

Peder L. Fuglevik

The greatest experiment ever made

The Supreme Economic Council and Raw Materials
1919-1920

Master's thesis in History - Teacher trainee programme
Supervisor: Mats Ingulstad
Trondheim, May 2018

Norwegian University of Science and Technology
Faculty of Humanities
Department of Historical Studies



Norwegian University of
Science and Technology

Preface

Before I get on with the words of thanks and gratitude which belongs here in the preface I wish to devote a few sentences to a not only current event, but an at the time of writing, ongoing event. On the 11th of April 2018 12:57 (GMT +2) US President Donald J. Trump tweeted about the ongoing tension in Syria, and the Russian promise that they will shoot down any missile launched against its ally: “Get ready Russia, because they will be coming, nice and new and “smart!”. As a historian one cannot help but feel the presence of history in such a moment. This text deals with the efforts of rebuilding the world following one of the greatest calamities to shake the world, WWI. An effort that had to be repeated a second time, and an effort I hope will not be needed a third if it indeed would be possible. Should the worst come to worst however I hope that the lessons of these efforts in the need for international solidarity and action will be taken in. This stands all the more potent for me as a teacher student in need of assessing the didactical worth of my work. The past is always relevant to our lives, and one should always stand ready to learn of and from it.

With these cheerful words out of the way I would like to extend my thanks to a number of people. First of all, to my two supervisors for this thesis, Mats Ingulstad and Espen Storli. For suggesting the thesis topic to me, giving me the tools to get started on it, and who’s excellent feedback has greatly helped me along the way. Secondly to my parents and sister. Without their patience in dealing with my assertions at a young age that there was no need to learn to read and write, this text would have been most hard to produce. Lastly to two very good friends, and Otto. My two friends for many therapeutic walks, and Otto for his cheerful disposition.

Peder L. Fuglevik

11.04.2018

Abbreviations

Organizations

AMTC – Allied Maritime Transport Council

CR – Committee on Raw Materials and Statistical Information

IEC – International Economic Council

PC – Permanent Committee of the Supreme Economic Council

Archives

NARA – National Archives and Records Administration, Washington DC

NAUK – National Archives of the United Kingdom, Kew

UNAG – United Nations Archives, Geneva. League of Nations Secretariat (1919-1946):
Economic and Financial Section (1919-1946)

Contents

1 Introduction	1
1.1 Theme and thesis question	2
1.1.1 Technocracy	4
1.2 Historiography.....	5
1.2.1 The Supreme Economic Council.....	6
1.2.2 International cooperation.....	9
1.2.3 Russia	10
1.3 Sources and methodology	11
1.3.1 Primary sources	11
1.3.2 Methodology	12
2 Background	15
2.1 The pedigree of the Supreme Economic Council.....	15
2.2 The Supreme Economic Council during the armistice.....	18
2.3 From war to peace	22
3 The Supreme Economic Council beyond the Armistice	23
3.1 Changes to the Supreme Economic Council	24
3.2 Technical cooperation in raw materials	30
3.3 The Raw Materials problem.....	33
3.4 Protectionism.....	38
3.5 The technical turn.....	41
4 The Russian Trade negotiations	43
4.1 The outline of the negotiations.....	44
4.2 The benefits of trade.....	49
4.3 The technicalities of trade	51
4.4 The legitimacy and political sides of trade.....	57
4.5 The technical solution	59
5 The legacy of the Supreme Economic Council	61
5.1 Conclusion.....	64
Source list.....	67
Appendix 1	73

1 Introduction

“And finally there grew up during the war a network of international economic organizations far in advance of and much more powerful than any ever known before. Out of these, during the Peace Conference, developed the Supreme Economic Council, which became for a brief time a kind of economic world government: the greatest experiment ever made in the correlation, control, and direction, in time of peace, of international trade and finance. In some ways it was the most interesting and significant because it was the newest aspect of the Paris Conference. Military and political alliances and cooperation are not new in the world, but such a degree of economic coöperation never before existed.”¹

This quote is taken from Ray S. Baker's book about the Paris Peace Conference after WWI, and points to the unique nature of allied economic cooperation during and after WWI. The Supreme Economic Council (SEC) dealt with matters such as the coordination of allied relief efforts and attempts of reconstructing Europe, though not with the economic sides of the peace treaties such as reparations. Beyond its relief work it also attempted to speed up European (or at least Allied) economic recovery by cooperative efforts in areas such as food, finance, transport, and the area which will be focused on in this thesis: raw materials. From the description Baker gives, it seems like quite the important organization. Yet little is known about the SEC and only a few primary source based studies about it has been undertaken. Adam Tooze provides some insight as to why so little is known about it, and allied economic cooperation in general:

“This third economic model spawned by the war, the model of inter-Allied cooperation, was eclipsed in historical memory by its two chief competitors – Germany's planned economy and America's capitalist abundance. Nor was this any coincidence. The victor states were liberal political economies that chafed at state regulation”.²

The importance of this cooperation during the war was great. It allowed for the distribution of limited economic resources such as finance, transportation, food and raw materials to be used where the needs were greatest, keeping each ally supplied to ensure the continuation of the war effort. This system however depended on extensive governmental control and interference in the economy by export and import prohibitions to limit private consumption. Even though this was highly unpopular amongst civilians it was accepted for its necessity in the war effort, but the desire to end such economic constraints as soon as possible was great. Even so, there were those who proposed to extend the cooperation, and the economic constraints it built upon after the war. The goal with this was to promote economic recovery by ensuring that each nation still

¹ Baker, Ray Stannard. (1923). *Woodrow Wilson and World Settlement. 3 volumes. Volume II.* New York: Doubleday, Page & Company: 335

² Tooze, Adam. (2014). *The Deluge: The Great War and the Remaking of Global Order.* St Ives: Penguin Books: 205

had access to what was needed to rebuild, and particularly raw materials to restart industry and get the international economy going again.

When the war ended with the armistice on the 11th of November 1918 the opposition to the economic constraints grew more potent, as the war no longer served as justification for their maintenance. There arose a demand for the immediate return to economic normalcy, by ending war time constraints as soon as possible and returning to free trade, which the dominant liberal economic ideas suggested would lead to a quick recovery as market forces asserted themselves. The desire to end cooperation was successful and all over Europe economic constraints were removed which also led to the *de facto* termination of most war time cooperation. However, the return to normalcy failed to materialise and the European economic situation grew worse during the armistice. This gave new impetus to the ideas of economic cooperation as a way of facing these challenges, which led to the allied authorities creating the SEC to address the economic problems of the armistice. In doing so it was originally intended to be a short term move to facilitate economic recovery, and with it some war time measures were still in play. However, the SEC was continued beyond the armistice and well into 1920, and for some time it was intended for the SEC to serve as the basis for the League of Nations economic organization. This raises the question of not only why the SEC was continued, but also how it was changed as it was continued, and in answering this it will be argued that the change of the SEC displayed the possibilities that lay in a turn towards technical work.

1.1 Theme and thesis question

The thesis question which I have chosen for the text is the following:

Why did the victorious powers try to solve their raw material problems through international cooperation after WWI? And how was this collaborative experience an early example of the development of peacetime international cooperation?

The text will investigate two major themes, raw materials and international cooperation. The raw materials focus comes from the need to further study the nature of the post war raw material problems. This is especially interesting to consider in an international context as opposed to the typically nation centred history of post WWI Europe, where the focus has often been on national

protectionist policies and the failure of international action.³ As will be shown the raw material problems were fundamentally international ones, solved neither by free trade aspirations or nationalistic protectionist policies, which makes the international attempt at solving the problem interesting. So, the work of the SEC is interesting for understanding the raw materials situation, and it provides an excellent basis for discussing peacetime international cooperation. In investigating the continuation of international cooperation after the armistice the thesis can provide valuable insight into the formative period of such cooperation. The scale and success of wartime economic cooperation might have been of pivotal importance for the war effort, but the extension of economic cooperation into peace was as Baker pointed out unique. Such cooperation became a prominent part of the international scene after the war, with the creation of organizations such as the League of Nations. The study of the SEC then as an early example of peacetime international cooperation will give a better understanding of the development of early international cooperation.

In this study it will be shown that the continuation of the SEC came as a response to the uncertain and difficult economic times that still affected Europe as peace came. The war had shown the value of having cooperative structures to address international problems, such as raw materials. In the attempts to deal with this the SEC underwent organisational changes to adjust it to the post war situation, undergoing three phases of its work and function: First was during the armistice wherein the SEC was a powerful agency making impactful decisions for relief, and the economic handling of Germany. Second came the period after the armistice until early 1920. Despite the end of its original mandate it was continued due to the persisting economic and raw materials problems, and in trying to address this the SEC changed to focus on the gathering of technical information rather than direct action. Third from early to mid-1920 when the councils work came to focus almost exclusively on facilitating the reopening trade with Russia through the technical work of a group of economic experts. A noticeable pattern emerges in these broad lines. The SEC started out as a wide action directing organization, and developed into almost the exact opposite in dealing with a specific matter on a technical basis. From these observations a hypothesis can be made as to the development of international cooperation: the continuation and development of the SEC demonstrated how technical and technocratic approaches could be useful in peacetime. Studying this then requires a clear definition and understanding of the term technocracy.

³ Findlay, Ronald & O'Rourke, Kevin H. (2007). *Power and Plenty: Trade, war and the World Economy in the Second Millennium*. New Jersey: Princeton University Press: 443-446

1.1.1 Technocracy

For this thesis the term technocracy is understood as the idea that economic matters and problems should be solved through the technical work of experts. This definition builds upon three central concepts identified by Johan Schot and Vincent Lagendijk for their analysis of technocracy in the post war period: First, the international technocratic goal was to arrange for the optimization of the economic system to bring prosperity to all, which might necessitate intervention in the free markets to rationalize it. In the case of raw materials this was for example be done by finding new supply sources, or providing information on prices and availability to balance supply and demand. Second, this optimization when done correctly could be in line with national and international interest. Third, the way this optimization was to be achieved was by having experts work out the technical aspects of economic matters, without the interference of wider considerations affecting politicians.⁴ This however does not equate technocracy to technical work by experts. The core of technocracy is the ambition to have experts direct or influence political decisions, so the SEC was not technocratic. It had characteristics of technocracy, such as technical work by experts, but it did not direct policy in a technocratic fashion. What the thesis will show however is how the technical work in the SEC provided a revealing example of technocratic potential, by showing the value of technical work and cooperation as an approach to difficult economic problems such as raw materials, and the opening of trade with Russia.

