925, Personal & Secret, Phipps Papers, Churchill College, Cambridge, Box no 2/19 fols.53-54.

4 ibid.
anti-French group' in the British Government, sharply contested the 'meretricious stuff' written by Nicolson. He advocated an 'opportunist course' of British policy and opposed any commitments on the continent. Hence, on the question of the security of Western Europe there was fundamental disagreement between British government officials and diplomats. On the other hand, there was consensus in the Foreign Office that the Eastern European satellite system of France was 'an element not of security but of added apprehension and increased liability'.

Consequently, by 1925 Czechoslovakia barely figured at all in British designs for European security. Although Benes promoted his country as a 'Locarno Power', 'entitled to take a direct part in any action' affecting the security of the continent, he had minimal influence on the course of events at the Conference in Switzerland. On a German initiative, the Czechs and the Poles were pointedly excluded from the negotiations. The Czechoslovak Foreign Minister, who was not used to the role of an 'outsider', smarted at this humiliation. All the same, at home he presented the arbitration treaty with Germany as a signal victory of

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2 ibid.
Czechoslovak foreign policy. Consequently, the Locarno Protocols were initially embraced by Prague with ‘universal and enthusiastic approval’. This atmosphere soon changed however. In February 1926 in the Czechoslovak Parliament Benes was scornfully described as ‘the most faithful lackey of France’ and his account of Locarno was rudely interrupted by his opponents. By the mid-twenties Benes’s position at home and abroad was equally insecure. Still, in Central European affairs he remained a key actor, in Lampson’s words ‘the only pebble on the beach’. At the close of the Conference Chamberlain even ‘begged’ him to come to an arrangement with Austria and Hungary along the lines of Locarno. The Foreign Secretary noted to Tyrell:

It would be a great thing if it could be accomplished, but if it was to be done M. Benes was the man who must do it...

A month later Clerk sent a dispatch from Prague relating how Benes ‘took to heart’ the British advice and showed some eagerness to ‘bring the different countries together’. Even so, the British Minister in Prague was sceptical about the chances of an arbitration treaty between Budapest and Prague, because of the ‘instances of harsh and inequitable treatment of Hungarians’

2 Clerk to Chamberlain, Prague, October 21, 1925, BDFA Vol II. pp.167.
4 Lampson, January 17, 1925 see Franke, R. op.cit pp.117.
5 Chamberlain to Tyrell, October 17, 1925, BDFA Vol.II. pp.165.
6 Clerk to Chamberlain, Prague, November 23, 1925, PRO FO 800/258/757
in Slovakia and the revisionism of the Magyars:

...in Czechoslovakia there is still alive a deep-rooted suspicion of Hungarian intentions. I have an impression that Benes himself shares this suspicion, but even if I am doing him an injustice, the view which Czech public opinion takes of Hungary is distinctly 'Poincaréistic' and will make it difficult for him to make the first offer..."

Clerk dwelt at great length on the difficulties of Czech-Hungarian reconciliation and concluded:

Time and the pressure of economic development will in due course bring about a Central European Locarno, but not I think just yet.\(^2\)

Chamberlain's reply was laconic:

The country which destroys the hope will presently find itself without a friend in the world...\(^3\)

Indeed, by the time of Locarno Czechoslovakia had few influential friends in British government circles and especially in the foreign service. In April 1925 Lieutenant-Colonel W. de M. Carey, the British member of the Hungarian-Czechoslovak Boundary Commission, went as far as predicting the 'complete separation' of the Slovaks from the Czechs within a short time.\(^4\)

The Military Representative also maintained that in the event of war the defence of Czechoslovakia held out 'no prospect of

\(^{1}\) ibid.

\(^{2}\) ibid.

\(^{3}\) Note by Chamberlain, December 1, 1925, and Selby to Clerk, December 1, 1925, PRO FO 800/258/757, Chamberlain Papers

\(^{4}\) 'The effect on Central Europe of the new frontiers created by the Peace treaties' memorandum by W. de M. Carey, Budapest, April 15, 1925, BDFA Vol II. pp.141.
success'. In London Sir Charles Delmé-Radcliffe circulated a memorandum on the ill-treatment of the 'minority peoples in Czechoslovakia'. He argued that in Masaryk's Republic the rights of the various nationalities were 'trodden under foot'. Meanwhile, the Central Department took a singularly unfavourable view of the 'short-sighted' anti-Hungarian policy of the 'intensely nationalistic' Czechs. Miles Lampson stated abruptly:

The Czechs are as bad as the rest of them, despite the international pose adopted by Dr Benes at Geneva...'

