Which were more serious for Germany – the economic consequences of Versailles, or the political consequences?

The treaty of Versailles caused two major consequences to Germany- one towards the economy, and one towards the politics. Which one was more serious?

The treaty of Versailles was very biased towards the Germans, taking and not giving back. That’s because the countries that formed the treaty all blamed Germany for the war and all of the costs that should be paid to them. On the economic front, here’s what happened:

The treaty wanted Germany to pay them £6.6 billion to compensate for all of the lives and materials, which had been destroyed during the war. 10% of German land full of resources was taken, some of the most productive land in Germany with coalmines. 75% of German iron ore resources were taken from them. These lands were needed so that Germany could pay off their massive debt. 12.5% of the German population was lost in the war, and even after the war 750,000 people died from starvation and the influenza that followed. Men returning from the front line wanted their old jobs back, but there weren’t any jobs to apply for. Germany was able to pay the first amount for reparations on time, but because of inflation (when the value of money decreases), the second amount couldn’t be paid. The French were determined to get the money, so they went to the Ruhr and occupied it. The German workers in the Ruhr went on strike, refusing to produce any good for the French. These workers were seen as heroes to Germany, but the strike only made the economic situation in Germany worse. Because of the invasion of the Ruhr, Germany was getting even less income, and inflation turned into hyperinflation. People in Germany had to be given half hour breaks so they could spend their savings before they became worthless. Shops measured notes by weight since counting them took way too long. People carried their money round in wheelbarrows and laundry baskets. As Germany neared economic collapse, the strike had to end. The German government agreed to let the French and Belgians take some coal as reparations. The Allies were persuaded that Germany needed more time to pay off the reparations. A new schedule was drawn up which spread the instalments over 59 years.

German money had no value whatsoever, and this became a problem.

The treaty made extreme restrictions on the German navy and army. They weren’t allowed any planes or subs, and only about 7 ships. They were only allowed around 100,000 men in their army. The German people thought that bearing the blame for the war was another attack, not through violence but on the honour of the German nation. The new Weimar government was the new way to lead the republic becoming nation instead of the monarchy. It was going to have problems right from the start because the German government didn’t get the choice to sign the treaty of Versailles. In 1919 the Spartacists (A communist group) attempted to overthrow the new German government. A force of ex-soldiers called the Freikorps defeated them. In 1923 a right-wing nationalist group led by Adolf Hitler tried unsuccessfully to take over Bavaria. This group developed into the Nazi Party. The National Socialist German workers Party (Nazis) got support by promising to overturn the terms of the treaty and return Germany to her proper place in Europe. This gave them many supporters, because the Germans were dissatisfied with the new government and the treaty, it gave them hope.

Both the economic consequences and the political consequences of the treaty of Versailles played a big role in Germany. Both consequences are linked, because the hyperinflation led to the people of Germany becoming dissatisfied with their government for not doing anything about it and because of that the hatred towards the treaty and the countries enforcing it increased leading to consequences like the workers in the Ruhr, making the situation worse. It all links together in a big circle.

The reason that the Germans were given the blame was the main reason to why it all happened. After they were given the blame, the treaty of Versailles turned against them and it all went downhill leading to economic consequences such as hyperinflation as well. All of this made Germany loose their credibility towards their standing in leadership terms within Europe.