THE ANGLO-GERMAN NAVAL AGREEMENT OF 1935:  
A STUDY OF THE NEXUS OF BRITISH  
NAVAL POLICY AND FOREIGN POLICY  

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THE ANGLO-GERMAN NAVAL AGREEMENT OF 1935:
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NAVAL POLICY AND FOREIGN POLICY

THESIS

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The Anglo-German Naval Agreement of June 18, 1935, shocked the world. No one at the time, not even the London Cabinet, could adequately explain the accord, but because of subsequent developments, scholars have classified the detente as English appeasement motivated by fear of Germany. But this explanation, which has never been seriously challenged and is the position of an English expert on the event, Donald C. Watt, raises several unanswered questions. The agreement came as a complete surprise and was contrary to established British policy; what were the circumstances that influenced the decision to reach the accord with Germany? Appeasement implies political goals, but the agreement was concerned only with naval matters and was negotiated mainly by naval experts with the aid of the British Admiralty; was it intended, therefore, as appeasement? If the compact was not political, then what was its primary purpose and who was responsible for the treaty? The answer to these questions is the substance of this thesis.

The paper is primarily based on documents, with great use of the United States Department of State's publications "Documents on German Foreign Policy 1918-1945; Foreign Relations of the United States: Diplomatic Papers 1934-1935, and Documents on British Foreign Policy 1919-1938." Anthony
Eden's *Facing the Dictators* provides a valuable insight into Whitehall's dealings with Hitler, while Viscount Templewood's *Nine Troubled Years* and Admiral Chatfield's *It Might Happen Again* are relied on heavily for the understanding of naval problems and the related diplomacy. The most helpful secondary sources used are Watt's *Personalities and Politics* and Joseph Wightman's *Baldwin's Records in Foreign Affairs and Defense, 1931-1937.*
TABLE OF CONTENTS

PREFACE ................................................................. 111

Chapter

I. THE CONDITIONING FACTORS PRIOR TO 1934 ..................... 1
II. THE NEXUS OF BRITISH NAVAL POLICY AND DEFENSE POLICY ........................... 16
III. HITLER ENTICES BRITAIN WITH NAVAL LIMITATION ................................. 33
IV. BRITISH NAVAL POLICY TAKES PRECEDENCE OVER DIPLOMACY ....................... 48
V. CONCLUSION ......................................................... 69

APPENDIX ................................................................. 73

BIBLIOGRAPHY .......................................................... 77
CHAPTER I

CONDITIONING FACTORS PRIOR TO 1934

The Anglo-German Naval Agreement of June 18, 1935, permanently established the size of Germany’s fleet at thirty-five per cent of that of Great Britain with the exception of submarines. This category of the Reich’s navy was fixed at forty-five per cent of Britain’s, and under prescribed procedure Germany could build to parity.1

The naval pact was and remains intensely controversial. Most of the debate is concerned with British policy and not that of Germany, and stems from the attempt to understand and relate the agreement to the immediate circumstances or to the events of the prior six months. In this context the agreement is impossible to explain or understand in view of established British policy, which adamantly rejected the concept of bilateral alliances with anyone, especially Germany. The detente is only discernable if examined in a much broader historical perspective than a six-month time period and a deeper context than Anglo-German relations; it must be studied as the official climax of sixteen years of complex diplomacy.

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that was influenced by numerous forces, some pre-dating World War One.

The reason for the naval treaty dates back to the German Naval Law of 1900 in which Kaiser Wilhelm II initiated his challenge to British supremacy at sea. Great Britain believed that naval superiority was the fulcrum of her existence and absolutely necessary because she was an Asiatic, African, Australian, North American, as well as European, power. That this condition remained unchanged was essential to the island power whose economic life depended on her continuing ability to control her sea-borne trade. Knowledge of successive German naval programs in the decade prior to World War I convinced the English that the continental power was endangering her dominion of the sea and thus she responded by spending large sums on maintaining her vital naval supremacy. When war came in 1914 and Great Britain sided against Germany, many felt in retrospect that the confrontation was made inevitable due to the naval race.²

The naval aspect of World War I magnified the role of sea power in modern war and left the British without convincing proof that they could handle the German naval challenge. The latter's fleet of submarines caused massive damage to Britain's sea commerce, and in the only large scale battle between the fleets the outcome was indecisive.

In 1919 Berlin's visions of sea power sank to the bottom of Scapa Flow and supposedly Part V of the Treaty of Versailles was to make the submergence permanent. German submarines were forbidden; the continental power was limited to a small number of ships of under ten thousand tons and restricted in the number and type of naval personnel. Thus, with the stroke of the pen, the only real European threat to England and the Empire was eliminated.

For over a decade the British Admiralty was told that "the German fleet is at the bottom of Scapa Flow" whenever it warned that the fleet needed modernizing. But with the advent of Hitler and increased tensions in the Far East and Africa, the memories of the past kindled new anxieties in the British. These fears were reflected in the 1934 publication of Sea Power in the Modern World by Admiral Sir Herbert W. Richmond of the Royal Navy and E. L. Woodward's Great Britain and the German Navy in 1935. Woodward published two articles in the London Times a month before the signing of the naval pact. These traced the origin and course of the naval rivalry between Britain and Germany before the Great War of 1914 and elaborated on the profound effect which the race had on international relations.

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the evils of a new naval race and based their reasoning on the terrible consequences of the decade before World War I.

The German leaders, planning for the future in the early 1930's, reflected on results of the pre-World War I naval race. Consequently, in February 1933, Hitler told Admiral Erich Raeder, his naval chief, that he did not want trouble with England and to prove this he wanted to get an agreement fixing the ratio of German naval strength to that of England. More than two years later in a speech on May 21, Hitler offered to set the German navy at thirty-five per cent of Britain's. He stressed that "Germany has not the intention or the necessity or the means to participate in any new naval rivalry." The German leader spoke to the greatest fear of the English people and offered to eliminate it with a treaty, and the circumstances at that particular time made the bargain impossible to pass up.

The two powers both remembered unfavorably their past sea rivalry; the island power abhorred the expense and the threat to its security and very existence, while the continental power believed that its defeat in the last war could have been avoided if the English could have been kept out of the conflict. Therefore, the British were anxious to prevent

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5The International Military Tribunal, Trial of the Major War Criminals, XIV (Nuremberg, 1948), 22.

6Editor's note: Hitler's May 21, 1935 speech, United States Department of State, Documents on German Foreign Policy 1871-1945 (hereafter D. G. F. P.), Sec. C, IV, (Washington, 1937), 170-177.
another naval race for monetary and security reasons, while the Germans believed the key to revising the results of the past war and reestablishing their dominate status on the continent lay in promoting English amity. Thus, both were willing for different reasons to prevent a new Anglo-German naval race.

The strength of the British navy had always been determined as being relative to the existing and projected strength of the other powers in all parts of the world. With this formula the English had historically tried to maintain a minimum absolute force with which to respond to their worldwide responsibilities. In 1914 this strength was set at sixty-nine capital ships, one hundred eight cruisers, three hundred twenty-two destroyers, and seventy-four submarines, but in June 1935, the fleet had been reduced to fifteen capital ships, fifty cruisers, one hundred eighteen destroyers and forty-eight submarines, a decline of forty-eight per cent.

This disarmament was achieved through the elimination or stabilizing of the number and size of those fleets that were considered a threat to the British. Scapa Flow and the Versailles treaty had solved the German problem. While in...
1921-22 in Washington and in 1930 in London, further agreements were reached which stabilized the size of the fleets of the other major naval powers: the United States, Japan, France, and Italy.

The immediate problem in naval competition after World War I was in the Far East among Britain, Japan, and the United States. The latter two were threatening an all-out naval race which would have forced the English to keep pace. All three powers, for various reasons—mainly monetary—dreaded the expense; consequently, when the Americans suggested a conference to discuss the problem, the other two were receptive and France and Italy were also invited to participate in the meeting. The Washington Conference which followed resulted in the Five Power Treaty, limiting the total tonnage for capital ships to a ratio of 5 (525,000 tons) for Great Britain and the United States, 3 (315,000 tons) for Japan, and 1.67 (175,000 tons) for France and Italy. No ship would exceed 35,000 tons and have larger than fifteen-inch guns. The only other ships restricted in tonnage were aircraft carriers, and of these, the British and Americans were allowed 135,000 tons each, Japan 81,000 tons, and France and Italy 60,000 tons each. The size limit for carriers was 27,000 tons maximum with guns no larger than eight inches. The parties also agreed to a ten-year halt in capital ship building. At the end of this period, new ships could be constructed to replace old ones. To ease the stigma for Japan of accepting an
inferior ratio, the treaty also included a provision that prohibited the five powers from building new bases or strengthening any present ones in the Pacific west of Hawaii. The treaty was restricted to capital ships because the French, piqued at their ratio, limited to that of the Italians, had refused to agree to its extension to cruisers, destroyers, and submarines.¹⁰

The Washington Conference solved the problem of capital ships but left unsolved that of auxiliary naval vessels—cruisers, destroyers, and submarines. Japan and Great Britain began expanding their fleets in these categories while the United States refrained from increasing its tonnage. As a result, the Americans found themselves falling behind and faced with what they considered wasted expenditures if they wanted to keep pace. In hopes of resolving the problem in the Washington manner, another conference was held in Geneva in 1927. The conference was a failure because of a disagreement between the United States and England. Great Britain had world-wide responsibilities and had naval bases established in strategic places with little need for the large cruisers¹¹ but needing large numbers of the smaller type.¹² On the other


¹¹This class of ship consists of 10,000 tons, eight-inch guns and a long cruising radius.