In January 1926 even Sir George Clerk was struck by the 'lamentable eagerness' of the Czech press 'to inculpate the whole Hungarian administration' in the franc forgery affair. A month later Charles Dodd, the First Secretary of the British Legation in Prague, launched a vitriolic attack on the head of Czechoslovak diplomacy:

I regret to report that my impression from Benes's tone was that, in his present mood, his satisfaction at having scored a point, as he believes, in the public opinion of the world at the expense of the reputation of Hungary outweighs his regret that the attitude of the Hungarian Government should be one which does not further the pacification of Central

1 ibid.
2 Portland to Chamberlain, December 6, 1924, PRO FO 800/256
3 ibid.
4 Memorandum on the Situation in Central Europe, F.O. November 11, 1925, DBFP Series IA Vol.I. pp.124. see also Franke, R. op.cit. pp.147.
5 Franke, R. op.cit pp.147.
6 Clerk to Chamberlain, January 11, 1926, BDFA Vol.II. pp.205.
Europe....’

The English observer wrote derisively of the Czechoslovak Foreign Minister’s alleged ‘burning desire for the consolidation of Central Europe’. Dodd fully shared the Magyar Government’s insight that ‘an intimate knowledge of Dr Benes’s character’ was essential to a ‘proper appreciation of his words’.

In any event, there was a temporary improvement in Anglo-Czech relations as a result of some concessions to the German minority in 1926. ‘The Locarno spirit is awakening here’, reported the deputy of Clerk from Prague and envisioned ‘the dawn of a new and happier epoch’ in the history of the young Republic.’ The inclusion of two German politicians in the Svehla government met with the full approval of Britain. It seemed as if Czechoslovakia was entering a new phase of its evolution as a ‘nation state’. ‘In spite of the ‘melancholy examples of Czech pettiness’ and irksome irritation at ‘the less edifying side of public life’ in Prague, in November 1926 Sir George became confident, yet again, that the new Bohemia had ‘proved itself to

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1 Dodd to Chamberlain, Prague, February 26, 1926, BDFA Vol II. pp.220.
2 ibid.
3 Dodd to Chamberlain, July 27, 1926, see Cornwall, ‘A Fluctuating Barometer...’ op.cit pp.319.
4 Cornwall, M. ‘Dr Eduard Benes and Czechoslovakia’s German Minority...’ op.cit pp.182.
5 Clerk referred to the 'Gajda affair' and the vicious but ineffective political attacks on Masaryk and Benes. See Clerk to Chamberlain, Prague, July 12, 1926, BDFA Vol.II. pp.236.
be a constant force of stabilisation and progress in Europe'. A few days later, at the Imperial Conference, Chamberlain pronounced that the 'racial difficulties of Czechoslovakia have sensibly decreased'. On this occasion the British Foreign Secretary went as far as saying that, of the Successor States, Masaryk's Republic was the 'surest hope for the future'.

British optimism about the 'loyal union of the races' in Czechoslovakia persisted for some years. In 1927, however, anti-Czech voices became more vocal in the Foreign Office when Sir Orme Sargent became the head of the Central Department. For him Czechoslovakia was an 'unimportant country' with 'abrupt racial cleavages' and 'somewhat artificial frontiers'. One of his subordinates, Howard Smith, even toyed with the idea of border rectifications between Czechoslovakia and Hungary. He thought that the accession of Slovakia and Ruthenia at the Peace Conference was a mixed blessing for the Czechs:

They seem to have bitten off rather more than they can chew and in this eastern part of the Republic they are faced with extraordinary difficulties...