The significance of the development of technocracy lays in how this idea shaped international organizations after WWI. Kaiser & Schot for example underlines the long-term importance of technocracy in the development of a more interconnected Europe, as experts worked to rationalise areas such as transportation and industry.⁵ While Patrica Clavin argues for the contemporary importance of the League of Nations technical work, and how the technocratic traditions which developed there formed an important basis for international organizations after WWII.⁶ The study of the SEC as an early example of such a development will therefore give a better understanding of how the motivations for technocracy arose, which in the case of the SEC came from the attempts of addressing international economic problems.

⁴ Schot, Johan & Lagendijk, Vincent. (2008). Technocratic Internationalism in the Interwar Years: Building Europe on Motorways and Electricity Networks. In *Journal of Modern European History* January 2008. pp 196-216: 197-198

⁵ Kaiser, Wolfram & Schot, Johan. (2014). *Writing the Rules for Europe: Experts, Cartels and International Organizations*. Palgrave MacMillan

⁶ Clavin, Patricia. (2013). *Securing the World Economy: The Reinvention of the League of Nations 1920-1946*. Oxford: Oxford University Press: 347-351

1.2 Historiography

Before the historiography is discussed it is important to consider the broad scientific categories that this text build upon. In the study of international organizations, it builds upon the study of international relations to study how the work of the SEC was affected by the member nations. The study object orientates the thesis towards diplomatic and economic history in studying how attempts were made to deal with the economic situation after the war, the diplomatic aspect particularly comes from the source material which will be discussed in chapter 1.3. So the literature considered is mostly drawn from these area. There are numerous works available that deals with the Paris Peace Conference, as well as the early economic and political history of the 1920's. Though few explore interallied economic cooperation, and the SEC if mentioned at all is typically only stated to have existed, and is quickly passed on as not being powerful enough to affect the economic situation of the armistice. There are however a few texts who deal extensively with the SEC and its work, and these provide valuable insight into it and a different perspective of its powerbases. In addition to this there is literature dealing with the period and international cooperation which provides valuable perspectives and insight. Also as the later work of the SEC focused on the opening of trade with Russia, texts on this subject as well must be considered. Before these can be explored however some of the broader lines in the literature about the Paris Peace Conference must be considered.

The SEC was created during the Paris Peace Conference and has therefore been affected by the historiographical traditions surrounding the conference and the post war situation. The general outlines of this historiography are closely linked with how the Versailles treaty came to be understood, and how it was argued that this shaped the post war world. This historiography has been extensively affected by contemporary disillusionment with the peace conference, and later events which the conference was blamed for creating such as the great depression, rising militarism and WWII. Much of the literature about the conference and the following period then was focused on the study of why WWII broke out, and how the conference was a part of creating it. Marc Trachtenberg particularly identifies this trend, and argues that much of the writing about the peace conference up to then for example focused on how reactionary Europeans hindered liberal Wilsonianism from taking form.⁷ Adam Tooze identifies the same trend as Trachtenberg, referring to it as the “Dark continent school”. Simultaneously he argues

⁷ Trachtenberg, Marc (1982). Versailles after Sixty Years. In *Journal of Contemporary History*, Vol 17, No 3 pp 487-506. Sage Publications Ltd: 487-489

that another common historiographical trend is the “Crisis of hegemony School” which tries to explain the failure of the victorious powers, and particularly the US, in asserting a global and dominant position after the war.⁸ He believes both these premises to be fundamentally faulty in how they attempt to explain why either this or that failed to develop. Attempting to do so does not account for how unique an event WWI and the post war situation was. Texts such as Tooze’s focuses more on the facets of the post WWI period more broadly and on their own terms, rather than only to determine their role in the outbreak of WWII.⁹ This orientation also extends to facets of the period Like the League of Nations where Clavin seeks to look closer at how the League of Nations actually functioned rather than simply why it failed to prevent WWII. Likewise, this study of the SEC will focus on the actual accomplishments and facets of this organization, rather than the failure of a quick recovery after WWI.

1.2.1 The Supreme Economic Council

The early historiographical trend with the focus on the failure of the SEC is clearly present in the early works dealing with the organization. In *A History of the Peace Conference of Paris* Volume I (1920) edited by Harold Temperley it is argued that the SEC failed to achieve the goals of rebuilding Europe due to its lack of a powerbase and authority to enforce its decisions.¹⁰ Though it is noted that some projects succeeded, such as the relief effort, and to some extent the work with restoring communications in Eastern Europe. This success however is tied more to the power of the individuals on the council such as Herbert Hoover who lead the relief effort, and the interests of the member nations which gave priority to reconstruction efforts in areas where the member nation stood to profit.¹¹ Baker, from which the introductory quote was taken, also focuses on the members of the council and their impact on it. Specifically on how the attitudes of the individuals and national delegations shaped the council.¹² The goal of his chapter on the SEC lies in explaining why the Americans eventually left the council, where he too describes the failure of the SEC along the same lines as Temperley as this exit lead to a

⁸ Tooze 2014: 17-20

⁹ For other examples see MacMillan, Margaret. (2001). *Peacemakers: The Paris Peace Conference of 1919 and Its Attempt to End War*. Great Britain: John Murray; Marks, Sally. (2003) *The Illusion of Peace: International Relations in Europe, 1918-1933*. New York: Palgrave MacMillan; Steiner, Zara (2005). *The Lights That Failed: European International History 1919-1933*. Oxford: Oxford University Press. book review

¹⁰ Temperley, H. W. V. (Ed.). (1920). *A History of the Peace Conference of Paris*. Volume I. London: Hodder & Stoughton and Oxford University Press (Henry Frowde): 299

¹¹ Temperley 1920: 304, 308-309

¹² Baker1923: 342-343, 354-355, 365-366

significant drop in its potential to affect the economic situation.¹³ Both texts then illustrate the importance of studying the member nations and delegates to the council, as the shapers of the councils form and function.

One can quite clearly see that the works that followed Temperley and Baker are influenced by them to some degree or another. John F. Fitzgerald in his doctor dissertation *The Supreme Economic Council and Germany: A Study of Inter-Allied Cooperation After World War I* (1971) argues for the SEC being successful. He points to a number of its successes in its work with Germany, which he uses to illustrate that the council was a powerful organization. This success he first and foremost notes in relief work, but also in the attempts at stabilizing the German credit rating, while its power was demonstrated in its role in the blockade.¹⁴ The power that the council possessed he argues came from the people on the council, but he places less emphasis on their personal qualities and more on their positions within their respective governments which gave them the authority to make decisions in matters which the council discussed.¹⁵

The focus of Katie E. Scogin's doctor dissertation *Britain and the Supreme Economic Council 1919* lay in determining why the British took part in the SEC, and how they used it to achieve their goals. She identified two goals which she argues were achieved. The first goal was to secure access to markets and raw materials (particularly in East Europe), secondly to prevent that any nation achieved hegemony in Europe.¹⁶ In arguing how the British used the council to achieve these goals she also showed that the council itself held power. She also points to the importance of the member delegations, and particularly as the SEC as a meeting ground, she finds that the council held some independent power as an institution. This she points out is how the SEC for example could stand up to the powerful allied commander in chief Marshall Foch when he opposed civilian involvement in the Rhineland occupation by the creation of a commission of the council dedicated to the occupation.¹⁷ Scogin and Fitzgerald both gives convincing arguments about the council's power structures. Their dissertations however are mainly focused on the SEC's work during the armistice, and not much beyond it so this period

¹³ Baker 1923: 340

¹⁴ Fitzgerald, Oscar Penn. (1971). *The Supreme Economic Council and Germany: A Study of Inter-Allied Cooperation After World War I*. Georgetown University. High Wycombe: University Microfilms Limited: 423-426

¹⁵ Fitzgerald 1971: 428

¹⁶ Scogin, Katie Elizabeth. (1987). *Britain and the Supreme Economic Council 1919*. Dissertation. Denton: North Texas State University. Available online <https://digital.library.unt.edu/ark:/67531/metadc332330/>: i

¹⁷ Scogin 1987: 161-163

needs to be discussed further to determine why it was continued beyond the armistice, and how this shaped the SEC.

What these texts have shown is the importance of the delegates to the SEC in determining its power. These observations are in line with the ideas of one of the former SEC members Arthur Salter as to what made international cooperation function. Salter served in the British Ministry of Shipping during the war, and was instrumental in the creation of the Allied Maritime Transport Council which was one of the most important parts of allied wartime cooperation.¹⁸ This organization will be more closely discussed in chapter 2, but Salter's arguments about why the organization succeeded will be addressed here as it also holds bearing on how the SEC functioned. First and foremost, Salter argued that the war constituted a special situation which forced cooperation to a degree which would not have happened in peace.¹⁹ Beyond this he points to two major reasons for the success of the Transport Council: It was made up of high ranking allied governmental ministers, and these members meet with each other directly and frequently. The importance of this was that the delegates themselves had the authority to put decisions into effect in their own countries, and that by meeting regularly they could much easier coordinate and reach agreement than if they had to communicate indirectly.²⁰ As shown by the other texts covered in this chapter the SEC largely functioned similarly to the transport council as it too provided a regular meeting ground for high ranking ministers. This however was primarily the case during the armistice, and after it many of the delegates were replaced by new representatives, though some of these too held high rank. A greater 'blow' was that the SEC stopped meeting regularly and thereby did not function as a frequent meeting ground to work out policy. In this change the SEC would change extensively as it started to operate during peacetime, and this change will be further explored in the thesis.