¹²In this category were ships of 7,500 tons, six-inch guns and a short cruising radius.
hand, the United States had few naval bases outside of territorial waters and needed more of the large cruisers than the British. The latter, however, did not want the Americans to be free to build a large fleet of heavy cruisers, which would be more powerful than an even larger fleet of smaller cruisers because of armament and gun size. London's solution to the problem was a limit of fifteen large cruisers and for the rest of the allotted tonnage to be made up of small cruisers. The United States could not accept the fifteen ship limitation; they wanted twenty-one. As a result, with great acrimony the conference collapsed.\footnote{Pratt, A History of United States Foreign Policy, pp. 330-331.}

The failure at Geneva was disturbing to statesmen of both countries, but it was not until 1930, with both powers under new leadership, that another attempt was made to extend the Washington formula. At that time the signatories of the Five Power pact met in London to discuss the problem and since Prime Minister Ramsay MacDonald was determined to reach an agreement with the Americans, the British dropped their opposition to the large cruisers.\footnote{Ibid. Chatfield, It Might Happen Again, pp. 60-67; Sir Robert Craigie, Behind the Japanese Mask (New York, 1945), pp. 13-15; Lord Robert Gilbert, The Mist Procession: The Autobiography of Lord Vansittart (London, 1958), p. 403.} The result was the London Naval Treaty of 1930, which gave Japan approximately seventy per cent of the cruiser and lesser ship strength of that of the United States and Britain, who were to be equal.
Italians and French could not agree to their relative strengths and did not accept that part of the treaty. The three main naval powers also agreed (1) to defer until 1936 the replacement of capital ships, which, according to the Washington agreement, could begin in 1931, (2) for each power to destroy the necessary number of capital ships to reach the Washington Limit: and, (3) to an escalator clause which permitted any signatory to exceed its ship quota if its national security was threatened. The treaty, like the former agreement, would expire December 31, 1936.

The naval treaties did not disarm the British but only reduced the absolute size of their fleet while maintaining its relative size. However, for over a year before the Anglo-German naval pact, the treaties and what they had done to English security came under an increasingly heavier attack led by the Admiralty and traditionalists in foreign policy. The impetus for this was Japanese and German aggressiveness and the failure of Britain to gain United States and French cooperation in opposing it.

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15 Britain's was five, leaving her fifteen; the United States, three, leaving her fifteen; Japan, one, leaving her nine.

16 Pratt, A History of United States Foreign Policy, pp. 331-333.


18 Donald Cameron Watt, Personalities and Policies: Studies in the Formation of British Foreign Policy in the Twentieth Century (Great Britain, 1965), pp. 84-87; Vansittart,
The real threat to the English was from Japan, while the German threat was mainly based on what could happen. Japanese nationalism increased during the twenties, accelerated by the Washington and London Treaties. The nationalistic pride of Japan received a blow at Washington when London placated the United States by almost unilaterally abrogating the Anglo-Japanese alliance which had existed since 1902. Consequently, Japan came away from the conference with a distaste for the English. The inferior ratio given at both conferences bothered the Japanese greatly, particularly the ultra-nationalists of the military and navy. In London the moderate civilian government overruled the Chief of Naval Staff, Admiral Kanzi Kato, and ordered him to accept the treaty with its inferior ratios. Kato resigned over the issue and became the leader of the ultra-nationalists who would later oppose the renewal of any naval treaty.

In September 1931, the nationalists in Japan were strengthened when the Japanese army struck at Manchuria and quickly turned it into the puppet state of Manchukuo. Tokyo

The Mist Procession, pp. 404-407; Chatfield, It Might Happen Again, pp. 78-80; the leaders of the Traditionalist were Sir Robert Sisattart of the Foreign Office, Warren Fisher of the Treasury, and Sir Maurice Hankey, Cabinet Secretary.

19Craigie, Behind the Japanese Mask, pp. 112-13.

20Ibid., p. 15.

21Watt, Personalities and Politics, p. 84. Craigie, Behind the Japanese Mask, p. 15.
followed that victory by trying to break a Chinese boycott of Japanese goods by bombing Shanghai. The attack was accompanied by rumors that the Nipponese's next attack would be on Britain's yet incompletely naval base at Singapore on which the entire defense of the Far East depended. The Japanese cabinet which signed the London treaty resigned and in January 1933, Tokyo withdrew from the League of Nations. By late 1933, talk about letting the naval disarmament treaties expire filtered out of the Far East. \(^{22}\)

By 1934 the British felt isolated in the Far East because the League of Nations had failed to deal with Japanese aggression and because the United States and Great Britain had not been able to present a united front against Tokyo. The British were disenchanted with American support in Asia and started viewing the situation from an unaided stance. \(^{23}\)

British fears grew during the summer of 1933 with the advent of Adolf Hitler and because of France's failure to accept the British disarmament plan proposed at the Geneva Disarmament Conference in the same year. These anxieties were exacerbated by growing signs of German rearmament and the withdrawal of Germany from the League of Nations in October 1933. Thus, in response to the Japanese-German threat and

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\(^{22}\) Watt, Personalities and Politics, p. 84; Platt, A History of United States Foreign Policy, pp. 346-356.

\(^{23}\) Vansittart, The Last Procession, p. 437; Craigie, Behind the Lines, p. 99.
the apparent lack of allied cooperation in dealing with it, Great Britain began re-examining her defenses.\textsuperscript{24}

The government set up a sub-committee of the Committee of Imperial Defence called the Defence Requirements Committee (DRC). The sub-group was made up of the three Chiefs of Staff; representatives of the Treasury, the Foreign Office, and Cabinet secretary Maurice Hanky, who chaired the Committee. The Committee began its work in mid-November and produced its first report on February 28, 1934.\textsuperscript{25}

The DRC's task was not a simple one because a democracy's military strength depends primarily on the immediate prospects of war and on public opinion. From 1919 to 1931 British prospects for war were reflected in the naval treaties and the "Ten Year Rule," the latter being the criteria by which the Cabinet determined defense expenditures. The rule assumed that there would not be another major war for ten years and was used from 1922 to 1933.\textsuperscript{26} As for public opinion in this period, the trend was toward pacifism.\textsuperscript{17} In 1933 the prospects of war were apparent, but the trend toward pacifism grew in strength.


\textsuperscript{25}Chatfield, It Might Happen Again, pp. 79-80.


\textsuperscript{27}Charles Lock Mowat, Britain Between the Wars, 1918-1946 (Chicago, 1955), p. 462; Viscount Templewood, Nine Troubled Years, pp. 110-111.
The anti-war sentiment came from all quarters. In early 1933 the Oxford Union Society created a significant stir when by a large majority it passed a motion declaring that its membership would under "no circumstances fight for its King and country." The student protest continued throughout the year and reflected "... the profound detestation of war in Britain in 1933, and the determination to avoid it almost any cost." A tempest was created by Beverley Nichols' *Cry Havoc*, which was published in July. The book slashed at the military-economic complex saying, "More death, more dividends, more blood—more bonuses," and revived memories of World War I. "You know what a gas-mask looks like. Well, just picture, for a moment, a mask on the face of some woman you love." The book received favorable reviews from both right and left and reflected the underlying feelings of many Britons.

It was in the light of this background that by-elections took place in late 1933. There were seven elections in

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31 Ibid., pp. 156-157.
32 Britain was governed by a National Government from November 1931 to November 1935. It was a coalition of Conservatives, Labor, and Liberals with Socialist Ramsay MacDonald as Prime Minister until June, 1935. However, the
all, one in October, five in November, and one in December. The most significant one was at East Fulham on October 25, eleven days after Hitler's withdrawal from the League of Nations over the disarmament issue. The only issue in East Fulham was disarmament, and the Labor Party candidate, John Wilmot, capitalized on public anxiety caused by Hitler and the *Daily Herald*'s warning to its readers about the military-economic complex at home and abroad. Four days before the ballot at Fulham, the paper published a front-page story headlined "Warmongers Start Big Drive for More Arms." Baldwin denied the charge but Conservative candidate Alderman W. J. Waldron's earlier statement that "The well-being of this country, and indeed the British Empire, necessitates a strong Navy and Air Force" probably was too blunt. The issue, as the voters saw it, was that Wilmot promised "peace and disarmament" and the abolition of the "whole dreadful equipment of war" while Waldron seemed to demand "armaments and preparations for war."

Conservatives were by far the most powerful party and its leader Stanley Baldwin actually exercised the power of government. Baldwin replaced MacDonald in 1935 and remained as Prime Minister until 1937.

The Labor candidate won the seat by 4,840 votes. But what made the victory significant was that a Tory majority of 14,521 of 1931 became a Labor seat in just two years. The turnover was 19,361 votes and it was all attributed to pacifism.

The reaction of the leadership, particularly Baldwin's, to the East Fulham election played a major part in British rearmament plans in the following years. The Conservative leader was greatly disturbed by the election and was haunted by what the peace issue could do in a general election. He would not risk a landslide over the issue and told Vansittart, "I cannot go to the country on rearmament. Look at these East Fulham results." The East Fulham syndrome reasoned that if the Conservative party went too fast for public opinion, it probably would lose office to the pacifist Labor party, thereby jeopardizing Britain's national security. Thus, the policy for the future was one of a parallel course of appeasement and gradual rearmament. The Anglo-German Naval Agreement was a result of that policy.

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37 The Times (London), October 27, 1933, p. 13.
38 Templewood, Nine Troubled Years, p. 127.
40 Vansittart, T. Mist Procession, p. 508.
CHAPTER II

THE NEXUS OF BRITISH NAVAL POLICY AND DEFENSE POLICY

The Anglo-German Naval Agreement was a direct result of several simultaneous developments of 1934: the increased belligerency of Japan; the renewal of a strong and dangerous Germany; the British government's defense program; and the failure of the latter's proposals to solve the Asian or European problems.

At the outset of the year 1934, Whitehall still had hopes of solving the German problem through the Geneva Disarmament Conference. It was to this end that on January 29 Britain proposed a new disarmament plan that would give Germany arms equality in ten years and bring her back into the League of Nations. London was hopeful and sent Anthony Eden, a foreign affairs expert, to Paris, Berlin, and Rome to determine the possibilities of such an agreement.