1 ibid.
2 Statement by Chamberlain to the Imperial Conference, October 20, 1926, DBFP Series IA Vol.II. pp.939.
3 ibid.
4 Clerk to Chamberlain, Prague October 26, 1925, BDFA Vol II. pp.171., See also Cornwall op.cit pp.320.
5 Cornwall, M. 'A Fluctuating Barometer...' op.cit pp.320.
6 ibid.
Meanwhile, Sir Ronald Macleay moved into Thun Palace, and the climate changed at the British Legation in Prague as well. Although the new Minister inherited his predecessor’s pro-Czech outlook, during his three years in Prague he remained a somewhat detached spectator and his dispatches often reflected the ‘mood of the Foreign Office’. Although he trusted that ‘the German population in this country’ had ‘really very little to complain of’, he recorded that the treatment of Hungarians in Czechoslovakia was ‘approaching the return of an international scandal’. He appealed to Seton-Watson to ‘supply’ his powerful influence in Prague and call the attention of Masaryk and Benes to the problem of the Magyar minority.

In the meantime, the Historical Adviser of the Foreign Office encouraged Seton-Watson to write a confidential memorandum on the Magyar grievances, if only ‘for Czech and Slovak consumption’. The Scottish academic did not find it ‘edifying to hear so many Magyars, who were the greatest Magyarisers in their day and treated Slovaks like dirt’ now demanding their basic human rights. Even so in the summer of 1928 he drafted a document

1 Cornwall, M. 'A Fluctuating Barometer...' op.cit pp.320.
2 Macleay to Chamberlain, Prague, May 1, 1929, Cornwall, M. op.cit pp.320.
3 Macleay to Seton-Watson, Prague, November 20, 1929, Confidential, Seton-Watson Papers, SSEES General Correspondence, Box no.15.
4 ibid.
listing the Hungarian complaints. In a private letter to Masaryk he concluded:

... the Magyar minority...appear to me to have considerable grounds for complaint... I do hope that while you are in Slovakia this summer, you may feel disposed to order private enquiries into some of the matters raised in my memo. (sic) and if you satisfy yourself as to their accuracy, to press in responsible political quarters for their remedy. It certainly seems to me that the Tenth Anniversary of the Republic provides a favourable opportunity for remedying grievances, by a graceful gesture and without the appearance of yielding in any way to agitation or clamour...

The President was surrounded by a 'cordon' of Czech officials whose job was 'to keep unpleasant facts away from him'. In 1928, however, he promised an inquiry into the Hungarian grievances. Despite the French orientation of Czechoslovak policy, Masaryk and Benes were not insensitive to British public opinion. For example the revisionist campaign of the Daily Mail caused an overnight scandal in Prague. Benes visited London without delay to ascertain that the Foreign Office did not support Hungarian territorial claims. He met members of His Majesty's Government as well as prominent figures of the Opposition and 'convinced himself' that the Rothermere campaign was not inspired by official British policy. During an audience

1 ibid.
2 Seton-Watson to Masaryk, Kyle, August 5, 1928, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.24.
3 Clerk to Chamberlain, Prague, June 11, 1925, BDFA Vol.II. pp.156-157.
4 Macleay to Chamberlain, Prague, May 31, 1928, DBFP Series IA Vol.II. pp.91.
5 ibid.
King George made such cutting remarks on the pro-Magyar British tycoon that in Prague Benes 'dared not even repeat' them.¹ In Thun Palace Macleay minuted:

I got the impression that his visit to England had brought home to him...the Great influence they (His Majesty's Government) were able to exert in Europe. His language led me to infer that he had come to the conclusion that he had somewhat neglected London in the past or rather perhaps that he had looked too exclusively to Paris for guidance and support and that in future he intended to keep in closer touch with His Majesty's Government...²

In any case, the revisionist articles in the British Press preoccupied Benes throughout 1928. When Seton-Watson visited Prague it was noted in London:

Professor Seton-Watson being a well-known Slavophil, the Czechs naturally took the opportunity of his visit to offset the Rothermere campaign...³

From 1927 to 1929 a propaganda war was fought between Budapest and Prague, with the British media as the main battleground. The Foreign Office patently did not take sides; the 'bizarre character' of the Magyars and the 'illogical Czech fear' of Hungary were ridiculed in equal measure in the Central Department.⁴ Nevertheless, Howard Smith did not fail to notice that the Magyars had 'in Lord Rothermere a gun of heavier calibre' than 'the Seton-Watson eight pounder secured by the