¹⁸ Aster, Sidney (2015). *Power, Policy and Personality: The Life and Times of Lord Salter, 1881-1975*. Great Britain: Amazon: 44, 59-61, 85

¹⁹ Salter, J. A. (1921). *Allied Shipping Control*. Oxford: Clarendon Press. Reprinted by The Carnegie Endowment for International Peace in 1987: 244-245

²⁰ Salter 1921: 250-259

1.2.2 International cooperation

The fundamental question for this thesis is why international cooperation was chosen and maintained beyond the armistice. As claimed by Mark Mazover in *Governing the World: The History of an idea* (2012) the question of why international cooperation occurred is often not really studied by historians. Instead many tend to either simply assert increasing internationalism as "... a gradual triumph of a virtuous sense of global community", or that such cooperation was simply great power politics in a new form, which in either case does not need further discussion.²¹ The first is unsatisfying as it maintains a teleological development, while the second does not account for how international cooperation also at times ran counter to national interests. Therefore, the question of why is highly important. Mazover points to the long international cooperative developments throughout the 19th century, but also to the importance of WWI as a trigger for the creation international organizations and institutions such as the League of nations, before he studies why the great powers supported such cooperation.²² His study then points to two important questions which needs to be explored in regards to the SEC and its extension beyond the armistice, why the involved nations wanted to do this, and what it was about the situation which shaped the desire for cooperation?

Bob Reinalda shows that the study of international organizations has progressed in four phases since it emerged in the 1950's: In the first phase international organizations was studied as extensions of great power politics. In the second phase the internal powerplay of such organizations was studied. In the third phase attention was paid to how international organizations might play a part in shaping long term national politics. Lastly the fourth and contemporary phase is categorized by an interest in the internal events, structures of the organizations, and how they affect the world around them. Particularly in the more bureaucratic and technical sides of their work.²³ This latest trend has shaped much of the contemporary work on international cooperation. Clavin in her book seeks to provide new insight into the Economic Organization of the League, which she argues had major ramifications for the shaping of the world's economic order well beyond its own existence.²⁴ This is also studied at a recently started project at the University of Aarhus in Denmark, *The Invention of International Bureaucracy*, which looks closer at the role of the League's secretariat in the development of

²¹ Mazower, Mark. (2012). *Governing the World: The History of an Idea*. New York: The Penguin Press: xv

²² Mazower 2012: 117-118

²³ Reinalda, Bob. (2009). *Routledge History of International Organizations: From 1815 to the Present Day*. Oxon: Routledge: 6-8

²⁴ Clavin 2013: 2-4, 10

international bureaucracy.²⁵ In considering the SEC then, more than just the direct results of its actions needs to be considered to determine how it might have influenced the ambition for technocracy. Also, the motivation for maintaining the SEC has to be considered, as this maintenance as pointed out by Baker in the introductory quote was something quite new.

1.2.3 Russia

There is a wide range of literature available that deals with the opening of trade with Russia, but the international approach to this has received little coverage. This literature is often focused on specific nations and national approaches to opening trade, though Christine A. White takes a somewhat broader approach with her study of the interplay of Britain and the US in their approach to Russia.²⁶ Beyond this there is much literature about how the resumption of trade influenced Russia and companies who got involved with the trade.²⁷ Richard H. Ullman does enter upon the international attempts at trade talks, pointing out how this could potentially be used as a way of getting around the problem of implicitly recognizing the Bolsheviks as a legitimate government, but this is only briefly mentioned.²⁸ The international attempt to enter into trade therefore needs to be investigated further.

These texts however provide valuable insight into the motivations of the SEC member nations for resuming trade, despite the outcast status of Russia. The problem of trading with Russia largely lay in the potential dangers of trading with someone who did not recognize international property rights, and in starting trade one would implicitly recognize the Bolshevik government which was reviled through Europe as a spreader of revolution and defaulter of debts. International and national opinion would figure prominently in the actions of the SEC, and particularly as will be shown British attitudes. Ullman and White has different ideas about what the primary British motivations were. Ullman sees the British motivation for entering into the

²⁵ <http://projects.au.dk/inventingbureaucracy/> (08.11.2017)

“This project aims to shine a light on the roots of international bureaucracy and its particular institutional and socio-cultural characteristics by exploring the principles, practices and formative effects of the League of Nations Secretariat.”

²⁶See for example: Ullman, Richard H. (1972). *Anglo-Soviet Relations, 1917-1921, Volume III: The Anglo-Soviet Accord*. Princeton: Princeton University Press; Carley, Michael J. (2000). Episodes from the Early Cold War: Franco-Soviet Relations, 1917-1927. In *Europa-Asia Studies*, Vol. 52, No. 7 (Nov., 2000) pp. 1275-1305; White, Christine A. (1992). *British and American commercial relations with Soviet Russia, 1918-1924*. The University of North Carolina Press:

²⁷ Storli, Espen. (2012). Trade and Politics: the Western Aluminium Industry and the Soviet Union in the Interwar Period. In Frøland, H. & Ingulstad, M. (Eds). 2012. *From Warfare to Welfare: Business-Government Relations in the Aluminium Industry*. Trondheim: Akademika Publishing: 70

²⁸ Ullman 1972: 39, 45

trade talks to be primary political rather than economical. He shows that there were economic reasons for entering into these talks, while he also argues that the British understood that trade at least in the beginning would be slow. By conducting a commercial agreement one could get political matters solved, such as communist agitation within the empire.²⁹ White on the other hand argues for the primacy of commercial motivations over the political as "... the normalization of trade and commercial relations preceded – and indeed, pre-empted – any moves toward a political rapprochement...".³⁰ So the national motivations has to be considered for how the nations acted through the SEC.

As has been shown the literature about the SEC to little extent covers its later work which Russia figured prominently in. At the same time the literature about Russia to a small degree looks at the international approaches to these issues which this thesis then can provide further insight into. It is here notable how it at all was considered to enter into such negotiations internationally, instead of nationally. It will be shown however that it was exactly the international nature of the SEC which made its involvement desirable as a way around political problems in dealing with the Bolsheviks, but also in how the expertise of the council could be used in technical matters.

1.3 Sources and methodology

1.3.1 Primary sources

The SEC as an organization, and its many sections and committees produced large numbers of minutes and reports. In addition to these comes various documents such as letters and reports attached to the minutes as appendixes. For this thesis material from multiple archives have been drawn upon: The British National Archives in London, The League of Nations Archives held at the United Nations offices in Geneva, and the US National Archive in Washington. The main bulk of the source material used for the thesis is drawn from the National archive in Washington. It contains both the minutes of the SEC itself, and its Permanent Committee which took over most of the SEC functions in 1920. All the Washington material used was published and digitalized in 1970 as a part of a larger microfilm publication of the Paris Peace Conference material. The minutes of the SEC itself has also been published within the *Papers relating to the foreign relations of the United States: The Paris Peace Conference, 1919 Volume X*. My

²⁹ Ullman 1972: 19, 438-439

³⁰ White 1992: 111

own research of the Washington primary material, as well as that of Fitzgerald finds that the Washington primary material and the FRUS publication are identical, so for the sake of accessibility the FRUS minutes will be used.³¹ In addition to the material from the Washington archive and FRUS, other material has been used to supplement information and give further perspectives. From the British archives there are some internal British documents about their role in and attitudes to the SEC. The League material primarily contains correspondence between the Leagues secretariat and the SEC, up to the founding of the Leagues Economic and Financial organization and its takeover of the publishing of the SEC's monthly bulletin of statistics. This material will be used to investigate the relations between the League and the SEC, and what connection there was between the two.

1.3.2 Methodology

When considering questions of methodology, a historian will typically look to the evaluation of sources, and source criticism to determine the usability and reliability of the material. The usability of the material has been discussed in the preceding chapter, but the reliability needs to be further discussed. A first step towards ascertaining the trustworthiness of the source material is to classify what it is: Meetings minutes and documents that was made to be circulated to those who needed the information, the question is however to what extent the information given in the document was correct and truthful for the situation they presented. These documents were not intended for wide circulation, but they were still ultimately published and printed up for the use of the delegates and interested parties. This can be a problem as when such publishing takes place things can be left out even deliberately.³² The minutes were often discussed for approval by the delegates, and at times amended. At the same time, any such amendment was made after it was discussed and the amendment itself recorded at a meeting that followed. To give a example, after a discussion about the resumption of trade with Russia it was decided to replace “the extreme Socialists” by the more diplomatic phrase “certain groups of traders”.³³ This makes it is possible to follow the correction process in the material increasing

³¹ Fitzgerald 1971: 434

³² Tosh, John. (2015). *The Pursuit of History: Aims, Methods and New Directions in the Study of History*. New York: Routledge Taylor & Francis Group: 80

³³ Permanent Committee. 20th PC meeting Minute 148 Minutes Reference 147. 11.06.1920. National Archives Microfilm Publications. (1970). Microcopy No. 820. General Records of the American Commission to Negotiate Peace 1918-1931: Volume 111. Roll 137: Supreme Economic Council: Communications Section, minutes, reports. Permanent Committee, minutes. (hereafter known as NARA, MP 820, V111-R137): Doc nr 180.05701/20

their reliability. It also however makes it possible to consider why the amendments were made, which in the example above most likely was to avoid potential insult should the meeting minutes ever be distributed. Generally, it also seems that the copies preserved in the archives are the originals from the first publication, which would then be discussed and possibly amended at later meetings for new publishing. The material then appears to be reliable as to representing the actual situation of the meetings.

One thing that should also be considered is how the material will be used and read. The minutes provide extensive and detailed information about the councils work. One of the dangers with as detail rich material like this however, is that one can fall in the trap of using it to simply to reproduce the information, without considering wider questions and engaging with the source material in a way that creates new insight. To provide insight beyond what is presented in the material one needs to engage with both the context of the subject, and perspectives which can be used to discuss the subject matter.³⁴ Beyond the direct considerations about the material for this text however, learning proper historical method and source criticism is of the utmost didactical value for me as a future history teacher. The work of this thesis then has provided valuable experience in this area, which my students will benefit from as it will make it possible for me to teach them how to engage with sources in a critical and reflective manner.