The French, however, were involved in a cabinet crisis at the time and refused to commit themselves; Rome, on the other hand, was agreeable to the British proposal, and Eden's conversations in Berlin made a lasting impression that became

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a factor in the naval discussions with the Germans in June 1935, and in February 1934, Hitler appeared conciliatory; he voiced a few objections and then listened to the British diplomat’s responses.\(^2\) In the end the Dictator agreed to accept London's plan as a basis for consultation, to limit the size and scope of his paramilitary forces, and to negotiate German re-entry into the League of Nations. Eden assented to submitting to his government Germany's request for a 300,000 man army and an immediate defensive air force no larger than fifty per cent of that of France. The British representative left Berlin convinced that Hitler wanted a disarmament treaty and that if the French would agree, a pact could be realized.\(^3\)

But Paris vacillated, and London refused to apply pressure. The chance for a disarmament agreement with Germany was completely annulled on April 17 when the Quai d’Orsay rejected the British proposal because it was contrary to French self-interest.\(^4\) This refusal angered Britain's leaders\(^5\) and

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\(^4\)Eden, Facing the Dictators, p. 84; Mr. Campbell to Sir John Simon, Paris, April 17, 1935, D.B.F.P., Ser. 2, VI, 630-631.

shortly thereafter Germany confidentially declared her intention to rearm without restrictions; British anger became bitter frustration. 6

The failure to limit German rearmament complicated Whitehall's foreign and defense problems greatly. In its annual report in early 1934, the Committee of Imperial Defence had gloomily declared that the armed forces were incapable of national and imperial defense responsibilities. 7 When the DRC made its report of Britain's defenses on February 28, it labeled the three services "deplorably weak." 8 and recommended a five-year plan that would have increased military expenditures between seventy-one and seventy-eight million pounds. 9 The report suggested that the government establish spending priorities for defense needs first and domestic needs second. 10 However, the DRC was inconclusive as to which power, Germany or Japan, was the greatest threat; the committee cautioned about Germany's potential but concluded that the Asian power was the immediate danger. 11

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6 Eden, Facing the Dictators, pp. 86-93.
7 Chatfield, It Might Happen Again, pp. 78-80.
8 Ibid., p. 80.
9 Young, Baldwin, p. 178; Wightman, Baldwin's Record, pp. 175-176; Chatfield, It Might Happen Again, p. 79.
10 Chatfield, It Might Happen Again, p. 82.
11 Watt, Personalities and Policies, p. 86.
The report was carefully studied by the British political leaders, but unlike the DRC, whose considerations were governed mainly by the defense the Empire needed for security in the face of international conditions, the leadership also had to carefully calculate the domestic factors of public opinion and finances. The latter two considerations made a complex problem of the defense issue, since the Government felt that public opinion would not accept the massive rearmament recommended by the DRC\(^\text{12}\) and because the sums required to restore the nation's defenses could be interpreted as tantamount to financial disaster for the country.\(^\text{13}\) The latter group's beliefs were reinforced when the Chancellor of the Exchequer, Neville Chamberlain, informed the Government that probably no more than fifty million pounds would be available for defense.\(^\text{14}\) Hence, for financial reasons, to placate public opinion and because most of the ministers apparently did not feel that British defense conditions had deteriorated as stated at this point,\(^\text{15}\) the report was modified.


\(^\text{13}\) Chatfield, It Might Happen Again, pp. 78, 84.

\(^\text{14}\) Young, Balfour, pp. 176-179.

\(^\text{15}\) Wightman, Chamberlain's Record, p. 178.
At this time the British still had high hopes that some good would result from their disarmament plan and had not yet seriously considered the problems involved in the renewal of the naval limitation treaties since they did not expire until December 31, 1936. Moreover, negotiations to renew the agreement would not begin until late 1935. Therefore, rearmament, regardless of other factors, had to be of such a degree as not to jeopardize the success of disarmament negotiations. It was in this context that in March the Government presented its defense estimates calling for modest increases over 1933.\(^{16}\)

The debate over these estimates took place while there was still hope for a European disarmament treaty and while Japanese attitudes toward the naval treaties were still nebulous. Consequently, there was strong opposition to the increase. Acrimonious charges were made that the Government was destroying all hopes for peace and arms limitation, or even the renewal of the naval treaties.\(^ {17}\) The Government was impressed by the reaction but faced new international threats that lent added implications to British defense needs.

On April 17, the day France killed the disarmament agreement, an ominous situation developed in Asia. A spokesman for the Japanese foreign office, Mr. Amau, made a statement of Japan's policy for the Far East which amounted to an

\(^ {16}\) *The Times* (London), March 7, 1934, pp. 9, 15.

Asian Monroe Doctrine. He added a warning against alien intervention in the Far East, which he declared was Japan's sphere of influence. 18 The British were quite disturbed by this declaration, because earlier Tokyo had made it known that future naval treaties would have to give her navy parity with the United States 19 and because Japan was illegally fortifying her mandated islands. 20 Whitehall had declared against Japanese parity 21 while suggesting to the United States an agreement that would have a "salutary effect" on Japan. 22 Thus, the British Government reacted sternly to Tokyo's action, declaring the note could not apply to the United Kingdom. 23

While the Far East was fermenting headaches for Britain, European tensions increased. On March 21 a Foreign Office memorandum on illegal German rearmament clearly stated that Germany would very soon be a threat to the European balance of power in both air and military strength. 24 Shortly

18 Craigie, Behind the Japanese Mask, p. 31.
21 Ibid.
22 Davis to Roosevelt, London, March 6, 1934, ibid., 222.
thereafter Vansittart, in a memorandum to the Cabinet, declared that the German threat already existed and that English rearmament was imperative.\textsuperscript{25} As a result, the British Cabinet reconsidered the DRC recommendation of February, and motivated by public opinion and finances,\textsuperscript{26} they consequently decided upon a system of priorities. The European threat demanded that the air force be greatly strengthened, while the Asian crisis suggested greater naval strength. Faced with that crisis, the Government resolved to cut the DRC's estimates by one-third, most of the reduction coming from the army, and to give rebuilding priority to the air force. Under this plan, the navy would take second place since finances would not permit its refurbishing.\textsuperscript{27} The basis for this strategy was revealed on May 8 to Robert Bingham, American ambassador to London, by Vansittart:

\ldots he Vansittart thought the danger now was in Europe and from Germany, that the Germans were not only arming generally but were building a large number of heavy bombing planes. \ldots Meanwhile he saw no immediate danger in the Far Eastern situation and believed that any disturbance there was unlikely \ldots until Germany precipitated war in Europe.\textsuperscript{28}

\textsuperscript{25}Memorandum by Vansittart, London, April 7, 1935, D.B.F.P., Ser 2, VI, 975.

\textsuperscript{26}Watt, Personalities and Policies, p. 90.

\textsuperscript{27}Ibid., pp. 90-91.

At this juncture the German and British air forces became an important motivating factor in the decision to sign a naval agreement a year later.

The navy did not like the priority decision and demanded expansion of the cruiser fleet from fifty ships to seventy as soon as possible. The Cabinet agreed, but the implementation of this expansion necessitated the revision of the Treaty of London, and that would depend on the United States. Hence, it was decided that talks with the United States should begin immediately.

The discussions with the Americans did not begin until late June, but the British started preparing the way for their demands almost immediately. In May rumors were started that Britain would not oppose Japan's demands for parity and that an Anglo-Japanese rapprochement was a possibility. Six weeks later Bingham was told that the Italian and French decisions for each to build two 35,000 ton battleships hurt British naval position and London was considering an increase.

Finally, on June 25, Davis and Bingham met with Sir Robert Craigie, a civilian naval expert who had participated in the Geneva and London Conferences and who would later

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negotiate the Anglo-German Naval Agreement. They were told that Britain had to have seventy cruisers because of the deteriorating international situation caused by the French and Japanese statements of April 17\(^3\) and that London was considering three policies to deal with the Far East: (1) to seek a rapprochement with Japan to insure English interests in Asia and to reduce Britain's naval needs, (2) to increase their cruiser tonnage so they would be able to deal with Japan alone if necessary, and (3) to reach an agreement with the United States on the basis of naval parity if an agreement could not be reached with Japan.\(^3\) Two days later more pressure was applied as Bingham was told that the naval treaties were made when the only problem was Japan; now there was Germany. Baldwin did not feel that Britain was capable of dealing with trouble with Tokyo at the time or that the United States would be of help to Britain in the Far East.\(^3\) A month later Craigie gave a detailed analysis of British needs;\(^3\) the United States remained uncommitted but was disappointed with Britain and was sure that the Admiralty controlled the policy toward the naval treaties.\(^3\) However, it

\(^3\)Bingham to Hull, June 25, 1934, ibid., pp. 272-273.


\(^3\)Bingham to Hull, London, June 27, 1934, ibid., pp. 279-282.

\(^3\)Craigie to Atherton, London, July 25, 1934, ibid., pp. 301-302.

\(^3\)Davis to Hull, London, June 25, 1934, ibid., p. 273.
was agreed that there would be additional talks in the fall and that Japan should be included.

In the summer of 1934, the naval differences between the three main signatories of the Washington and London treaties were set forth by the naval authorities of each. Admiral William V. Pratt of the United States, in a July issue of *Foreign Affairs*, discounted Japan's need for parity and the English need for more cruisers. In Japan, public opinion demanding the abolition of the naval treaties was encouraged by militant anti-treaty naval officers who publicly denounced Pratt's article. The Japanese theme was monotonously the same—parity because Japan's security and national pride demanded it.

In Britain there was disagreement among naval personnel as to policy; Admiral Earl Beatty declared that the navy was incapable of meeting its responsibilities and that the naval treaties of 1920 and 1930 should be eliminated. On the

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other hand, Richmond declared that the naval treaties were necessary but that the ratio system should be replaced by treaties based on programs limiting the size of ships and guns. The latter was given the most support in the press and influenced the Government the most.

The necessity of reaching agreement over naval limitations was magnified for the British between July and November 1934. On July 19 Baldwin revealed to Parliament that serious deficiencies existed in all three services, and that the needs of the army and navy could be taken care of by future estimates but that the Royal Air Force needed immediate large-scale expansion. The issue was bitterly debated in Commons on July 30 with Baldwin making his famous peroration:

Let us never forget this; since the day of the air, the old frontiers are gone. When you think of the defense of England you no longer think of the chalk cliffs of Dover; you think of the Rhine.

The opposition led by Clement Attlee of the Labor party and Viscount Samuel of the Liberals attacked the proposals as dangerous to the security of England and the prospects for

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42 Chatfield, It Might Happen Again, p. 60.

43 Parliamentary Debates, Ser. 5, CCVIIIC, 1273-1275.

44 Ibid., p. 2341.
peace and disarmament.\textsuperscript{45} However, the criticism did not stop with those who thought that the measure went too far but also came from those, led by Winston Churchill, who thought it did not go far enough.\textsuperscript{46}

The July 30 debate was significantly important to the Cabinet since it marked the first exchange of views by the House of Commons on the Government's policy of definite rearmament. In addition to the reaction of the members, the press response was equally important and it was as divided as that of the Commons.\textsuperscript{47} Thus, the Government faced pressure from both sides in its struggle to determine the proper rearmament course.

Therefore, in an uncertain and divisive atmosphere, Great Britain hosted a preliminary naval conference from October through December. An Anglo-Japanese meeting on October 25\textsuperscript{48} Admiral Yamamoto spelled out to Britain what parity meant. He proposed that the leading naval powers establish a "... common upper limit which may not be exceeded but within which each power may equip itself as it

\textsuperscript{45}Ibid., pp. 2339-2363.