¹ Campbell, F.G. op.cit pp.196.
² Macleay to Chamberlain, Prague, May 31, 1928, DBFP Series IA Vol.II. pp.91.
³ E.E. Crowe, June 6, 1928, Franke op.cit pp.157.
Czechs'. Apparently, British champions of the Czech cause were not any more popular in the Foreign Office than Rothermere. In Whitehall even Headlam-Morley, an old ally of the New Europe group, rebuked Seton-Watson:

...the obvious point, which might be made, that you are deaf to any criticism of the Czechs, and there is nothing which you have not yourself said to me...'

As a result of the strong pressure from friend and foe alike 'Scotus Viator' grew distinctly more critical of the regime in Prague by the late 1920s. At the time of the Tenth Anniversary of Czechoslovakia's independence he made the 'frank confession' that 'conditions in the former territory of the Dual Monarchy' were 'far less consolidated than we had either hoped or expected':

Dislocation of frontiers, exaggerated economic barriers, unregulated minority problems still remain fundamental sources of unrest...'

The Scottish historian circulated his memorandum on the ethnic conflicts in Slovakia amongst government officials in Prague and urged that concessions be made to the benefit of the Magyars. 'Masaryk agreed; in an interview he told the reporter of the Sunday Times that 'he would not personally be opposed to a friendly discussion' of the difficulties between Budapest and

3 'Czechoslovakia After Ten years', manuscript, Seton-Watson Papers, SSEES, Personal Correspondence Files, Box no.24.
On the tenth anniversary of Czechoslovakia, he went as far as saying:

We cannot expect the provisions of the Peace Treaties to be accepted everywhere and by everyone without objections and protests. I myself unhesitatingly admit that the Peace Treaties require certain 'elucidation'; but this must be done openly and honestly...

Masaryk's bombastic statement alarmed Benes. He took pains to explain to the British Minister in Prague that 'the President did not contemplate the revision of the treaties', and that 'the expression "elucidation" had practically no meaning.' In any case, two years later, in an interview in the Neue Freie Presse, Masaryk left no doubt that 'he would be prepared...to consider a modification of existing frontiers in a sense favourable to Hungary.' Yet again his Foreign Minister was quick to inform the head of the British Mission that territorial concessions should be made to Hungary 'mainly at the expense of Roumania.' In addition, when Masirevich, the Hungarian Minister in Prague, enquired about the conditions of border rectification Benes simply 'put him off by evading the main issue.' In the Central Department Howard Smith drily commented:

President Masaryk and Dr Benes are for ever saying

1 Macleay to Chamberlain, Prague, November 29, 1928., BDFA Vol.II. pp.339.
2 ibid.
3 ibid.
5 ibid.
6 ibid.
that they would welcome an arrangement with the Hungarians, but the latter always draws back or qualifies his statement before any conversations begin. The Hungarians therefore consider him a hypocrite.'

Meanwhile, it was also noted in London that Benes was persistently blocking all attempts at the League of Nations to create a permanent Commission in order to enforce the Minority Treaties. In Geneva, in 1928, Sir Willoughby Dickinson launched an attack on the racial intolerance of the new Central European states:

Experience has taught men nothing. It was the denial of freedom to the racial minorities in Austria and Hungary that brought about the disruption of the Austrian Empire... The present majorities were then the minorities. Having now obtained predominance they proceed to do unto others as others did to them. The outcome of this policy, if it be allowed to continue, will be equally disastrous to themselves and to Europe.'

The Czechoslovak Foreign Minister took up the challenge. He demanded the 'generalisation of the minority treaties', knowing full well that the Great Powers would not permit an international inquiry into their nationality problems.' In Britain, as early as 1918, Sir William Tyrrell expounded:

My own feeling is that we cannot be prepared to see (the minority treaties) applied to ourselves. It will,
I assume, certainly be a condition of our entering that questions such as that of Ireland or the French Canadians are purely internal problems in which the League has no right to interfere."