³⁴ Readman, Kristina Spohr. (2009). Memoranda. In Dobson, Miriam & Ziemann, Benjamin (Ed.). *Reading Primary Sources: The interpretation of texts from Nineteenth- and twentieth-century history*. Oxon: Routledge: 125-128

2 Background

The wider political and economic context that the SEC operated within from its creation to its end was complex and changing. It was created by the allies during the Paris Peace Conference which was a unique event in world history. The conference gathered many world leaders and ministers from their governments which provided a good basis for international cooperation.³⁵ This basis for cooperation however ended with the conference itself as the ministers ceased to meet regularly, creating the need for the SEC to change how it worked, and particularly in its attempts at facing the problems that was still unsolved by the conference: The civil war in Russia was still ongoing, a number of new states had been created, and Europe was in economic chaos. The chaos partly came from the conflicts between the new nations and the economic barriers they erected, but also from war time damages to infrastructure and industry, and a average doubling of, raw materials prices from before to after the war.³⁶ This situation did not improve much throughout 1920 either. Understanding how the SEC was adjusted to face these challenges requires understanding of its wartime background, its creation, and its work during the armistice. Therefore, the following must be determined: why was the SEC created, how was it organized, and what was its duties? Here it will be argued that the powerbase of the SEC allowed it to function with greater effect than the limited authority given to the organization itself would suggest, and this will then be used later to study how the SEC changed with the end of the armistice.

2.1 The pedigree of the Supreme Economic Council

The SEC was formed in February 1919, after long discussions about the continuation and form of allied cooperation following WWI. The war effort lead to extensive cooperation between the allies on more than military matters. In fact, Elizabeth Greenhalgh argues that the bureaucratic and economic cooperative achievements meant more to the war effort than the military cooperation. This cooperation however took time to develop, and did not really take form before 1917 and 1918.³⁷ The time it took to develop this cooperation is part of why it was desirable to maintain afterwards, as to potentially build up new cooperation and organizations would be

³⁵ MacMillan 2001: 65-66

³⁶ League of Nations. (1943). *Europe's overseas Needs 1919-1920 And how they were met*. United States: Princeton University Press: 13 Table 4

³⁷ Greenhalgh, Elizabeth (2005). New York: *Victory through Coalition*. Cambridge University Press: 281-283

time consuming. The most important steps in the development of cooperation came in the shape of various committees and commissions responsible for ensuring the ability of materials and food vital to the war effort, petroleum, textiles, munitions etc.³⁸ One such organization, the Wheat Executive, was in fact so powerful in directing the world supply of grain that even neutral countries joined to secure their own supplies.³⁹ These organizations worked on an inter allied basis by sharing economic information, but they also compared the need of each ally against one another to ensure that goods were distributed according to need.⁴⁰ This coordination was done for two reasons: First, to ensure that every ally got what they needed. Second, without coordination the allies might start to compete against each other for the materials which would ultimately be detrimental to the war effort, and cause general economic disruption.

The problem with these organizations was that there was no overarching coordination between them, and no oversight of their activities.⁴¹ Each organization used resources to provide for their area of responsibility without regard for the needs in others, so while the supply of one material might be abundant others could be sparse. This particularly became a problem after December 1916 as the Germans unrestricted submarine warfare created a crisis in world shipping.⁴² As Salter pointed out “When shipping is inadequate control of shipping involved control of supplies”. This created a pressing need to ensure that shipping resources was used efficiently between the different organizations, which required oversight and coordination.⁴³ A very potent example was the problems of balancing the needs of food and munitions.⁴⁴ This prompted the allies to create the ‘Allied Maritime Transport Council’ (AMTC) in February 1917, which coordinated allied shipping to ensure that tonnage was used where the need was greatest. To further facilitate cooperation and coordination the allies also created the Inter-Allied Munitions Council and the Inter-Allied Food Council, who coordinated through the AMTC to ensure that priority of shipping was given according to current requirements.⁴⁵ This cooperation was a great success as Greenhalgh pointed out, contributing vitally to the success

³⁸ Scogin 1987: 26-27 & Fitzgerald 1971: 10-11

³⁹ Fitzgerald 1971: 9-10

⁴⁰ Brodie, Henry B. & Kapp, Karl W. (1941). *The Breakdown of Inter-Allied Economic Collaboration in 1919*. In *United States cooperation with British Nations. – Planning pamphlets, 6*. Washington: National economic and social planning as: 43

⁴¹ Scogin 1987: 25-27

⁴² Salter 1921: 2-3

⁴³ Salter 1921: xvii He goes more in depth on the matter on page 4-5, but the quote is from the table of contents.

⁴⁴ Greenhalgh 2005: 273

⁴⁵ Hill, Martin. (1946). *League of Nations: Economic and Financial Organization*. Washington: Lancaster Press: 15

of the war effort. The cooperative success, and the considerations of post war needs in reconstruction, made the allies eager to continue cooperation after the war, partly by giving more areas of responsibility to the AMTC. The idea being to give it overarching responsibility of economic matters such as the furnishing of finance and raw materials,⁴⁶ to turn it into a “General Economic Council”.⁴⁷

However, the cooperation of the allies was dependent on there being some form of threat potent enough to justify the economic constraints it placed on private commerce. The war effort had necessitated the introduction of constraints such as import and export restrictions, which the war time cooperation was depended on to function. The necessity of such constraints were accepted during wartime which was seen as an exception to the normal state of the world, but once the conflict ended people wished for things to return to normal.⁴⁸ With the signing of the armistice in November 1918 there arose a popular and successful demand for returning to ‘normalcy’. This also demanded the end of the economic restrictions that the AMTC depended on, which effectively broke its powerbase.⁴⁹ The situation was however further complicated with the international aspect of cooperation. Britain for example was better off economically after the war than the other allies and could end trade restrictions, but doing so also affected the others as Britain would no longer take part in the distribution of goods, and prices rose as private competition resumed.

The belief of the advocates of the return to free trade was that the world market, left to work itself out, would reassert itself and bring about rapid economic recovery. This would however prove not to be the case. By the time the Paris Peace Conference was convened in January 1919, the situation of the world economy was still dire, and large swaths of Europe was devastated from the war. Thousands of people, particularly in Germany, Austria and Eastern Europe faced starvation, and there were severe shortages of many materials and goods all over Europe. In the case of Germany Mary E. Cox has found how the malnutrition from the lack of food during the war caused the average height of children to fall nearly 3cm.⁵⁰ The need for relief work and continued support of allied countries was therefore potent. Such cooperation however required

⁴⁶ Fitzgerald 1971: 24-29

⁴⁷ Salter 1921: 220-221

⁴⁸ Fitzgerald 1971: 29-30

⁴⁹ Temperley 1920: 290-291 & Salter 1921: 264

⁵⁰ Cox, Mary E. (2015). Hunger Games: or how the Allied blockade in the First World War deprived German children of nutrition and Allied food aid subsequently saved them. In *Economic History Review*, 68, 2 (2015), pp. 600-631: 607-608, 615

coordination of the allies like that which existed during the war as non- but the US had the capacity to do much alone, and even it needed the cooperation to facilitate the logistics of its activities.⁵¹ This initially led to the allies creating the Council of Supply and Relief in January 1919, following a prolonged debate as to how any new organization should function and how extensive its economic activities should be which was under debate. The core of the issue was to what extent the US should carry out relief work alone, or as a part of allied economic machinery and what duties the council should take on. The core of the allied disagreements here was the US opposition to being economically tied to the Europeans by participating in extensive cooperation, While the Europeans saw such cooperation as necessary for rebuilding Europe. This underlying tension would also be present in the discussions of the continuation of cooperation after the armistice and will be returned to in chapter 3. When the Council of Supply and Relief was established the core of its functions was to coordinate the actions of each governments relief machinery, and gathering information about world food supplies and availability.⁵² The problem with the Council however was that it was not extensive enough in scope to cover all matters related to relief work. It was not just a question of food. Many other concerns played a role as well, for example questions of finance to buy the food, or shipping to transport it.⁵³ Without effective coordination of such matters relief was practically impossible to achieve, and out of this understanding SEC was created by the Allied leadership to pick up the work of wartime cooperation.⁵⁴

2.2 The Supreme Economic Council during the armistice

The creation of the SEC came from the concrete suggestion of the future US president Herbert Hoover, who would also serve as the chairman of the SEC's food section. Hoover made the suggestion, but he was not alone in the idea of continued cooperation.⁵⁵ The British also made such suggestions, and the French had argued for continuing cooperation into peace since an economic conference in 1916.⁵⁶ The creation of the SEC was done in the Supreme Council

⁵¹ Tooze 2014: 205

⁵² Fitzgerald 1971: 44-56

⁵³ Fitzgerald 1971: 65

⁵⁴ Franssen, Frederic J. (2001). *The Supranational Politics of Jean Monnet: Ideas and Origins of the European Community*. Westport: Greenwood Press: 23-27

⁵⁵ Fitzgerald 1971: 66

⁵⁶ Scogin 1987: 27-30

which was the highest allied authority of the Peace Conference consisting of the allied state leaders,⁵⁷ which created the SEC in February 1919 to deal with the relief of Europe:

“To accomplish this there shall be constituted at Paris a Supreme Economic Council to deal with such matters for the period of the Armistice. The council shall absorb or replace such other existing inter-allied bodies and their powers as it may determine...”⁵⁸

When the council first met it was made up of representatives from Britain, France, Italy and the US, but it was also soon joined by Belgium at its request.⁵⁹ It is also important to note that the SEC did not deal with the economic aspects of the peace treaty itself such as reparations, but the economic problems of the armistice.⁶⁰

It took some time until the full extent of the layout and functions of the SEC was in place, but eventually it was divided into six sections which dealt with their corresponding tasks: Food, Finance, Communications (land transport, telegraphs etc.), Raw Materials, Blockade, Shipping (See Also Appendix 1 for a organizational chart outlining the organization).⁶¹ As the Councils work came to focus extensively on Germany due to its large relief needs and the special situation that arose from the responsibility the allies had for the occupied Rhineland, it would also add a Sub-Committee on Germany in April 1919.⁶² The task of the SEC itself was to coordinate the efforts of the different sections, to attempt to have oversight of the economic situation and the needs in different areas. The interconnected nature of these areas is clear: food was vital to all, but both it and the transportation to get it where it was needed required financing, but all of this would be for nothing if the blockade was in the way.