\textsuperscript{46}Winston Churchill, The Gathering Storm (Boston, 1948), pp. 113-117.

\textsuperscript{47}Wightman, Baldwin's Record, pp. 196-198. Wightman gives an excellent detailed account of the press reaction.

\textsuperscript{48}The British had decided bilateral talks with the Japanese and Americans would be best until Japanese demands could be determined. Watt, Personalities and Policies, p. 93.
The upper limit was to be as low as possible and "... offensive arms should be reduced or abolished in favor of essentially defensive arms." London viewed the "common upper limit" as a destructive plan that would make it possible for Japan to concentrate a stronger force than the British any place in the Pacific because Britain had world-wide responsibilities.

The British leadership of Ramsay MacDonald, Simon, and Baldwin was greatly disturbed about the Japanese offer and Tokyo's threat to renounce the treaties if not given parity. The failure of the United States to agree to an increase in the British fleet or to accept a political pact for the Far East and the feeling that naval competition would destroy the economy drove the British to seek a compromise acceptable to both Japan and the United States.

The plan, which reflected Richmond's thinking, was called the "middle road" plan and it was presented in November. In the preamble the proposal offered Japan a statement of natural equality of sovereign rights and replaced the ratio


50 Craigie, Behind the Japanese Mask, p. 17.


52 The Times (London), November 7, 1935, p. 17.
system with naval programs relevant to respective needs. Each power would reveal its building programs and then all would agree to qualitative limitations, gun size, ship size and other restrictions. There would also be a continuous exchange of naval information between the powers. Since the numerical size of each fleet would be relevant to the area it had to cover, the British navy would be the largest because it had the largest area. Therefore, in this way, Britain would get its seventy cruisers.

Neither the United States nor Japan accepted the program. The United States was unenthusiastic from the outset, while Japan procrastinated in answering. The relationship between the Americans and the British deteriorated greatly during the sessions, with the former believing that the negotiations were being controlled by a group headed by Chamberlain, Simon, MacDonald, and the Admiralty. These men felt Europe was the most dangerous area so Britain had to get some kind of agreement limiting or binding Japan. The American belief was correct but action by a pro-American group in Whitehall and the failure of Tokyo to respond eliminated the

possibility of an Anglo-Japanese rapprochement. Instead, the British became irritated with and very suspicious of the Asian power's motives, with the final blow to the "middle road" plan administered by Japan in late December when she rejected the proposal and announced the termination of the naval treaties effective December 31, 1936.

The collapse of the naval negotiations opened up the spectre of a naval race which would entail the expenditures that the Cabinet had decided must be avoided when it concluded that the air force needed expansion. This possibility of a naval and air power race brought new emphasis to proposals made by Germany to England in late 1934.

The German navy through most of 1934 had not been an important factor in London's defense considerations because Hitler knew that the worst mistake he could make would be to challenge England on the sea. Therefore, Sir Eric Phipps, English ambassador to Germany, was able to report in November 1933 that Berlin's naval program was not violating Versailles and that General von Blomberg said Hitler would never dream of building a navy in any way threatening Great Britain. However, Phipps did report that Germany might need a few small

56 Watt, Personalities and Politics, pp. 93-99.
submarines for defense.\textsuperscript{59} The Memorandum of March 21, calling Germany an air power threat, labeled the continental power's fleet as no threat.\textsuperscript{60} On April 11 Phipps reported the first real sign of a rebuilding of the German navy. Berlin announced that in time it would need 25,000 ton battleships and submarines for defense.\textsuperscript{61} The English were not disturbed about the navy, only the air force.

During the summer of 1934, Berlin carefully watched British moves, particularly the naval negotiations. On October 31 a circular was sent to German naval personnel explaining the navy's attitude toward the Naval Conference of 1935. The size of the German navy would remain open to make clear that no clash with Great Britain could occur.\textsuperscript{62} Six days later Hitler set the size of the German navy at one-third of the strength of the British navy and directed that London be informed on a suitable occasion.\textsuperscript{63} Germany's leadership waited patiently, telling the English continually that Berlin was not a military threat to the British, especially on the sea.\textsuperscript{64}

\textsuperscript{60}Memorandum, London, March 21, 1934, \textit{ibid.}, p. 582.
\textsuperscript{61}Sir E. Phipps to Sir J. Simon, Berlin, April 11, 1934, \textit{ibid.}, pp. 623-625.
\textsuperscript{63}Memorandum by Bulow, Berlin, November 5, 1934, \textit{ibid.}, p. 573.
\textsuperscript{64}Ribbentrop to Hitler, London, November 16, 1936, \textit{ibid.}, pp. 639-640.
In late November it was obvious that naval negotiations in London were going badly, and this led Hitler to believe the occasion was suitable to offer to limit the German fleet. On November 27, Hitler declared to Phipps that Germany was "willing to come to an agreement with Britain in the naval sphere . . . on a basis of about 35 percent." All Germany wanted was a fleet to match that of France or Russia in the Baltic.65 The initial move of the Anglo-German Naval Agreement had been made; it was rejected, but with the mounting pressures in London, the opportunity for success would soon be at hand.

65 Hitler to Phipps, Berlin, November 27, 1934, ibid., p. 681.
CHAPTER III

HITLER ENTICES BRITAIN WITH NAVAL LIMITATION

The disintegration of an international situation conducive to disarmament in 1934 caused Britain in the fall of that year to reexamine her defenses for the second time within a year. The Defense Requirements Committee was reactivated and given instructions to determine the defense needs of the nation, regardless of cost. Continuing its search for a solution to the problem of disarmament, the Cabinet in early 1935 decided that the key lay with Berlin and not with Tokyo.

The failure of the Anglo-Japanese-American naval negotiations in the fall of 1934 had left the British convinced that, for the time being, nothing would be accomplished by dealing with Japan. This conclusion was re-enforced in January 1935 when Nipponese ultra-nationalism increased the tension in the Far East. Admiral Kichisaburo Nomura established the tempo in the January issue of Foreign Affairs in which he claimed that Japan had been insulted by the Washington and London naval treaties, and he warned London that no new naval bases could be built by Britain in the Far East.²

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¹Chaudhry, It Might Happen Again, p. 83.
Nomura's article was given added significance when on January 29 the Manchester Guardian reported that the Japanese government foresaw a naval race, and a few days later the Times (London) reported that Tokyo claimed a twenty per cent better fighting fleet than either England or the United States. Occurring simultaneously with the verbal declarations was an increase in Japanese pressure on Northern China and the insistence by Tokyo on an oil monopoly for Manchuria. Consequently, the British had reason to believe that prospects were dim for an agreement with the Asian power until it showed some sign of moderation.

The decision to wait for a more reasonable Japanese policy led London to approach Hitler about an agreement. This course was made inevitable, for since the middle of 1934, Whitehall was convinced that there was a connection between Japanese and German rearmament demands. Britain feared a

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Tokyo-Berlin combination and wanted to prevent it. This could only be achieved by reaching an agreement with one of the two powers, and since settlement with Japan was not considered probable, any agreement would have to be with Germany.

During the first three months of 1935, the British made a concerted effort to establish a basis upon which the European powers could come to terms with the Nazis. The cornerstone to this course was set at a meeting between the English and the French held in London in late January. The conversations centered on the problem of German rearmament and the fruition of the discussions was the Anglo-French Joint Communiqué of February 3. This declaration was to be the framework of the ultimate solution to European security and was directed at Germany. The two powers (1) rejected the right of unilateral abrogation of the Treaty of Versailles, (2) advocated a revision of the treaty in the form of a general arms limitation convention, (3) proposed an eastern European security pact, and (4) called upon Germany to return to the League of Nations.

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9Davis to Hull, London, November 27, 1934, ibid., 372.


Phipps and French ambassador to Berlin, Andre Francois-Poncet, together presented the Communiqué to Hitler.\textsuperscript{12} The Dictator replied to the statement by suggesting that Whitehall come to Berlin for talks about the possibility of an air pact based on German parity.\textsuperscript{13} London readily accepted the invitation but insisted that the basis for the conversations be the Communiqué,\textsuperscript{14} a condition to which Germany consented.\textsuperscript{15} As a result, the Cabinet decided to send Simon and Eden to Berlin for the meetings which were scheduled for March 8.\textsuperscript{16}

Before the Anglo-German exchange took place, a significant move was made by the British Cabinet that influenced later action by London and Berlin. The D.R.C.'s defense report had been made to the Government, and on March 4 the White Paper on defense was published. It provided for an increased spending for defense of ten and one-half million pounds. Of


\textsuperscript{13} Memorandum by Von Neurath, Berlin, February 14, 1935, D.G.F.P., 125, Ser C, III, 927.

\textsuperscript{14} Hoesch to Neurath, Berlin, January 22, 1935, ibid., 955.

\textsuperscript{15} Memorandum by Neurath, Berlin, February 22, 1935, ibid., p. 955.

this amount, the navy was allotted a three and one-half million increase over 1934; the additional amount was to be spent for modernization and repair programs. The rate of new construction was not to be speeded up and the total increase amounted to six per cent. Most of the remaining increase in the estimates went for the expansion of the air force.17 The document carefully outlined the history of Britain's peace policy and stated that she had attempted to bring about disarmament by example, one which the other powers had failed to follow. The paper justified the need for English rearmament on the grounds that Germany was now a threat to British security.18

The relationship of the White Paper to the political situation in England must be considered because the defense increases came at a time when the Conservatives were extremely sensitive to the political effects of rearmament. A national election was pending (one had to be held by November 1936) and for months the opposition, Labor and Liberals, had been increasing the political pressure. The opposition's hopes for victory had been raised by the by-elections, the Peace Ballot, and the growth of public aversion to the manufacture and sale of war materials.

17 The Times (London), March 7, 1935, p. 9 and 14.  
Throughout 1934 and continuing into 1935, the Labor Party attempted to use the Government's defense policy as the basis for labeling the Conservatives as the "war party." In the October 1934 by-elections the Labor candidate at North Lambeth declared his party was the recognized "peace party," while the Labor representative at Swindon blamed German re-armament on the policies of Simon. Both nominees won and pacifism was recognized as the key to their victories.