By contrast, in the early 1930s British delegates in Geneva were at least considering the extension of the minority treaties to all member states of the League of Nations. Dickinson explained:

Unless something of this kind is done, the minorities treaties will become a dead letter, for if repudiated now there are no means whereby they can be enforced. No army is going to march into Poland, or Czechoslovakia, or Rumania for the sake of few minorities..."

All the same, most Western European states, above all Italy, opposed such a bold proposal. This enabled Benes to thwart any attempts to change the 'paternal' character of the League of Nations in enforcing minority protection in the 'treaty-bound' states like Czechoslovakia. In 1929 a British official quoted the Czech Foreign Minister as saying that 'the Minority Treaties were the price paid for territories transferred at Versailles and paid reluctantly because it was felt that the Minority Treaties should apply to all members of the League.' From the second half of the 1920s British disapproval of Benes's obstructive tactics in

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1 Minute of Sir William Tyrrell, December 27, 1918, Headlam–Morley Papers, HDLM ACC 727 Box 16 (Political Office Papers)

2 'An Appeal for a Bold Policy with regard to the Protection of Minorities', Geneva, November 16, 1933, Unsigned document, presumably written by C.A. Macartney, Macartney Papers Box no. 2, Doc 6/a

3 The Times September 20, 1934, see Franke, R. op.cit. pp.170.

Geneva became ever more explicit. Accordingly, in 1926 the head of the Central Department welcomed the German suggestion that the Czechs should give their seat in the Council of the League of Nations to the Poles.¹

Another sore point in Anglo-Czech relations was the relentless economic nationalism of the government in Prague. Between 1927 and 1929 Benes time and again tried to impress upon British diplomats that 'he was working to evolve in Central Europe an economic system which should make the little states so economically interdependent that they could not do without each other'.² The reaction of the Foreign Office was blatantly hostile. A.F. Aveling, a Czech expert of the Central Department, minuted:

Incidentally it is worth bearing in mind that Czechoslovakia has been and is one of the worst offenders in the matter of tariffs in the whole of Europe...³

Sargent added a characteristically acidic comment: Benes 'probably does not quite know what he is driving at himself'.⁴ In the Foreign Office Czechoslovakia was viewed as 'by far the most protectionist' state on the continent and showed 'no sign of abandoning this narrow nationalist policy'.⁵ Sargent therefore tended to discount all Czech proposals for Danubian cooperation.

¹ Campbell, F.G. op.cit pp.175-176.
³ Aveling, February 18, 1927, see Franke R. op.cit pp.179.
⁴ Sargent, February 23, 1927, see Franke, R. op.cit pp.179.
⁵ ibid.
For him Benes professed the 'loftiest principles' while playing 'the leading role of wrecking' any practical Danubian schemes.'

In London the cooling in Anglo-Czech relations led to a steady 'devaluation' of leading Bohemian statesmen, Benes in particular. In the early thirties he was variously characterised by British diplomats in the field as 'small minded', 'ultra-chauvinistic', 'pure Czech', the most successful 'bagman' on the continent, the 'political "fat boy" of Europe' who 'wants to make your flesh creep' and the 'Little Jack Horner of European Politics'. Yet, it was acknowledged even by the most anti-Czech Britons such as Addison:

Dr Benes’s opinion today is generally the opinion of Czechoslovakia tomorrow...¹

Masaryk, on the other hand, was regarded in British government circles as a 'somewhat sad figurehead'.¹ In the early thirties Sir Joseph Addison, the Minister in Prague, was exceptionally harsh on the elderly President; once he even described him as 'gaga', saying his 'mental activities' were over.⁴ As early as 1930 he made berbed remarks on the confusing political views and statements of Masaryk:

¹ Sargent's minute, February 16, 1932, BDFA Vol.III. pp.186.
⁴ This expression was frequently used by Joseph Addison. For example Addison to Eden, Prague, December 23, 1935, BDFA Vol.XI. pp.392.
⁵ Addison to Eden, Prague, December 23, 1925, BDFA Vol.XI. and Addison to Sargent July 8, 1935, FO 371/19492, see also Cornwall op.cit pp.332.
A philosophical turn of mind and old age combined are not always conducive to reticence or the exercise of diplomatic restraint...