The workings of the SEC were fairly straightforward. Each member nation sent a number of delegates to it, who would also serve on the different sections. Some of these delegates were more senior and served as the chief delegates of their nation: Lord Robert Cecil for Britain (at the time he held no rank, but he was the former minister of the Blockade), Etienne Clementel for France (minister of Commerce), Silvio Crespi for Italy (minister of food), and Herbert Hoover for the US (relief administrator).⁶³ It also included delegates such as Jean Monnet (Later the “father of Europe”) and Salter who had been involved in the cooperative efforts during the war, and influential economists such as John M. Keynes and Bernard Baruch. The

⁵⁷ MacMillan 2001: 61-64

⁵⁸ Baker 1923: 340

⁵⁹ Scogin 1987: 105-106

⁶⁰ Temperley 1920: 297-298

⁶¹ Baker 1923: 341

⁶² Temperley 1920: 301-303

⁶³ Scogin 1987: 105-107

chairmanship of the SEC meetings in theory rotated between the nations, but Lord Cecil would serve as chairman of the majority of the meetings. Each nation submitted what they wanted to discuss during a meeting which would form the basis for a decision. These decisions were ideally to be reached unanimously, and were only binding upon the nations which had agreed to them. Once a decision was reached each nation was itself responsible to undertake what actions were required to carry out the decision.⁶⁴ Each section functioned mostly in the same way, only that their discussions were to be limited to their area of expertise, and raising issues which overlapped with other sections to the SEC itself.⁶⁵

The SEC received little in the form of concrete power at its creation, its power and authority grew throughout the armistice period. After the Peace Conference it must be noted that some (Hoover amongst them) described the SEC as a without much independent power, and as being largely unsuccessful. Particularly as it was little involved in the larger conference and its work.⁶⁶ This however is disputed by both Scogin and Fitzgerald, who as already discussed argues that the council held power which it used to achieve its goals even if indirectly. At first the SEC was supposed to consult the Supreme Council before making their decisions, but in March 1919 they were given the authority to make economic decisions without consulting the Supreme Council.⁶⁷ The delegates to the council were naturally still responsible to their own governments, but this meant that they did not have to defer to the highest form of allied authority granting a level of independence of action. These decisions however were only ever to be short term ones, primarily focusing on what was necessary during the armistice, and it could not make decisions in matters which had political implications. Examples of this was in the maintenance of the blockade, or when the SEC wished to deal directly with German financial representatives rather than each question having to go between the Allied and German governments. The blockade could not be raised as it was used to maintain pressure on Germany. The SEC in general however was opposed to the maintenance of the blockade as it limited economic recovery and food delivery. The Blockade Section would then gradually hollow out the

⁶⁴ Russian trade delegation. Questions put by the Russian Trade Delegation to the Permanent Committee of the Supreme Economic Council. 24.06.1920. Attached to 21st PC meeting Appendix 129. 25.06.1920. NARA, MP 820, V111-R137: Doc nr: 180.05701/21

Permanent Committee. Answers to questions put by the Russian Trade Delegation to the Permanent Committee of the Supreme Economic Council. 28/06/1920. Attached to 22nd PC meeting Appendix 131. 28.06.1920. NARA, MP 820, V111-R137 Doc nr: 180.05701/22

⁶⁵ Lovin, Clifford R. (1978). Food, Austria, and the Supreme Economic Council, 1919. In *East European Quarterly*, Vol. XII, No. 4, pp 475-487: 478

⁶⁶ Scogin 1987: 102-103

⁶⁷ Scogin 1987: 113

blockade by allowing exceptions which saw some trade returning between the neutrals and Germany.⁶⁸ In the matter of dealing directly with the Germans the SEC could not do this at their own initiative, but they managed to get approval for a German Economic Commission being set up in Versailles in April 1919.⁶⁹ This was despite the wishes of Marshall Foch, who wished to keep Germany isolated. Working within the means they had available then the representatives on the SEC displayed decisiveness despite the limits placed on it.

Its capacity for decision taking can largely be tied to the members of SEC. As has been noted the foundation for the council's power lay in the persons who served as delegates, who often held ministerial rank within their own government. This was also stressed by Salter for explaining the success of AMTC during the war, as having the decision makers present made coordination easier and more impactful.⁷⁰ There were naturally disagreements between the different delegates, but there was also a high degree of similarities in opinions within the SEC. In dealing with Germany for example they were generally moderate as to how harsh it should be punished. Such basic agreement made it much easier to reach unified decisions, Keynes would later note that the SEC "was a little nest of liberalism in the Paris wilderness."⁷¹

The SEC was however not able to address all problems of the armistice period, and as it drew to an end there was talk about ending the SEC. One particular problem which had been left unaddressed was that the shortages of raw materials. The SEC was created with the intention of focusing on short term relief problems, of which food was the most pressing concern for Germany and many Eastern European countries. This left little to no financing for the purchase of raw materials, which correspondingly led to resource dependent industries stagnating.⁷² The lack of action in regard to the resource problem did not only come from a lack of financing however. It was also tied to the differences in interests of the allied nations. Within SEC's Raw Materials Section the American representatives would maintain that there were in fact enough raw materials being produced in the world to meet requirements, with only a serious deficiency in coal and flax. Here the US and British argued that as swift a return to free trade as possible would solve the problem, while the French and Italians argued for maintenance of purchasing arrangements from the war to ensure all nations some supply of raw materials and at stable

⁶⁸ Fitzgerald 1971: 135-136, 164-169

⁶⁹ Scogin 1987: 136-137

⁷⁰ Salter 1921: 249-250

⁷¹ Harrod, R. F. (1951). *The Life of John Maynard Keynes*. New York: Harcourt, Brace and Company: 235. Quoted in Fitzgerald 1971: 415-416

⁷² Temperley 1920: 331

prices.⁷³ The resource problem would persist after the armistice however, and so did the question of continued international cooperation.

2.3 From war to peace

The SEC was created to maintain allied cooperation from the war, to aid in the reconstruction of Europe and stabilizing the economic situation. To do this it took over much of the work of previous organizations, and organized sections to deal with the different problems of the period, which the SEC coordinated. Much like the AMTC had coordinated wartime cooperation due to the primacy of shipping. The organization itself held little direct power at its creation, though it would grow throughout the armistice. Its power was largely dependent on the positions of the delegates on it, many of which was ministers in their nations government. The authority of these delegates made it so that the SEC as a continual meeting ground could affect better coordination than if these men had to communicate indirectly. The SEC was mostly successful in arranging for the relief of Europe during the armistice, but there was still large problems that it was not able to address, prominent among them the difficulties of the international raw materials shortages. These economic challenges then triggered a debate about the desirability of continuing cooperation, and how this cooperation might function.

⁷³ Brodie & Kapp 1941: 46-49

3 The Supreme Economic Council beyond the Armistice

With the end of the armistice came the end of the mandate of the SEC, but despite strong opposition, it was continued to address the severe economic problems of Europe. In this continuation the SEC underwent a fundamental change, as it turned from a decision-making agency to technical work in gathering and distributing information. This change can particularly be seen in how the SEC worked with the raw materials problem, in which the need for international cooperation was great. The technical turn came as a pragmatic way of maintaining cooperation, as the discussions over the continuation of the SEC intensified, and ended with the US withdrawing from it in August 1919. This meant that the SEC no longer had the resources to take extensive economic action such as relief, as this type of work was dependent on American resources.⁷⁴ Even so the continuation of cooperation was desired to allow for some form of coordination and discussion in the difficult post war economy, but to serve in a useable function it would have to change, which came with the technical turn. Before this happened however the intention had still been to maintain cooperation with US involvement, as the Supreme Council declared on the 28th of June 1919:

“That in some form international consultation in economic matters should be continued until the Council of the League of Nations has had an opportunity of considering the present acute position of the economic situation, and that the Supreme Economic Council should be requested to suggest for the consideration of the several Governments the methods of consultation which would be most serviceable for this purpose.”⁷⁵

With the US eventually withdrawing this did not go as intended, which raises a number of questions about the continuation of the SEC: Why was the SEC continued after the armistice despite the opposition to it? How was the raw materials work of the SEC changed, and what was it about the raw materials situation which made international cooperation desirable? In answering these questions, it will be argued that the technical turn, while coming from a pragmatic necessity also contained the desire to improve, and to some extent rationalize the raw materials situation through technical work. This meet with limited success as the allied cooperation lacked the power to significantly affect the situation, but this experience also laid the ground for the later desire for technocratic economic rationalization.