A month later in the Putney by-election, memories of East Fulham were revived when the Labor nominee accused the Government of sacrificing the domestic needs of the English people for useless military might. In Putney the Conservative candidate won by only 2,663 votes, a decline of 18,483 from the 21,146 vote victory of 1931. Coupled with the encouragement gained from the by-elections was Labor's victory in the London municipal contests of November, 1934; here Labor captured fifteen of twenty-eight boroughs which surpassed its best previous showing of 1919. Labor claimed that the London election was the prelude to its victory in the next national election.

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19 The Times (London), October 13, 1934, p. 7.
20 The Times (London), October 17, 1934, p. 7.
22 The Times (London), November 30, 1934, p. 7.
23 The Times (London), November 4, 1934, p. 12.
The peace issue received added emphasis in late 1934 when the League of Nations Union and other civic organizations formed a National Declaration Committee and sponsored the famous Peace Ballot. The English people were asked to answer five questions:

1. Should Great Britain remain a member of the League of Nations?
2. Are you in favour of an all-round reduction of armaments by international agreement?
3. Are you in favour of the all-round abolition of national military and naval aircraft by international agreement?
4. Should the manufacture and sale of armaments for private profit be prohibited by international agreement?
5. Do you consider that if a nation insists on attacking another, other nations should combine to compel it to stop by: (a) economic and non-military measures (b) if necessary, military measures?

The Peace Ballot sponsors expected the election to show the overwhelming desire of the people of the United Kingdom for peace, to move people of other countries toward pacifism, and to encourage the Government to pursue the policies of collective security and disarmament.

24 Wightman, Baldwin's Record, p. 207.

25 Churchill, The Gathering Storm, p. 169; the Peace Ballot results were released in June 1935, and all of the Questions except number five received an overwhelming yes vote. The vote on number five revealed some confusion of the British people as to the proper course of action.

26 Edward Price Bell, "War Can Be Conquered," Literary Digest, CXIX (January 26, 1935) 32-34
The policy was strongly endorsed by the opposition parties and caused the Government much irritation. Baldwin, who was afraid of the pacifists, charged that for the opposition to bring the Peace Ballot into politics was "party politics of the basest kind."

Another anti-war movement that paralleled the Peace Ballot and the by-election was the demand in Britain for an investigation into the private manufacture and sale of armaments. This demand was influenced by the Nye Committee in the United States and H. C. Engelbrecht and F. C. Hanighen's Merchants of Death: A Study of the International Armaments Industry, which was published in 1934. The Labor Party exploited this attack on the arms industry to the chagrin of the Conservatives by proposing that arms necessary for war be manufactured only by the State. The Government tried to stem the effect of this drive by offering a limited investigation of the private arms issue.

In January 1935, the Times (London) responded to the pacifistic developments by deriding the Labor party for attempting to exploit for political reasons the English people's desire for peace. But the trend continued and

27 Templewood, Nine Troubled Years, pp. 127-128.
28 Young, Baldwin, p. 200.
29 The Times (London), November 24, 1934, p. 7.
30 Wightman, Baldwin's Time, p. 205-211.
in February 1935, Labor won its ninth by-election since 1931.\textsuperscript{32} The victory was at Wavertree, and the 1931 Conservative vote margin of 23,973\textsuperscript{33} was eliminated by a Labor victory of 1,840 votes.\textsuperscript{34} The by-elections, the Peace Ballots, and the arms sale and manufacture controversy were a warning to the Government that it should move cautiously in rearmament. The military and diplomatic experts might justify the need for rearmament to the Government, but for it to implement the need and still retain power depended on the policy being palatable to the public. Labor's victories were a clear indication that the public was not ready for rearmament in March 1935.

Consequently, the White Paper on defense was severely attacked by the opposition, which was intent on making rearmament the main election issue. The onset was initiated by the opposition press led by the \textit{Daily Herald}, which bore on successive days the headlines "Government's Arms Scare Sensation," and "British Arms Scare Startles Europe."\textsuperscript{35} The \textit{Manchester Guardian} found it hard "to imagine a more profoundly pessimistic document."\textsuperscript{36}

\begin{itemize}
\item \textsuperscript{32} \textit{The Times} (London), February 7, 1935, p. 14.
\item \textsuperscript{33} \textit{The Times} (London), January 29, 1935, p. 14.
\item \textsuperscript{34} \textit{The Times} (London), February 8, 1935, p. 15.
\item \textsuperscript{36} \textit{The Manchester Guardian}, March 5, 1935, p. 10.
\end{itemize}
On March 11 in the Commons, Attlee declared that the defense paper was adverse to the League of Nations and jeopardized the prospects for any disarmament.37 The next day the Labor candidate at Norwood called his party the "peace party" and labeled the Conservatives "warmongers."38 In the balloting two days later the Tory victory margin of 23,634 of 1931 had been reduced to 3,348.39

Baldwin led the Government's defense of the paper. He attempted to justify estimates for each of the services, stating that the Government was not asking for more arms but only for the refurbishing of those in existence. But the opposition continued its public appeal and made a deep impression on the Conservatives, particularly those in the Cabinet.40 To keep the debate over the rearmament issue from increasing pacifism in England and thereby sweeping the opposition into office, the Cabinet moderated its position towards defense.41 As a result, pacifism was very much a factor in British foreign and defense policies in 1935. The White Paper also caused great resentment in Berlin, and Hitler responded by postponing the visit by Simon and Eden; he claimed he had

37The Times (London), March 12, 1935, p. 7.
38The Times (London), March 13, 1935, p. 15.
40Eden, Facing the Dictator, p. 126-128.
41Young, Baldwin, p. 156.
However, the Cabinet, particularly the foreign secretary, wanted conversations with Hitler; and Leopold von Hoesch, the Nazi ambassador to London, reported that Simon "urgently desires to achieve a definite result in Berlin." As a result of Whitehall's initiative, Hitler agreed to meet with the two British representatives on March 25 and 26.

Four days after the visit was reset, the German Dictator established the mood for the talks by unilaterally abrogating Part V of the Treaty of Versailles by announcing German plans for universal military conscriptions. The act violated the very basis of British policy, including the February 3 Communique. London protested the move but tempered its complaint by inquiring whether Berlin was still prepared to discuss the points raised by the Communique. Hitler was delighted and thus the talks were still to be held.

The action reflected the Cabinet's desperation at that time; its defense estimates had rejuvenated the pacifists, and its attempts to negotiate armament limitations had been

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rejected by antagonists and friends, alike. Led by Simon, the Cabinet decided that "if things were as bad as they seemed... it might as well get the answer direct from Hitler."\footnote{Eden, Facing the Dictators, p. 129.} So Simon and Eden went to Berlin.

The March conversations were the immediate cause of the Anglo-German Naval Agreement. The British were deeply impressed with the contrast between the attitude and demands of Hitler in February 1934, and in March 1935.\footnote{Eden, Facing the Dictators, pp. 133-142; Chatfield, It Might Happen Again, p. 73.} The Dictator was more confident and less considerate of his adversaries' opinions.\footnote{Herbert van Dirksen, Moscow, Tokyo, London: Twenty Years of German Foreign Policy (Norman, 1952), p. 196; Eden, Facing the Dictators, p. 133.} His military claims reflected the year's difference. In 1935 he did not request the right to armaments but simply explained what they were going to be. His proposed army was double the 300,000 figure of 1934. He stunned the British when he declared that the German air force was equal in size to that of Britain;\footnote{Eden, Facing the Dictators, pp. 141, 181-182; ibid., Retrospect, pp. 292-296; Unidentified Memorandum, Berlin, 25, 1935, B.E.P.P., 1935, Ser C, III, 1937, G.V.} in 1934 the air force was to have been small and defensive. Hitler completed the contrast by brushing off any possibility of Germany's participating in a collective security pact, asked for the return
of German colonies taken from her after World War I, and refused to return to the League of Nations.\textsuperscript{50}

Also discussed at length in Berlin was a subject that was not even mentioned in 1934, the German navy. Prior to the Conference this matter had been the subject of numerous rumors that centered around Hitler's offer to limit the German navy to thirty-five per cent of Britain's. He had made the first offer in November 1934 and had repeated it to Lord Allen of Hurtwood, who paid a visit to Hitler in January 1935 at the request of MacDonald.\textsuperscript{51} Whitehall had adamantly refused the offers and had not made them public. London was told before the March conversation that the Fuehrer would again make the offer, but it was well established in official circles that the British would not accept it.\textsuperscript{52}

In Berlin Simon initiated the talks concerning naval disarmament. He explained to Hitler that the British and other naval powers had agreed to replace the naval ratio system used at Washington and London with the British "middle road" system and that the naval powers had been holding preliminary conversations in preparation for the conference in the fall

\textsuperscript{50}Eden, Facing the Dictators, pp. 193-194; Simon, Retrospect, pp. 202-204; Unsigned Memorandum, Berlin, March 25, 1935; \textit{ibid.}, 1064-1075.


of 1935. With this information, the foreign secretary invited the Germans to come to London for preliminary naval talks. Then Simon upset the Nazi leader when he told him that the German offer to limit its fleet to thirty-five per cent of England's

... appeared to be so large as to make a general armaments agreement almost impossible. If this came into being, it must unleash a general armaments race. France, which was roughly fifty per cent of Britain's fleet, would find it necessary to increase their fleets. This most certainly would cause the British to have to increase. For Germany to begin in this way must therefore lead to a general armaments race.53

Hitler did not like the idea of eliminating ratios and was surprised at the British proposal to base future treaties on naval programs. He hinted that this programs approach was not in the self-interest of Germany but agreed to participate in preliminary naval talks with the British. Finally, he questioned how France had increased her thirty-five per cent ratio to the British Fleet as set by Washington and London to fifty per cent. Apparently Hitler thought his offer would have given him parity with France, and therefore Simon had to point out the Dictator's error by explaining how the technicalities involved in the agreements gave the French a fleet of fifty per cent of that of Great Britain.54


leader reminded the British diplomats that his offer meant Germany was accepting English supremacy at sea. This condition was not to exist for a limited period but "forever." He went on to declare that he could not see how a German navy sized at thirty-five per cent of Britain's would justify any French expansion. He concluded by claiming that all his country wanted was a fleet large enough to protect its Baltic coast and overseas trade and that it would take five years to attain the thirty-five per cent level.\(^55\) The British did not accept the naval offer, and the two diplomats left Berlin mulling over the air force revelation and convinced that the probability of a general armaments treaty was dead and that Germany intended to pursue an independent course.\(^56\)

\(^{55}\) Ibid.