Such sentiments certainly damaged the reputation of the 'Liberator-President' in Britain. As it was, a Czechophobe tendency had taken root in the Foreign Office well before Addison's appointment to Prague. On the eightieth birthday of Masaryk the British Government refrained from 'such a costly compliment' as sending a special mission to Prague. The experts of the Central Department were also aghast by the thought of the Czech statesman coming to London. Sir Orme Sargent put it in plain English:

We certainly don't want President Masaryk here on an official visit. There is no reason at the present time why we should do anything to flatter the Czechs. On the contrary it would not do them any harm if they were occasionally put in their place...

It was indeed a sign that British interest in Czechoslovakia had reached its nadir when Sir Joseph Addison, a diplomat renowned for his 'sardonic brilliance' and notorious for his Slavophobia, became the head of the British Mission in Prague in early 1930. This 'ill-judged appointment', however, resulted in a further deterioration of relations between London and Prague, and according to a recent academic work 'seriously blinkered the

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3 Sargent, October 13, 1930, in Hanak H. op.cit pp.126.
4 Simon's comment on Addison, December 15, 1934, see Franke, R. op.cit pp. 178.
British policy-makers of the 1930s'. Addison did not even try to hide his pro-German bias and prejudice against the Czechs. He declared audaciously to the British Foreign Secretary:

Germans in Czechoslovakia are superior to the Czechs... It is... difficult to express in words the exact degree of superiority. Perhaps I cannot do better than quote the remark made by the heroine in 'Arms and the Man' to the effect that 'nice people in Bulgaria wash their hands nearly every day'. I claim no high standard and will merely say that judged by this criterion, the Germans are the 'nice' people of Czechoslovakia...

In any case, in March 1930 Addison claimed to be 'delighted' at having to move from Riga to Prague. He wrote to a colleague in private:

As you know,... Prague being one of the two posts which I would myself have chosen, I have nothing to complain about at present... Perhaps... it is a good thing that I have spent 2 years in one of the bad spots of the globe...

The New Minister arrived in Thun Palace full of ambitions. He was convinced that the Czech love for France was as artificial as a 'hothouse flower'. Thereupon he confidently announced:

I anticipate a day not far distant when the Czechoslovak Government will turn to us rather than anyone else for advice and guidance...

At his formal introduction in the Czechoslovak Ministry for Foreign Affairs Addison claimed he was thrilled by his new post in Prague, a statement which was 'all the more easy to make' in

1 Cornwall, M. 'A Fluctuating Barometer...' op. cit pp.332.
2 Addison to Simon, Prague, August 7, 1934, BDFA Series F. Vol X. pp.361.
3 Addison to Rumbold, March 6, 1930, Rumbold Papers, Bodleian Library, Oxford, Box no.37. fol.166
4 Addison to henderson, Prague, May 20, 1930, BDFA Vol II. pp.409.
that he 'expressed the truth'. The British diplomat did not flatter the Czechs for too long however. In his very first political analysis, based on the 'opinion of well-informed persons', he contended that during the land reform the Czech authorities had 'raised injustice of treatment and corrupt practices to the level of fine art'. Then, a few months later, he reported that Czech 'xenophobia' was 'bordering on hysteria'. He posed as a champion of minority rights and launched scathing attacks on 'the petty tyranny' of the Czechs:

Vexatious treatment of Hungarians...is as much of a sport (in Czechoslovakia) as bear-baiting was in England in the 17th century...'

In early 1931, the head of the British Mission conveyed his opinion to his superiors that 'national antipathy and aggressive nationalism' were the foundations of Czechoslovak policy. Although he regarded Benes as a 'lonely figure' who deserved 'much sympathy', Addison put the blame entirely on the Czechs for the failure of Central European integration:

Whether she likes it or not, the fate of Czechoslovakia is to a large extent bound up with the prosperity of her neighbours and it is of little avail for her to be continually turning a telescope on events in, and cooperation with, the West when what is needed is a pair of weak spectacles directed on her

2 ibid.
3 Addison to Henderson, Prague, October 2, 1930, BDFA Vol.III. pp.16.
4 ibid.
5 Addison to Henderson, Prague, March 25, 1931, BDFA Vol.III.pp.52.
immediate surroundings...\textsuperscript{6}