⁷⁴ Tillman, Seth P. (1961). *Anglo-American Relations at the Paris Peace Conference of 1919*. Princeton: Princeton University Press: 274

⁷⁵ Bane, Suda Lorena & Lutz, Ralph Haswell. (1943). *Organization of American relief in Europe 1918-1919*. California: Stanford University press (Source Collection): 627

3.1 Changes to the Supreme Economic Council

The fundamental questions which shaped the how and why of the continuation of the SEC boils down to why the Americans and Europeans wished to respectively end and maintain it. US scepticism of the SEC can be tied to three areas. First was a concern that allied cooperation were attempts by the Europeans of getting access to American resources cheaply.⁷⁶ Even if the US itself was not a part of the SEC and could be pressured that way, allied coordination and cooperation in purchases would also press down prices, which was not in US interests. As Hoover had stated in November 1918 about continued cooperation:

“After peace, over one-half of the whole export of food supplies of the world will come from the United States and for the buyers of these supplies to sit in majority in dictation to us as to prices and distribution is wholly inconceivable. The same applies to raw materials.”⁷⁷

Secondly the American delegates were staunch proponents of Laissez-faire who believed that governmental involvement in trade was damaging for long term economic recovery.⁷⁸ Thirdly the US wanted to prevent the creation of an allied “economic block”, particularly against former enemy countries.⁷⁹ All these considerations played in to US attitudes, but particularly the first in American economic interests should be stressed for their opposition to the SEC. The two other considerations dealt with American ideas of free trade which Tooze argues also largely was based on assessments of economic interest, as the US stood to benefit from free trade due to its dominant economic position.⁸⁰ The US then had little to gain from continued strong allied cooperation. This did not make them outright hostile to any form of cooperation however, but such cooperation would have to fit with their economic interests which the SEC did not.

The European attitudes was remarkably coherent, as Belgium, Britain, France and Italy had generally similar interests in continued cooperation. They hoped to benefit from it in different ways, but there was nothing fundamentally divergent in how they argued for it. Leading up to the June declaration of the Supreme Council about the continuation of cooperation they each made statements arguing for why and how cooperation should be maintained. The Belgians wanted to maintain the SEC as it was to ensure the restoration of devastated areas of Europe,

⁷⁶ Tillman 1961: 267-268

⁷⁷ F. W Surface and R. L. Bland, *American Food in the World War and Reconstruction Period*, p 23. Quoted in Brodie & Kapp 1941: 44

⁷⁸ Tillman 1961: 275

⁷⁹ Lovin 1978: 483

⁸⁰ Tooze 2014: 15-16, 205

see to distribution of food and raw materials, and to discuss the to return to free trade.⁸¹ The British maintained that there were still economic problems that needed to be dealt with to ensure adequate supplies for the allies and other European countries, but that the SEC could be changed more to be a consultative body for this.⁸² The French were eager for the SEC to be continued on two grounds, the maintenance of certain parts of allied cooperation (particularly relief work and food purchasing agreements) and to give governments economic advice as to how to return to economic normalcy.⁸³ The Italians wanted the SEC to be consultative to make economic coordination possible.⁸⁴ These suggestions had different ideas about the function of cooperation as either mainly consultative and the continuation of some relief, but what was fundamentally important in all was to maintain cooperation. The ideas and reasons behind the European suggestions can be tied to two considerations. First the experiences from the end of the war cooperation followed by the need to reconvene it had shown that it was better to have some cooperation in place than to end it outright. The desire to maintain the SEC was therefore preventative in nature, to make it possible to address economic issues as they arose. Second, it was tied to trying to keep the US engaged in cooperation. It was not directly stated in the suggestions, but keeping the US with its dominant economic position was greatly desirable for the efforts to restore Europe. This played into the into wider political considerations of the period, as it was attempted to centre the post war international political system around American power.⁸⁵ Given the US reservations as stated above then suggestions for expanding cooperation would have led to their rejection out of hand. Therefore it was better to make less constraining suggestions which might allow some continued cooperation with the US.

The problem was how to unify the American reservations, and the European desire to maintain cooperation. This whole process came to a head with the intention of replacing the SEC with a new organization called the International Economic Council (IEC). The suggestion for this came from committee (made up of the chief national delegates mentioned in chapter 2.2) which had been convened to consider the future of the SEC and continued cooperation.⁸⁶ The IEC was intended to first and foremost be an advisory body, adding new and non- allied members, and

⁸¹ United States Department of State. (1919) *Papers relating to the foreign relations of the United States: The Paris Peace Conference, 1919 Volume X*. Washington, D.C: Government Printing Office.(Hereafter known as FRUS PPC 1919 X): 425

⁸² FRUS PPC 1919 X: 415-417

⁸³ FRUS PPC 1919 X: 422-424

⁸⁴ FRUS PPC 1919 X: 427

⁸⁵ Tooze 2014: 25-26

⁸⁶ FRUS PPC 1919 X: 328-329, 450-451

with high ranking ministers as delegates.⁸⁷ The US actually supported this idea, as it was a suggestion largely in line with their interests. By forming a new body, it would not be a remnant of the war time economic controls like the SEC, and it would not have continued purchase coordination detrimental to US economic interests. By having a more international membership it also avoided the problem of creating an allied economic block. The potential of this new organization making decisions detrimental to American interests would also be lowered by its advisory nature. Hoover commented about the organization in a letter to Wilson “...this suggestion was made purely for the purpose of visualizing the world’s necessities and being able to exchange views first hand between the principal Cabinet Ministers of the world of the situation.”⁸⁸ This then was not to be a body to coordinate economic action, but a forum for discussion. However, this organization was not created, and this can be significantly tied to the European nations interest in maintaining the SEC as a basis for more concrete action.

The failure of the IEC came from a specific incident on the SEC meeting in August 1919. The British stated that they might not be able to send a high-ranking delegation as the current SEC delegates might be indisposed.⁸⁹ The reason for this is unspecified, it might simply have been that the SEC representatives were going on to serve in different functions. Lord Cecil for example was leaving the SEC for the League of Nations and could not serve on the IEC.⁹⁰ However had the British truly been eager for the creation of the IEC with ministerial representation as a demand they could surely have found a way to accommodate this. While only the British said they could not send ministers Hoover in a letter to Wilson presented this as none of the countries being willing to do it, so either the others as well were hesitant or Hoover utilized this opportunity to end US involvement quickly.⁹¹ As he at once recommend to Wilson that the idea should be dropped which it was, and the US stopped attending further SEC meetings. Fitzgerald argues that the reason for the US response here could be tied to a belief of Hoover’s that that high-ranking delegates were needed to make most Americans understand the seriousness of the economic situation, and the genuine European desire for US involvement. Without these delegates then there would be no point to create the IEC.⁹² Seth Tillman on the other hand suggests that the American withdrawal came from the difficulties of

⁸⁷ Bane & Lutz 1943: 626-628

⁸⁸ Bane & Lutz 1943: 628-629

⁸⁹ FRUS PPC 1919 X: 499

⁹⁰ Bane & Lutz 1943: 603

⁹¹ Bane & Lutz 1943: 628-629

⁹² Fitzgerald 1971: 381-382. The letter in question can be found in Bane & Lutz 1943: 601-603

getting the Versailles treaty ratified in the US making further European commitment undesirable.⁹³ However it seems likely that this rejection came as the creation of the IEC after all would not have ended the Europeans cooperation with the SEC, which dissolution as shown was desirable for US economic interests.

At a surface level the IEC seems quite similar to the ideas the Europeans advanced about cooperation in June 1919. It would have facilitated consultation and discussion, however in replacing the SEC it would also end the possibility that lay in it for economic cooperation which all the Europeans had expressed a desire for maintaining. So while they were not hostile to the IEC itself it alone was not enough to maintain their cooperative interests. This can be seen in how instead of the IEC another organization was set up by the SEC, the Permanent Committee (PC). The PC was to work from London and its duties were to prepare material for the SEC meetings, deal with routine matters of allied cooperation but deferring to the SEC “questions of great importance, or where obviously there was likely to be a difference of opinion.”⁹⁴ It is in the work regarding routine matters that the difference with the IEC lies, in that the routine here was the continuation of the work of the SEC which the US wanted terminated ended. So, when this organization was made in August at the same time as the IEC failed it underlined the differences in European and American cooperative goals. It here seems likely that this declaration for the continuance of extensive cooperation rather than the purely consultative IEC forms part of the US withdrawal from the idea, as it would not serve to end the SEC.

The membership of the PC was the same as the SEC, except for the US. Each nation had one delegate who was to alternate the chairmanship of the meetings between them, and had the right to postpone the expedition of any matter until a full meeting of the SEC or to discuss it with his government.⁹⁵ A significant development with the PC however is that the SEC started to meet less frequently, and eventually the PC practically replaced the SEC as it stopped meeting in February 1920 with the intention of meeting again when the time came to set up the Leagues of Nations economic organization.⁹⁶ This then was a blow to the old powerbase of the SEC which rested on the frequent meetings of ranking ministers. The SEC still had high ranking delegates such as the French Finance minister Francois Marsal.⁹⁷ The end of the frequent meetings however was a more significant blow to its powerbase as it no longer served as an

⁹³ Tillman 1961: 273

⁹⁴ FRUS PPC 1919 X: 499

⁹⁵ FRUS PPC 1919 X: 575-576

⁹⁶ FRUS PPC 1919 X: 684

⁹⁷ Permanent Committee. Minutes of Proceedings, 7th-11th, 10th PC meeting Minute 99 French Delegates on the Council. 30.01.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/26

arena for continuous discussion between policy makers. The PC would continue to meet frequently however, but it rather consisted of experts rather than ministers which will be further explored in chapter 4, but significant for now is that the PC largely focused on technical work.

Even with the maintenance of routine work with the PC the SEC was strongly affected by the US withdrawing from the council. A major side of this was that it no longer would undertake relief work which had dominated its work during the armistice. The Food Section had started to wind down its activities in July 1919 on the American insistence that with the peace European recovery would come quickly and without the need for governmental interference.⁹⁸ However, already at the meeting in August discussion resumed about the importance of keeping some semblance of food cooperation and control in place, which led to the creation of The Consultative Food Committee in September.⁹⁹ The set goal of this organization was for the coordination of the member nations food purchasing agencies, rather than relief work.¹⁰⁰ This coordination was desirable as it could help to secure food supplies at better prices, and it would in fact remain in function throughout much of 1920 with sub sections dealing with different food products.¹⁰¹ Relief work would not be undertaken however. To take Austria as an example, experienced desperate coal and food shortages after the war and had been dependent upon allied relief which ended with the peace.¹⁰² Here the SEC delegations made a joint declaration to the Supreme Council in November that the SEC could and would not undertake the responsibility relieving Austria, as none of the members had the capacity for this.¹⁰³ With the withdrawal of the US it became less feasible and desirable for the SEC to act directly, but cooperation still held the possibility of coordination to ease the economic situation.