\(^{56}\) Eden, Facing the Dictators, p. 142; Simon, Retrospect, p. 203.
CHAPTER IV

BRITISH NAVAL POLICY TAKES PRECEDENCE OVER DIPLOMACY

The March conversations between London and Berlin appeared to stiffen British determination to resist uncontrolled German rearmament. Whitehall's diplomacy from March 26 until June 18 gave every indication of attempting to create a united front of European powers which would exact a settlement of the German problem on the basis of the Anglo-French Communique of February 3.

Leaving Berlin, Eden traveled to Moscow, Warsaw, and Prague; at each of the capitals, he conferred with the leadership about the German threat and solicited the support of each country for the program outlined in the February Communique.1 Shortly after Eden returned from Eastern Europe, Simon and MacDonald journeyed to Stresa for consultation about the German situation with Benito Mussolini, the Italian dictator, and French leaders, Pierre Laval and Pierre Flandin. The purpose of the meeting was to show the unity of the three powers in the face of German rearmament and to devise a way for Hitler's return to the League of Nations and participation

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1Eden, Making the Dictator (1939), pp. 162-176.
in the collective security system. Finding a basis for an agreement, the three powers issued a declaration stating that they were

... in complete agreement in opposing, by all practicable means, any unilateral repudiation of treaties which may endanger the peace of Europe, and will act in close and cordial collaboration for this purpose.

The Stresa declaration was reinforced by the League of Nations' resolution, passed on April 17, which strongly condemned German rearmament outside of the collective security system.

The zenith of the hard-line policy of the British toward Berlin was reached in early May 1935 and was revealed in a debate on international relations in the Commons, as well as in an article written by MacDonald for The Newsletter, the official publication of the Labor Party. He faulted Germany for increasing European anxieties, while the debate in the Commons, which took place on May 2, reflected a significant hardening of attitudes toward the Germans. Winston Churchill recalled that on May 2 there was "... a wide measure of agreement in the House of Commons ... upon foreign policy" and that the agreement was in support of the Government's policy to act with the other great powers to preserve

2Simon, Retrospect, pp. 203-204.
4Eden, Facing the Dictator, p. 181; Simon, Retrospect, p. 204.
5Churchill, The Gathering Storm, p. 120.
6Sightman, Baldwin's, p. 249.
Consequently, British diplomacy appeared to have rejected the policy of appeasement toward Germany. London's new attitude disturbed Berlin, which believed that it had been the British who had persuaded the other powers to support the policy of the Anglo-French memorandum of February 3. The French ambassador to Germany wrote that the united front impressed the German people and that he never saw Berlin more at "... a loss and more discouraged." William Dodd, the American Ambassador to Germany, was so impressed by the united front that on April 19 he recorded in his diary that the front would cause Hitler's fall from power, and on May 15 he wrote that Germany was encircled by European powers opposing Berlin's rearmament. But the British policy supporting the united front was deceiving in that it appeared to be solidly established, while actually it was little more than a facade covering a British foreign policy plagued by confusion and Anglo-French-Italian disunity and distrust. The disunity among the Stresa powers was caused mainly by Italian aggression in Ethiopia, resulting in increased

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9Francois-Poncet, The Fateful Years, p. 177.
British concern over her security in the Mediterranean area.\textsuperscript{11} The feeling in the British Cabinet that there could be no solution to the German problem because of the French refusal to trust Berlin also contributed to the lack of unity.\textsuperscript{12}

The confusion of British foreign policy was caused by British indecisiveness as to whether to take a hard-line against Germany or to follow a policy of appeasement. The hard-line policy meant England would have to rearm, a move which the Cabinet was reluctant to make because of pacifism and finances. However, appeasement seemed bankrupt in the face of German rearmament and Japanese aggression. In 1935 the conflict between these different schools of thought left the British more divided than ever, and the Anglo-German Naval Agreement was a manifestation of this confusion.

British naval problems were compounded by Hitler at the March meeting with Eden and Simon. Before then the navy had been concerned with its ability to meet its world-wide responsibilities because of the increased tensions in Africa and Asia. But it had not seriously worried about home waters because the only threat to England in this area was Germany.

\textsuperscript{11}Eden, Facing the Dictators, pp. 191-215; Mussolini had attacked Ethiopia in the fall of 1934; the issue was before the League of Nations in the first part of 1935. Mussolini agreed to a League of Nations' resolution in May of that year, thus avoiding England's having to choose between Italy and the League.

\textsuperscript{12}Simon, Retrospect, pp. 181-184.
which did not have a navy of any consequence and was not known to be building one. Nevertheless, Hitler's declared intentions in March to build a Baltic fleet to at least thirty-five per cent of the British navy greatly disturbed the Admiralty and other leaders.\textsuperscript{13}

The renewed German naval threat, added to the threat of Japan, necessitated a new policy of naval expansion if the Royal Navy was to be able to defend the nation. However, Hitler's revelation that his air force was equal in size to that of England shocked Whitehall and strengthened the hand of those who wanted to speed the expansion of the Royal Air Force.\textsuperscript{14} Since the Cabinet would not face the political risks involved in expanding both the navy and the air force, naval expansion was sacrificed. On May 22 the Government proposed tripling the air force because of the German threat, but there was no proposal for naval expansion.\textsuperscript{15}

Developments in March, April, and May, nonetheless, convinced the Admiralty that something had to be done to improve the strength of the navy.\textsuperscript{16} The naval demands made by Hitler aroused the fears that Berlin and Tokyo were cooperating in expanding their fleets.\textsuperscript{17} On April 12 the British were

\textsuperscript{13}Chatfield, \textit{It Might Happen Again}, p. 75.
\textsuperscript{14}Eden, \textit{Facing the Dictators}, pp. 182-186.
\textsuperscript{15}The \textit{Times} (London), May 21, 1935, pp. 8 and 9.
\textsuperscript{16}Chatfield, \textit{It Might Happen Again}, p. 75.
informed that Berlin intended to construct twelve destroyers and two cruisers. 18 Whitehall's reaction to the announcement was mild, but two weeks later the Germans astonished London with their report that Hitler had decided to construct twelve submarines. 19 To the British, the most disturbing factor about the submarine announcement was that the vessels were ready to be assembled because the parts were already available. 20

Although the German naval declarations irritated and embarrassed the British, Whitehall did not protest to Berlin that its naval program was a violation of the Treaty of Versailles and the Stresa declaration. 21 Instead, London postponed the naval conversations between Britain and Germany that were scheduled for early May 22 and informed Berlin that talks would be contingent on Hitler's stating anew his attitude toward the naval rearmament situation. 23 However, the


19 Memorandum by Burkner, Berlin, April 26, 1935, ibid., p. 89.


22 Memorandum by Burkner, Berlin, April 12, 1935, ibid., p. 45; Note by Bulow, Berlin, April 26, 1935, ibid., p. 68.

British did warn the Germans that if Berlin made any more announcements which embarrassed the British, no naval talks would take place. 24

The German naval program aroused in the British leadership a suspicion of German motives and plans. 25 The Admiralty was most apprehensive about the development, particularly because it knew that the British fleet would not be expanded at that time to meet the German threat. The navy also mulled over the adverse effect that Berlin's new fleet would have on the fall conference in London among the great naval powers of the world. 26 All of Britain worried about the possibility of a new Anglo-German naval race and its consequences.

But the British did not have to worry about a naval race with Germany because Hitler wanted only an agreement with the British based on his March proposal. Thus, the Germans carefully calculated the response of Whitehall to the naval announcements. Berlin was concerned when the British Navy League (1) called for an end to the Washington and London naval treaties, (2) demanded that the escalator clause of the London Treaty be evoked, and (3) insisted that England


26 Chatfield, It Might Be in London, p. 75.
build a strong navy to face the German challenge. But when Whitehall postponed the naval talks, Berlin was certain that the Admiralty was trying to stir up public opinion against Germany in order to block Anglo-German naval talks as a means of promoting the expansion of the British navy. Therefore, it was with a feeling of mutual distrust that both powers awaited Hitler's May 21 speech on which the future of Anglo-German relations rested.

The German dictator's speech was "... perhaps the most eloquent and certainly one of the cleverest..." speeches that he ever made. In the speech Hitler showed his unique talent for sensing and then manipulating the public mood of the democracies. He talked of the stupidity and waste of war and claimed he was willing to sign non-aggression pacts with all of his neighbors. To the British he declared that he was ready

... to agree to any limitation whatsoever of the caliber of artillery, battleships, cruisers, and torpedo boats. In like manner, the German government is ready to agree to the limitation of tonnage for submarines, or to their complete abolition...

In this connection Hitler offered publicly for the first time

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29Shiner, The Rise and Fall of the Third Reich, p. 393.
to limit the German navy to thirty-five per cent of the British fleet, a figure which he emphasized was still fifteen per cent below that of the French fleet. However, Hitler closed this portion of his speech with a warning that his offer was "final and abiding." 32

In Britain the Dictator's speech was a success; it unified the anti-war and pacifist opinion 33 and caused those in England who were strongly anti-German to re-evaluate their judgments of Berlin or quiet down. 34 But the immediate effect of the speech was to convince Chatfield and First Lord of the Admiralty, Sir Bolton Eyres-Monsell, that England should get a naval agreement with Hitler that would stabilize naval construction and halt secret construction and suspicion. 35

On May 24, Hitler agreed to send representatives to London for naval talks which were to begin on June 4. 36 The British had no intention of negotiating an agreement with Germany; they only wanted Hitler to informally commit himself to a naval program that would become part of the new naval treaties to be negotiated in the fall of 1935. Graigie

32 Ibid.
33 Templewood, Nineteen Troubled Years, p. 133.
34 Shirer, Rise and Fall of the Third Reich, pp. 393-398; Wightman, Back to Basics, pp. 249-251.
35 Chatfield, It Might Happen Again, pp. 73-74.
earnestly asked the Germans to take measures that would prevent the press from magnifying too greatly the importance of the meetings. He emphasized to Berlin that the conversations were provisional and informal and would be followed by conversations with the other European powers, probably including the Russians. It was hoped that in the fall at the general naval conference, the results of these preliminary meetings would lead to new naval treaties. Craigie also stressed that the talks were to be mainly between naval experts, with foreign policy ministers to be called in only when political matters were involved.