There was no fundamental difference between these observations and earlier British diplomatic reports from Prague. For Sargent, however, Addison's 'otherwise excellent' analysis was 'spoilt by the tone of Schadenfreude'.\textsuperscript{7} The new British Minister went as far as speculating about the 'inevitable' breakup of Czechoslovakia. In November 1932 he informed Sir John Simon:

\begin{quote}
...the precursory signs of some form of dissolution are present in this country to-day...\textsuperscript{3}
\end{quote}

For the British Minister in Prague it appeared to be 'a regrettably obvious truth' that any lasting settlement in Central Europe would be 'preceded or accompanied by territorial readjustments'.\textsuperscript{4} By the time of the Nazi takeover in Germany he was convinced that Czechoslovakia was 'only a pawn in the game' of European diplomacy, 'dependent for its existence on the moves of the more important pieces'.\textsuperscript{5} He compared Masaryk's republic to a 'patchwork quilt, sewn together by an impatient "Hausfrau" out of materials which she happened to find at hand'.\textsuperscript{6} Hence, when the Depression of the early 1930s 'revealed the defects in the

\begin{flushleft}
\textsuperscript{1} ibid.
\textsuperscript{2} Sargent's note, November 25, 1932, Franke R. op.cit pp.189.
\textsuperscript{3} Addison to Simon, Prague, November 14, 1932, BDFA Vol.III. pp.248.
\textsuperscript{4} Addison to Simon, Prague, November 11, 1933, BDFA Vol.III. pp.387.
\textsuperscript{5} ibid.
\textsuperscript{6} ibid.
\end{flushleft}
Czechoslovak fabric', and Hitler took up the cause of the
'Sudetendeutschen', British diplomats viewed the panic reactions
in Prague with a kind of self-righteous detachment:

...the Government here have substantial reasons for
being...nervous and apprehensive of what the future
has in store for them...

Addison and his staff in Thun Palace were convinced that the
German desire 'to root out Czechoslovakia' was the result of the
heavy-handed minority policy of the Czech 'Polizeistaat'. As
early as 1934 the Minister bluntly stated:

Once Germany has swallowed up Austria, she will
quickly turn her attention to the German population of
Czechoslovakia...

By the mid-1930s British diplomats in Prague characterized
the 'new Bohemia' as a country which had 'no real national
being'. Although they went on urging a 'temporary patching up of
the Czechoslovak-German quarrel', they had no faith in the
viability of the small multi-ethnic Central European state.

These sentiments were shared by many prominent members of the
Foreign Office; for example in 1934 E.H. Carr considered the

1 Memorandum by H. Kershaw, the Commercial Secretary of Addison, February 20,
1933, BDFA Vol II. pp.282.
2 Addison to Simon, Prague, November 11, 1933, BDFA Vol.III. pp.390.
3 Addison to Eden, Prague, August 25, 1936, BDFA Vol.XII. pp.369., see also
4 Addison to Simon, November 13, 1934, BDFA Vol X. pp.400.
5 ibid.
position of Czechoslovakia to be 'extremely precarious'. In Sir Alexander Cadogan's words German demands grew in the dark like mushrooms but the British government had no intention of taking sides with the Czechs in the conflict. When in 1937 the Czechoslovak Foreign Minister protested against an article in the Daily Telegraph on the grievances of the Sudeten Germans, Sir Orme Sargent snapped: 'Poor man does not know which way to turn'. Sir Robert Vansittart added the supremely cutting remark:

Yes, Dr Benes was furious at this article, & did not disguise his fury. He is a blind little bat, who has done a lot of flapping in his night...

On the eve of Munich Cadogan, the Permanent Under-Secretary of the Foreign Office, recorded in his diary: 'Cabinet quite sensible,- and anti-Czech!'. In the British Government there was a consensus that 'Czechoslovakia could not survive in its existing form'. This belief was certainly fostered in the 1930s by Addison and his similarly Czechophobe deputy, Hadow. This thesis has demonstrated however that the indifference and increasing hostility of the Foreign Office towards Czechoslovakia was the result of a long 'devaluation' process, triggered by the