This turn to technical work and information gathering also came from the desire to keep the British within the council. As has been shown the desire for US involvement was great. Especially for the British as without the US, the British as the economically strongest had little to gain from strong cooperation with economically weaker countries. This interest can be seen in how when the US withdrew from the council the British were less eager to commit to continued cooperation. In November 1919 the French expressed their desire to formalize how

⁹⁸ Fitzgerald 1971: 132-133

⁹⁹ FRUS PPC 1919 X: 492-495, 563

¹⁰⁰ FRUS PPC 1919 X: 582-583

¹⁰¹ League of Nations. (1946). *Raw-Material Problems And Policies*. New York: American Book-Stratford Press, Inc.: 18

¹⁰² Lovin 1978: 475-476, 484

¹⁰³ FRUS PPC 1919 X: 618-620

the SEC should function, and what duties it should have in the future.¹⁰⁴ The British were reluctant to do this however, citing their need to consider “current political events in the United States and the position of Great Britain in Relation to these events.”¹⁰⁵ An internal British memorandum points to this being about the US irritation about the continued existence of the SEC.¹⁰⁶ A letter to Salter, who was present on the November meeting as a representative for the League of Nations, explains that this came from a US concern that the SEC would function as a “...combine of European purchasers acting against America as the seller.”¹⁰⁷ Salter was present at this meeting to argue for the SEC to be maintained until the League could start to address economic matters, and for some time the intent was for the economic organization of the League to develop from the SEC.¹⁰⁸

The League and the British had to consider their relations to the US when deciding upon its involvement with the SEC. The letter to Salter also stated the potential problems that could come from the League of Nations being associated strongly with the SEC as well, in that this could make the US less willing to become a member of the League, which was still an ongoing issue in 1919-1920.¹⁰⁹ The same consideration of US opinion that influenced the European ideas for continued cooperation in June 1919, now affected both the British and the League. Tooze describes this as the “defining feature of the new era - the absent presence of US power” even by nonparticipation the US greatly influenced international politics.¹¹⁰ So with the US opposition to the SEC both the British and the League had to evaluate their connection to the SEC against their relations to the US. This is connected to one of the pivots of the post war world, the question and desire for US involvement in the international system. For example, if it had remained engaged in Europe and the international political system it could be the basis for a stronger and more decisive League of Nations.¹¹¹ The American non-participation has already shown lead to reorientations of the work of the SEC, but it also did so for the League. As the lack of decisive political power is what made it turn towards technical expertise work which would over the post war period turn into long lasting technocratic traditions.¹¹² The SEC

¹⁰⁴ FRUS PPC 1919 X: 660-66

¹⁰⁵ FRUS PPC 1919 X: 624

¹⁰⁶ John Bradbury. Letter to the Chancellor circulated to the British Cabinet. 12.11.1919.1920. National Archives of the United Kingdom, Kew, (hereafter known as NAUK): T 161/75/5.

¹⁰⁷ Eric Drummond. Letter to Arthur Salter. 25.11.1919. United Nations Archives, Geneva. League of Nations Secretariat (1919-1946): Economic and Financial Section (1919-1946) (Hereafter known as UNAG): R293/10/2101 Document No. 2179

¹⁰⁸ FRUS PPC 1919 X: 625, 662-664

¹⁰⁹ Mazower 2012: 139-141

¹¹⁰ Tooze 2014: 515-516

¹¹¹ Clavin 2013: 25

¹¹² Mazower 2012: 142-143

did not experience a similar development into a technocratic institution, but its continuation and turn towards technical work formed a similar response to trying to find a way to work around the ‘loss’ of the US and as such shows the ambition at the time for technical work.

For the British the question was how involvement with the SEC might damage its relationship with the US. They did not want to drop out of all cooperation due to the potential value it held, but if they embroiled themselves too deeply in such cooperation it might have difficulties in untangling itself to address its position vis a vis the US. For now then they did not want to formalize the SEC as the French desired in November 1919, but saw value in its technical work and gathering of information.¹¹³ The real desire was to have some form of cooperative structure rather than non, as the Italian delegation put it “...the fundamental point was whether the Allies should still have a table round which they might exchange views on topics of current economic interest.”¹¹⁴ So international cooperation was extended to address the economic problems of the period, which would be done through technical cooperation and the gathering of information. As will be seen with the SEC’s work with raw materials.

3.2 Technical cooperation in raw materials

The SEC’s technical turn is very in its work with raw materials. This can especially be seen in comparing the Raw Materials Section, to how raw materials was approached after the armistice. The SEC had not been able to do much about the raw materials situation during the armistice, as the Raw Materials Section did not receive funding for this. This led to the diminishing of the work of the Section, which held its last official meeting on the 15th of May 1919. Followed by two ‘informal meetings’ to wind up remaining work: some questions about the financing of German raw material purchases, the coal situation, and a brief discussion about the possibility of the SEC aiding Russian reconstruction.¹¹⁵ Beyond this, raw materials were still addressed by the SEC and later the PC, but eventually the SEC would reconvene a dedicated raw materials organization. By the creation of a Raw Materials Committee in August which in November was

¹¹³ FRUS PPC 1919 X: 624-625

¹¹⁴ FRUS PPC 1919 X: 625

¹¹⁵ Raw Materials Section, Draft Minutes of the 10th meeting of the Raw materials section. 15.05.1919. National Archives Microfilm Publications. (1970). Microcopy No. 820. General Records of the American Commission to Negotiate Peace 1918-1931: Volume 109. Roll 135: Supreme Economic Council: Raw Materials Section, minutes, reports. Transportation Section, minutes, reports: Doc nr 180.05301/10; *Ibid* Raw Materials Section, Draft Minutes of the informal Meeting. 07.06.1919. Doc nr 180.05301/14; *Ibid* Raw Materials Section, Minutes of an informal meeting of the Raw Materials Section 21.06.1919. Doc nr 180.05301/15

joined with a Statistical Committee into the Committee on Raw Materials and Statistical Information (CR) in November.¹¹⁶

The duties of the CR lay in the gathering and distribution of information, considering how economic policy affected the availability of raw materials, and how barriers to availability could be overcome. The CR was also intended to be staffed by experienced officials rather than ministers so for this organization expertise rather than decision making power was fundamental.¹¹⁷ This is interesting in the connection that this holds to technocracy, where the primacy of experts over politicians is a fundamental. Even if the experts in the CR did not hold direct power for making decisions they could still potentially influence policy as they were to consider the impact of economic policy, and make suggestions about how to overcome barriers to raw material availability. This however was a contentious matter, as it had significant bearing upon questions of national economic sovereignty, and as shown one of the main reasons for the technical turn was to make cooperation less constraining and intrusive. Especially the British would oppose attempts to discuss their commercial policies. The CR did not become a technocratic institution as it lacked the power to influence policy, but attempts of this would be made as will be shown. The CR also took over the Statistical Committee's Statistical Bulletin, which collected and published information on economic factors such as production, trade, prices, finance and labour.¹¹⁸ Generally the CR would therefore work with the gathering of information, but in gathering information it was possible to address the problems of the raw materials situation which is why international cooperation was desired.

The gathering of information in general held benefits to all the members. It achieved the goal of maintaining cooperation without demanding excessive economic commitment. The lesson had been learned from the end of the war that it was better to maintain some cooperation, even if in a changed form. Further by providing information on the availability of raw materials the participants of the SEC would be able to make more informed decisions in their purchases such as how much supplies were available and potentially realistic prices for them. The prices for raw materials had doubled from before to after the war, so potentially finding cheaper supplies would be greatly desirable.¹¹⁹ It also made it possible to consider actions to increase raw materials availability, by studying the supply situation of what materials were available and what the demand situation looked like. Here the needs of all countries in Europe played in, as many

¹¹⁶ Fitzgerald 1971: 395-397

¹¹⁷ FRUS PPC 1919 X: 639-640

¹¹⁸ Temperley 1920: 331

¹¹⁹ League of Nations 1943: 13 Table 4

goods were sold internationally, so they had to consider how global supplies and needs impacted the situation.

The orientation towards information also points to a shift in attitudes towards the activities of the SEC in relations to raw materials, and with the shift in attitudes to international cooperation discussed previously. The goal was no longer to furnish materials as had been the idea behind the Raw Materials Section, but to spread information for the benefit of economic actors. Which marks two distinct levels of commitment to cooperation, and international involvement and ‘intrusion’ on sovereignty. The gathering of information would not place constraints on the members economic activity. Had it focused on the coordination of resource distribution however it would have demanded governmental economic involvement and with it import and export controls as those used during the war. The change from coordination to information suggests that priorities for cooperation had changed, why was this? The raw materials situation had not improved to a point that would have made joint action unnecessary. The suggestion for this reorientation came from the French, which is noteworthy when considered against the earlier French disposition to extensive economic cooperation.¹²⁰ A good example of this is the Clémentel plan of April 1919, which suggested not only the continued cooperation of the allies after the war, but their virtual dominance of world trade in raw materials through price and distribution controls.¹²¹ Why then would the French argue for an orientation towards information gathering rather than action at this point? This change in French policy seems to have been connected to a desire to keep Britain in the SEC. As shown the British became more hesitant about cooperation following the withdrawal of the US, and if the British withdrew as well, France would have little to gain in the SEC as it could not work with the countries it was economically dependent on.¹²² The new focus on the gathering of information therefore came from a pragmatic reorientation to maintain cooperation. This however still held the possibility of affecting the raw materials situation particularly by addressing the distribution of materials and how protectionist economic policies affected the world situation.