The press build-up of the forthcoming naval conference reflected the British viewpoint towards the nature of the conversations. The Manchester Guardian declared, "This week's conversations are in no sense negotiations," while The Times of London reported that the purpose of the meetings was to engage in preliminary talks, and that there was hope for an informal understanding with Germany. In the United States the New York Times ruled out the possibility of any agreement between the two powers, stating that the talks were only

38 ibid., p. 222.
41 The Times (London), June 8, 1935, p. 17.
42 New York Times, June 5, p. 5.
for an exchange of information to be used at the fall naval conferences.\(^4\)

However, the Germans had other plans; they intended to get a formal agreement from the British on the basis of Hitler's offer of May 21. The Germans indicated that they viewed the conversations as much more than informal talks when they insisted that Simon be at the first meeting,\(^4\) and then sent Joachin von Ribbentrop as Ambassador Extraordinary and Plenipotentiary on Special Mission to negotiate.

The talks began on June 4 with the usual opening statements, followed by Simon's explanation that all his government wanted was an exchange of information and that any formal agreement would have to await the outcome of the forthcoming naval treaty negotiations. At this point, the unexpected occurred; Ribbentrop ignored the foreign secretary's remarks and demanded that Britain conclude a formal accord with Germany based on the proposal by Hitler to limit the Reich's fleet to thirty-five per cent of the total British tonnage. Without this agreement there would be no exchange of information. Simon politely refused the offer, but Ribbentrop insisted that an agreement be reached, and, as a result, the foreign secretary bluntly replied that the ratio system could not be the basis for the discussions and left.


the meeting. His exit was attributed to a prior commitment to see the Prime Minister. He was replaced by Craigie, who immediately told the Germans that no international agreement could be reached if it had to be based on the ratio system.45

In answer to this Ribbenthrop blatantly stated that Germany had restored her military sovereignty and had now come as an entirely free nation to take part in negotiations. Germany had made an offer which was exceedingly favourable for Britain and must regard an answer by the British Government to this offer as a condition sine qua non for conducting a frank and friendly exchange of views.46

The British delegation, shocked and unprepared for this ultimatum, could not reply immediately, but wanting conversations to continue, they asked for time to consult with the Cabinet before answering. In reply Ribbenthrop admonished Craigie to answer in the affirmative "... since otherwise no useful negotiations could be conducted."47 At this point the British view of the talks changed; they were now willing to consider what had heretofore been unacceptable.

In an afternoon session the Germans consented to a British request that the thirty-five per cent ratio be absolute, i.e., irrelevant to a third power's fleet. However, the British were not yet ready to reach an agreement; they wanted more time to consider the offer and delayed giving an

45Unsigned Memorandum, June 4, 1935, ibid., 254-258.
46Ibid., p. 259.
47Ibid., p. 262.
answer by claiming that, because of an understanding with the other naval powers, these talks were only preliminary and not intended to produce an official agreement and that the other powers would have to be consulted.\textsuperscript{48}

When the Germans agreed to accept the "absolute ratio," the British negotiators decided to reach an agreement with Hitler. Craigie wrote a provisional memorandum based on Hitler's offer which Ribbentrop approved late in the afternoon of June 5.\textsuperscript{49} This document was immediately submitted to the Cabinet for consideration, but the Government refused approval because the tentative agreement applied the ratio to global tonnage and not to ship categories.\textsuperscript{50} This technicality was resolved that night at a party at the German embassy when Ribbentrop compromised and accepted the category distribution principle.\textsuperscript{51}

Britain officially accepted the offer on June 6, but the formal signing and publication of the agreement was postponed for a week to enable Britain to consult with the other naval powers about its provisions. The British dispelled


\textsuperscript{50}Unsigned Minute, London, June 5, 1935, \textit{ibid.}, p. 271; The global tonnage system would set the absolute tonnage of the German navy, but would have let Berlin decide the distribution of this tonnage among the different ship categories. The category tonnage system set the tonnage for ships that could be built in each category.

any German apprehension over this maneuver by confirming that the consultations would not prejudice the agreement. While the naval powers were being consulted and their replies awaited, the negotiators officially adjourned for the Whit-suntide holidays without a public announcement of the pending agreement.

During the adjournment Ribbentrop returned to Berlin to confer with Hitler. Meanwhile, a new Cabinet was formed in London. Baldwin became Prime Minister and Samuel Hoare, foreign secretary. The very first decision that Hoare had to make was whether or not to follow Simon's lead and sign the naval agreement. He decided to sign on June 11.

Although the Anglo-German Naval Agreement had been accepted by the two governments, the public was not informed. Instead, it was reported that the negotiations were going poorly and that there was not much hope for any positive agreement. The press treated the negotiations as general news until June 12, when information began to filter out from unofficial sources that some kind of Anglo-German agreement was pending. The speculation as to the nature of the agreement stirred interest everywhere. The New York Times surmised

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52 Unsigned Memorandum, London, June 6, 1935, ibid., p. 2.53

53 Templewood, The Troubled Years, p. 142; Hoare had been in charge of the Ministry office and had not been part of the prior negotiations, thus, the need for his making a decision in the matter.

that the Germans were giving in to British demands because the German aim was, regardless of cost, to break up the united front of Britain and France. In another article the paper concluded that any Anglo-German agreement could only become valid if the other naval powers who were signatories to the Treaty of Versailles agreed to it. On June 13 it was reported that a definite agreement was not expected because the British could not make agreements without the other naval powers. Even the pro-German press, The Times (London), would not publicly hope for anything more than an informal agreement. The first real public announcement as to the nature of the Anglo-German detente came on June 14 when the French government publicly denounced the proposed naval agreement. This announcement prompted the New York Times to resolve "that the hope that the British will go along with the Germans regardless of the French is not in the range of political realism."

When the French received the British communication regarding the pending agreement, Paris was in one of its periodic cabinet crises and was unable to give the matter serious study. The French were, however, indignant at the possibility

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58 The Times (London), June 14, 1935, p. 15.
of any Anglo-German détente and announced publicly that they were opposed. They telegraphed the British that it was understood that after London, Stresa, and Geneva the Treaty of Versailles could not be denounced or altered except by the consent of all the signatories. The French insisted that all armament agreements be concluded at a general disarmament convention.\textsuperscript{60} Italy replied that it wanted all military questions settled at a general conference.\textsuperscript{61} The other powers consulted, Japan and the United States, replied with indifference. Thus, the British knew before formally concluding the agreement that it would seriously strain the Anglo-French-Italian front.

After receiving the replies of France and Italy, the British attempted to modify the agreement at the last minute. They added a section to the document that changed it from a permanent and binding treaty to a tentative plan for future negotiations. The added section called for the détente to serve only to facilitate the coming international negotiations.\textsuperscript{62} This was the first item discussed when negotiations were resumed on June 17. Ribbentrop demanded that the section be dropped and the British meekly acquiesced. Craigie

\textsuperscript{60} Straus to Hull, Paris, June 18, 1935, P.R.U.S., 1935, I, 165-166.

\textsuperscript{61} Templewood, Nine Troubled Years, p. 141.

explained that the section had been added to placate the French, causing the Germans to respond with a display of innocent surprise that the French should be upset over an Anglo-German detente. To mitigate the French fears, the Germans agreed to a section which stated "... that a general limitations of armaments would be facilitated by this agreement,"53 but the treaty was to be permanent and binding.

On June 18 the two Governments exchanged notes, and with this the Anglo-German Naval Agreement became a reality, with an announcement made to the world the next day. It was not long before the British Government felt the first shock waves of reaction to its capricious diplomacy. "All Europe was dumbfounded by the suddenness of the event."64 There was no doubt that in practice the negotiators outran the original purpose of the negotiations, and that what were intended to be preliminary conversations unexpectedly...65 resulted in a permanent treaty.

The reaction in Britain was a mixture of elation and quiet embarrassment. At first the press on the whole praised the agreement, but as world opinion became known and as the weaknesses of the diplomacy and the treaty were revealed, the praise was replaced by critical analyses of the document.

63 Ibid., p. 314.


At first the Manchester Guardian called it "a realist policy" but two days later labeled the treaty a mistake. In Parliament the criticism was not confined to the opposition but came from all quarters. Those members opposed to the agreement deplored the lack of diplomacy which was responsible for the treaty, made, as it was, outside the League, without the cooperation of France and Italy, and which had broken the united front. The Government was shocked at the reaction and found itself apologizing for the treaty.

The French response was violent as its press denounced the British and its Government labeled the agreement a breach of international law and obligations. France had been unequivocally opposed to German rearmament without positive assurance that Germany would never attack her again. The English had honored the French position and had attempted to solve the German problem to the satisfaction of the French, but without success. Now the British had sanctioned German rearmament without giving the French a guarantee. Britain immediately sent Eden to Paris to alleviate the growing hostility caused by the British diplomacy. French Foreign Minister Laval presented his Government's complaints about the agreement: it had damaged Anglo-French rapport; it had

violated the treaty of Versailles; it had dishonored London, Stresa, and Genova; and it had given Germany a military advantage. When Eden could not mitigate the French anxieties, it became apparent to him that the breach was critical. 69

From Paris Eden went to Rome in an attempt to resolve the problems that the agreement had caused there. The Italian response had not been as outspoken as the French; Rome was upset over the blow to Stresa, but was willing to forget the agreement if it would benefit them. The type of benefit that Mussolini was hoping for was not the same as the British wanted; the Italian dictator saw a ray of hope in that now the French and English would have to make a choice between positioning their fleets in the North Sea or the Mediterranean. 70 In other words, as Il Popolo di Roma explained it, "The advantage of the Anglo-German accord to us is that in a few years time our fleet will be the most powerful in the Mediterranean, more powerful than Gibraltar and Malta, which will become vulnerable." 71 The treaty made Mussolini bolder; he now knew that the possibility of Anglo-French cooperation against his Abyssinian designs was more remote. Eden realized that the naval accord was a severe blow to the united

69 Eden, Facing the Dictators, pp. 230-231.


front and reflected that London had "... made the mistake of acting in isolation."72

France and Italy were not alone in their disapproval of the treaty. Russia was intensely disturbed and feared that the agreement would be disastrous for both Europe and the Far East. Moscow was sure that the British had concluded a secret agreement beforehand with the Japanese.73 Thus, Soviet distrust of Britain and the West was enhanced by the British diplomacy.