1 Memorandum by E.H. Carr, FO, April 3, 1934, BDFA Vol.X. pp.278.
6 Dilks, D. op.cit. pp.90.
failures of Central European reconciliation in the 1920s. The first obvious signs of British disillusionment with the Czech-inspired Central European security system were apparent as early as in the autumn of 1921, during the Habsburg coup d'état in Budapest. A few months later there was a clash of personalities and policies between Lloyd George and Benes at the Genoa Conference. Then in 1924 the Political Treaty between Paris and Prague resulted in a dramatic change in the relations of Great Britain and Czechoslovakia. Although in the aftermath of Locarno Prague still played an important role in British plans for Central Europe, the Czechoslovak government was contemptuously described in London as a 'pet of France'. Benes's obstructive tactics in the League of Nations, and his abortive attempts to create a 'Central European League', further damaged his reputation in London. By the the early 1930s, at the time of the British retreat from the entire Danubian region, Czechoslovakia was seen in London as an insignificant and 'artificial' country, with grave domestic problems. Although the Great Depression hit the Czechs less severely than their neighbours, the economic crisis resulted in 'a brusque exposure to the ungrateful elements' of the republic, and brought to the surface latent ethnic conflicts. It was at this point that Addison, a diplomat animated by a deep-seated dislike of the Czechs, moved into Thun

1 Memorandum by Vansittart, May 13, 1931, PRO FO 371/15205, see Franke R. op.cit. pp.186.

2 Sargent's comment, see Hanak, H. 'British Attitudes to Masaryk' op.cit. pp.126.

3 Memorandum by H. Kershaw, the Commercial Secretary of Addison, February 20,1933, BDFA Vol.II. pp.282.
Palace. His appointment to Prague marked the beginning of profoundly unfriendly relations between London and Prague. In any case, Addison's lecturing of the 'Czech ruling clique' suited the mood of the Foreign Office.' Even staunch opponents of Germany's appeasement at the expense of Czechoslovakia, such as Robert Vansittart, were convinced that the Czechs had a 'talent for making enemies as well as munitions'. On the other hand, Czechophile Britons were 'soured and saddened' by the way they were treated in the Foreign Office.' By the time of Munich Seton-Watson felt himself 'like a milch-cow who is not being milked'. Bruce Lockhart was outraged by the fact that the Foreign Office did 'not look at Seton-Watson in any shape or form', whilst His Majesty's Government had 'scores of "duds" in the service'. 'Whitehall is a grim place', Lockhart wrote in his diary in April 1940.

By contrast, Sir Owen O'Malley, British Minister in Budapest, delivered lengthy tirades against 'twisters' like Benes and Seton-Watson. After the Second World War he appealed to the pro-Hungarian Oxford historian C. A. Macartney to demonstrate how

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4 ibid.
5 ibid.
6 ibid.
the British Government 'had had the wool pulled over their eyes by the Czechs' and their English friends.' The often undignified and highly personal quarrel between pro-Czech and pro-Hungarian Britons, however, had little impact on British policy-making in the 1930s. On June 8, 1938, the Research Department of the Foreign Office calmly forecasted that if the Czechs, 'the only real staatsvolk', fail to 'cantonize' Czechoslovakia the multi-ethnic state 'should fall to pieces'. The small group of experts who drafted the memorandum came to the conclusion that:

...the similarity of the whole situation to that which existed in Central Europe in 1914, is appallingly close...

The Permanent Under-Secretary, Alexander Cadogan, agreed. In the mid-1930s he had been in favour of a peaceful revision of the Versailles system, but in 1938 he thought it was too late 'to put the treaties right'. In the Foreign Office a negative sentiment prevailed: Czechoslovakia, the 'Model Successor State' had failed. Thus, the British attitude to the Czechs remained 'cold and careful', even after Prague's surrender and the formation of the government in exile in London. For Lockhart the 'men of Munich had to find a scapegoat, and Dr Benes was the

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1 O'Malley to Macartney, December 29, 1951, private, Macartney Papers, Bodleian Library, Oxford, Box no.32. fol. 69.
2 Unsigned memorandum on Czechoslovakia by the Foreign Office Research and News Service, June 8, 1937, Macartney Papers, Box no.1, Doc 16.
3 ibid.
4 Dilks, D. op.cit.pp.120.
obvious choice'.

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