It was the diplomacy much more than the substance of the agreement that caused the fulmination of the European powers. Many justifications of the diplomacy have been given by British leadership. Vansittart wrote in his memoirs that the agreement was signed because it was "... better to get something on paper for a while, because German construction had begun."74 Hoare claimed the treaty was signed because the Cabinet was convinced that German naval expansion would force Britain to replace its obsolete fleet and that this move would threaten national bankruptcy.75 Chatfield said the Admiralty advised the Government to accept the German offer because without the Anglo-German treaty, there would

72Eden, Facing the Dictators, p. 230.
75Templewood, Nine Troubled Years, pp. 145-150.
have been no hope of any kind of general naval pact. The navy was also deeply impressed with the increase in German military demands from February 1934 to June 1935. Eden supported Chatfield's version about the influence of the increasing military demands of Hitler from 1934 to 1935 on the decision to sign the naval agreement. Eden recalled that "the United Kingdom could not possibly refuse, especially in the light of the experience of the past year and the increase in German claims in respect of land and air armaments." Therefore, the British acted in a moment of weakness to secure its self-survival by concluding a naval pact with Germany.

76Chatfield, It Might Happen Again, pp. 73-74.

77Eden, Facing the Dictators, p. 231.
CHAPTER V

CONCLUSION

The Anglo-German Naval Agreement appears to be British appeasement of Germany, resulting from English fear of revived German militarism and nationalism. In negotiating the naval pact, the British assumed the appearance of a country pursuing diplomacy of expediency and which was almost void of a sense of responsibility to its established policies of the past. However, designating the agreement as appeasement misrepresents the issue and is much too simple.

Appeasement implies political goals, but the London-Berlin accord was concerned only with naval affairs and was primarily the work of the Admiralty and Craigie. Simon's opening statements on June 4 were not compatible with the interpretation that the pact was a deliberate diplomacy of appeasement. The British foreign secretary was not interested in political goals and this disinterest was reiterated by Craigie. The substance of the negotiations was almost completely devoid of political talk, and except for the half-hearted consultation by the British with the other powers, political considerations were minimal. But most important, none of the British principals at that time or later ever justified entering the pact on the basis that it would prevent war by placating the Germans. Trying to
appease Hitler was not the intended purpose of the Anlo-
German agreement.

Great Britain negotiated the accord in a moment of weak-
ness in order to preserve the relative strength of the British
navy and to increase the possible success of the general naval
conference scheduled for the fall of 1935. By 1934 the
deteriorating international environment demanded that London
rarr, but domestic considerations, elections, pacifism, and
finances severely limited the amount of rearmament the Gov-
ernment was willing to undertake. Consequently, the Cabinet
was unwilling to force increased arms expenditures on an un-
willing public or on an economy which leading Cabinet mem-
bers thought could not bear the burden of added defense ex-
penditures. And as a result, the British leadership modified
defense needs by establishing defense priorities, a move
which led to delay in naval considerations in favor of the
air force.

Placing naval considerations behind those of the air
force was made possible by several factors: (1) Germany was
not a naval threat to England in 1934 and was not thought
to be violating the Treaty of Versailles in this area;
(2) the relative size of the British navy was secure until
at least 1937 by reason of the Washington and London naval
treaties; (3) there existed in 1934 a strong hope that the
naval limitations agreements could be renewed; and (4) Ger-
many was definitely violating the Versailles treaty restric-
tions concerning air power and was considered a growing threat
to Britain in this area. But by June 1935 the Germans were building a navy as well as an air force and the possibility for continuing the naval treaties was very dim; that the British needed to expand the navy as well as the air force was apparent. However, concern over public opinion and finances still eliminated the expansion of both the navy and air force at the same time, and the air force was even more of a priority in 1935 than 1934 because of Hitler's parity claims in March 1935. Consequently, the British Admiralty felt its position to be extremely weak, and when Hitler offered to limit his fleet, the British navy demanded that the offer be accepted. The limitation of the German navy relieved the pressure on the British navy somewhat and enhanced the chances for renewal of the naval treaties, particularly in dealing with Japan.

The Government consented to the Admiralty's demand because the Cabinet saw the treaty as a deterrent to the re-armament trend, because the treaty would be useful in countering claims by the opposition that the Conservative Party was the party of war, because the change in Hitler's demands over the past year made the Cabinet apprehensive about the future, and because the British had given up on getting the French to enter into an arms limitation agreement with the Germans. All of these factors were conditioned by the memories of the Anglo-German naval race before 1914 and World War I. The British felt that the chances of avoiding a
repetition of the 1914 race and the resulting war were rapidly decreasing in June 1939; therefore, London grasped what appeared to be a chance to limit the possibility of the past repeating itself.
APPENDIX

EXCHANGE OF NOTES between the United Kingdom and Germany regarding the Limitation of Naval Armaments. — London, June 18, 1935.

(No. 1.)—His Majesty's Principal Secretary of State for Foreign Affairs to the German Ambassador in London.

Your Excellency, Foreign Office, June 18, 1935.

During the last few days the representatives of the German Government and His Majesty's Government in the United Kingdom have been engaged in conversations, the primary purpose of which has been to prepare the way for the holding of a general conference on the subject of the limitation of naval armaments. I have now much pleasure in notifying your Excellency of the formal acceptance by His Majesty's Government in the United Kingdom of the proposal of the German Government discussed at those conversations that the future strength of the German navy in relation to the aggregate naval strength of the members of the British Commonwealth of Nations should be in the proportion of 35:100. His Majesty's Government in the United Kingdom regard this proposal as a contribution of the greatest importance to the cause of future naval limitation. They further believe that the agreement which they have now reached with the German Government, and which they regard as a permanent and definite agreement as from to-day between the two Governments, will facilitate the conclusion of a general agreement on the subject of naval limitation between all the naval Powers of the world.

2. His Majesty's Government in the United Kingdom also agree with the explanations which were furnished by the German representatives in the course of the recent discussions in London as to the method of application of this principle. These explanations may be summarised as follows:

(a) The ratio of 35:100 is to be a permanent relationship, i.e., the total tonnage of the German fleet shall never exceed a percentage of 35 of the aggregate tonnage of the naval forces, as defined by treaty, of the members of the British Commonwealth of Nations, or, if there should in future be no treaty limitations of this tonnage, a percentage of 35 of the aggregate of the actual tonnages of the members of the British Commonwealth of Nations.
(b) If any future general treaty of naval limitation should not adopt the method of limitation by agreed ratios between the fleets of different Powers, the German Government will not insist on the inclusion of the ratio mentioned in the preceding sub-paragraph in such future general treaty, provided that the method therein adopted for the future limitation of naval armaments is such as to give Germany full guarantees that this ratio can be maintained.

(a) Germany will adhere to the ratio 35:100 in all circumstances, e.g., the ratio will not be affected by the construction of other Powers. If the general equilibrium of naval armaments, as normally maintained in the past, should be violently upset by any abnormal and exceptional construction by other Powers, the German Government reserve the right to invite His Majesty's Government in the United Kingdom to examine the new situation thus created.

(d) The German Government favour, in the matter of limitation of naval armaments, that system which divides naval vessels into categories, fixing the maximum tonnage and/or armament for vessels in each category, and allocates the tonnage to be allowed to each Power by categories of vessels. Consequently, in principle, and subject to (f) below, the German Government are prepared to apply the 35 per cent ratio to the tonnage of each category of vessel to be maintained, and to make any variation of this ratio in a particular category or categories dependent on the arrangements to this end that may be arrived at in a future general treaty on naval limitation, such arrangements being based on the principle that any increase in one category would be compensated for by a corresponding reduction in others. If no general treaty on naval limitation should be concluded, or if the future general treaty should not contain provision creating limitation by categories, the manner and degree in which the German Government will have the right to vary the 35 per cent ratio in one or more categories will be a matter for settlement by agreement between the German Government and His Majesty's Government in the United Kingdom, in the light of the naval situation then existing.

(e) If, and for so long as, other important naval Powers retain a single category for cruisers and destroyers, Germany shall enjoy the right to have a single category for these two classes of vessels, although she would prefer to see these classes in two categories.

(f) In the matter of submarines, however, Germany, not exceeding the ratio of 35:100 in respect of total tonnage, shall have the right to possess a submarine tonnage equal to the total submarine tonnage possessed by the members of the British Commonwealth of Nations. The German Government, however, undertake to except in the circumstances indicated in the immediately following sentence, Germany's submarine tonnage shall not exceed 45 per cent of the total
of that possessed by the members of the British Commonwealth of Nations. The German Government reserve the right, in the event of a situation arising which in their opinion makes it necessary for Germany to avail herself of her right to a percentage of submarine tonnage exceeding the 45 per cent above mentioned, to give notice to this effect to His Majesty's Government in the United Kingdom, and agree that the matter shall be the subject of friendly discussion before the German Government exercise that right.

(g) Since it is highly improbable that the calculation of the 35 per cent ratio should give for each category of vessels tonnage figures exactly divisible by the maximum individual tonnage permitted for ships in that category, it may be necessary that adjustments should be made in order that Germany shall not be debarred from utilising her tonnage to the full. It has consequently been agreed that the German Government and His Majesty's Government in the United Kingdom will settle by common accord what adjustments are necessary for this purpose, and it is understood that this procedure shall not result in any substantial or permanent departure from the ratio 35:100 in respect of total strengths.

3. With reference to sub-paragraph (c) of the explanations set out above, I have the honour to inform you that His Majesty's Government in the United Kingdom have taken note of the reservation and recognise the right therein set out, on the understanding that the 35:100 ratio will be maintained in default of agreement to the contrary between the two Governments.

4. I have the honour to request your Excellency to inform me that the German Government agree that the proposal of the German Government has been correctly set out in the preceding paragraphs of this note.

I have, &c.

SAMUEL HOARE.

(No. 2.)—The German Ambassador in London to His Majesty's Principal Secretary of State for Foreign Affairs.

(Translation.)

Your Excellency,

London, June 18, 1935.

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date, in which you were so good as to communicate to me on behalf of His Majesty's Government in the United Kingdom the following:---

I have the honour to confirm to your Excellency that the proposal of the German Government is correctly set forth in the foregoing note, and I trust with pleasure that His Majesty's Government in the United Kingdom accept this proposal.
The German Government, for their part, are also of the opinion that the agreement at which they have now arrived with His Majesty's Government in the United Kingdom, and which they regard as a permanent and definite agreement with effect from to-day between the two Governments, will facilitate the conclusion of a general agreement on this question between all the naval Powers of the world.

I have, &c.

JOACHIM von RIBBENTROP.
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