¹²⁰ French delegation to the PC. Memorandum on the Functions of the Raw Materials Committee. Undated. Attached to 5th PC meeting Appendix 39 06.11.1919, NARA. MP 820, V111-R137 Doc nr 180.05701/5

¹²¹ Duchêne, Francois. (1994). Jean Monnet: The First Statesman of Interdependence. New York: W.W. Norton & Company: 39-40

¹²² Chancerel, Pierre. (2015). Raw Materials. In Daniel U., Gatrell P., Janz O., Jones H., Keente J., Kramer A., and Nasson B. (Ed.). 1914-1918-online. *International Encyclopaedia of the First World War*, ed. By issued by Freie Universität Berlin, Berlin: 10.15463/ie1418.10686. (12.02.2018): International Cooperation

3.3 The Raw Materials problem

The fundamental problems in the availability of raw materials in the period was explained in a report submitted by the Raw Materials Committee in September 1919. The conclusion of the report was that the problems came from the lack of tonnage and finance, as well as increasing protectionist tendencies.¹²³ This also explains the international nature of the raw materials problem and the desire for international cooperation in trying to address it. Transport and finance were largely international issues as most nations were dependent on hiring shipping outside of their own nations, and on foreign loans to replenish capital lost during the war. Transport costs had risen nearly 300% during the war.¹²⁴ Finance on the other hand was difficult to find due to the implosion of international credit and lending following the war.¹²⁵ The last hinderance to supplies of raw materials was the problems of protectionist commercial policies. Protectionist tendencies grew following the war which had shown the problems of being dependent on international markets, so countries tried to use protectionism to limit their dependence on imports and to stimulate their own economic development.¹²⁶

The protectionist problem was raised in connection with the September report by the French, Belgian and Italian delegations to address how British policy affected other nations but the British was unwilling to discuss their policies on the matter.¹²⁷ At a meeting in November 1919 it becomes clear that the specific problem that the other delegations wanted to discuss here was that the British were subsidising domestic coal sales which they argued did not affect global prices, but only lowered domestic ones.¹²⁸ The concern of the other nations about protectionist policies were that such policies: "...would tend to become general, beyinand to end in the re-establishment of economic barriers such as the world has not known for centuries.". ¹²⁹ As will be shown in the next chapter the attempts at discussing protectionist policies were largely unsuccessful. The SEC did not have the power to force the issue when the British refused to discuss it, likewise it was not given the power to coordinate shipping and finance. So the value of the work of the SEC would have to lay in the gathering of information by "...a continuous

¹²³ FRUS PPC 1919 X: 599-600

¹²⁴ Chancereel 2015: Warfare and Global Markets of Raw Materials

¹²⁵ Steiner 2005: 182

¹²⁶ Graff, Michael, Kenwood, A.G & Loughheed, A.L. (2014). *Growth of the International Economy, 1820-2015*. Oxon: Routledge: 170-171

¹²⁷ FRUS PPC 1919 X: 566

¹²⁸ FRUS PPC 1919 X: 615-616

¹²⁹ FRUS PPC 1919 X: 566

exchange of information about production, quantities available and the distribution of Raw Materials.” and doing so was the way it was agreed to approach the raw materials problem.¹³⁰

The above mentioned Raw materials report also looked closer at the situation of a number of raw materials: cotton, wool, oilseeds, phosphates, and flax. Though there were shortages in some of these (particularly flax) the report concluded that there was in general relative equilibrium of supply and demand.¹³¹ As they found the production of raw materials had fallen sharply, but there was also a relatively corresponding fall in demand, so the situation was mostly stable for now but once demand started to rise production might not be able to keep up. However, for some materials the situation was different, as was noted in the case of Egyptian cotton, of which there was a severe lack. It seemed that the only major stocks in the world were those possessed by the British.¹³² Here some understanding on the market structure of cotton is required, it was a highly important material used in textile manufacturing all over the Europe, with especially Britain being dependent on the cotton industry.¹³³ The US was by far the single largest producer of cotton, but cotton was divided into various classes based on their qualities and uses, with Egyptian cotton being different from American cotton.¹³⁴

The fact then that the British had most of all available cotton of this type was thereby a problem for other importing countries. This was further aggravated as the large British stocks made it possible for them to end price controls on cotton, which led to market prices rising for foreign countries as well due to the freeing of the market. This made “certain delegations” recommend that Britain should make export quotas to allow other nations some access to Cotton.¹³⁵ Given the discussion that followed the report it seems likely that these “certain delegations” were all the other delegations on the council. As they all joined together in drawing attention to the problems that arose from protectionist policies, such as those utilised by the British.¹³⁶ The British however were not willing to discuss this matter due to governmental instructions, and could only bring the complaints to their government. Even so, the possibility of addressing

¹³⁰ FRUS PPC 1919 X: 565

¹³¹ FRUS PPC 1919 X: 594

¹³² FRUS PPC 1919 X: 594-595

¹³³ Himbury W. H. (1918). Empire Cotton. In *Journal of the Royal African Society*, Vol. 17, No. 68 (Jul., 1918), pp. 262-275. Oxford University Press: 264-265

¹³⁴ Todd, John A. (1923). The World's Crisis in Cotton. In *Foreign Affairs*, Vol 2, No 2 (Dec. 15, 1923) pp. 232-243. Council on Foreign relations: 233

¹³⁵ FRUS PPC 1919 X: 595-596

¹³⁶ FRUS PPC 1919 X: 565-566

matters such as this shows why international cooperation was desirable as it was possible to address the economic problems that the allies experienced between one another.

Beyond the allied economic relations, it was also attempted to get insight in how other countries affected the raw materials situation. Following the recommendations of the SEC a coal commission was set up in September 1919, to consider production and distribution. Austria expressed the wish to join this commission due to its dependence on importing coal.¹³⁷ It was not granted membership on the commission as it was not a producing country but Austria was to be heard upon need by the commission.¹³⁸ Exactly what was meant by this is uncertain, but it seems likely that they could discuss their situation with the committee which might garner aid. By the semi-inclusion of Austria, it was possible for the committee to get a better understanding of the situation of one of the most coal deprived countries in Europe at the time, and get information on its situation. When this committee was discussed in the Council of Heads of Delegations (the relevant authority) in August it had the ambitious goal of “...undertake the co-ordination of the production, distribution and transportation of coal throughout Europe.”¹³⁹. It was however not given power to do this beyond giving advice to each nation for its production, so this organization as well will have been primarily information based. The ambitious intention behind this committee would made it a very important organization indeed for the European coal situation, while the actual powers it was given in advising nations undermined this possibility. A similar problem was as will be shown, present in the intent of having the CR address economic policy, which largely failed due to British opposition. A general problem with the technical organizations created by the allies in peace then was the divergence between the goals and means of the organizations. As they were to deal with high stake matters such as policy and coal distribution but was only ever really given the power to gather and distribute information. So, it seems like this divergence as well is an important part of explaining why allied economic cooperation failed following WWI, in addition to the opposition to such organizations.

The SEC attempted to utilise the information that they gathered. The above-mentioned report from September 1919 highlighted the shortage of flax which from here on will be used as an example for SEC’s activity in regard to raw materials. Flax chosen as an example due to the as

¹³⁷ FRUS PPC 1919 X: 561-562, 580-581

¹³⁸ FRUS PPC 1919 X: 495-496, 561-562 & Permanent Committee, 1st PC meeting, Minute 12 Request for the Admission of an Austrian Delegate to the European Coal Commission, 06.11.1919. NARA, MP 820, V111-R137 Doc nr 180.05701/1

¹³⁹ United States Department of State. (1919) *Papers relating to the foreign relations of the United States: The Paris Peace Conference, 1919 Volume VII*. Washington, D.C: Government Printing Office: 537

will be shown great shortages, but it also combined the general characteristics of two major groups of what the report showed to be in demand, textiles (linen) and edible oil both of which could be made from flax. The linseed oil was not only edible, but used in a number of products: paints, ink, to treat fabrics, linoleum, imitation and patent leather, and soap. On a world basis the seed products were more valuable than the textile products.¹⁴⁰ This observation is supported by a report about British imports and exports in 1919, which shows that the British exported linen products to a value of £11,294,000 and imported flax and linseed for a combined value of £20,384,000. The majority of this value most likely came from seeds, since as will be shown by 1919 Britain had lost a major supplier of flax.¹⁴¹ Production of flax for textile fibre and oilseeds were sharply divided. The seed and fibre production typically used flax stalks of different lengths, and the seed production left the stalks unusable for fibres as they dried up while the seed ripened. The seed could also be harvested with machines much like grain, but doing so damaged the stalks leaving it unusable for textiles so these had to be hand harvested.¹⁴² These peculiarities explain the different market dynamics for these products. The world fibre production was dominated by Russia, producing nearly 88% of world flax fibre, as it had large rural population which could do this manual labour. The seed production was more evenly spread out in the world with Argentina as the single largest produce, standing for 32% of world production with Russia as the second largest with 18%.¹⁴³ The Russian fibre production totalled around 800,000 tons with nearly half of it going to domestic uses, and the remaining was exported, and France (96,000 tons), Belgium (80,000 tons) and Britain (81,000) accounted for around 32% of the purchases of it in 1913.¹⁴⁴

During and after the war however, there were acute shortages both in flax fibre and in seeds. As mentioned Russia dominated the fibre production, and was important in the seed production but with the ongoing civil war it was not able to export significant amounts of either. Further many nations had some flax production for domestic use, due to the war however, production had been shifted away from it as it was mostly a civilian product. From these shortages there was a price increase from £60 before the war to £320 after for English flax, which when adjusted

¹⁴⁰ Barker, Walter (1917). Flax The Fiber and Seed. A study in Agricultural Contrasts. In *The Quarterly Journal of Economics*, Vol. 31, no 3 (May, 1917), pp. 500-529. Oxford University Press: 501-502

¹⁴¹ League of Nations. (1920b). *International Financial Conference: Paper No. V International Trade*. London: Harrison & Sons LTD: 52

¹⁴² Barker 1917: 503-508

¹⁴³ Barker 1917: 529 Table III

¹⁴⁴ French and Belgian Delegation to the PC, Import of Flax From the Baltic Provinces. 26.03.1920. Attached to 15th PC meeting, Appendix 107, 07.05.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/15.

for inflation still equates to significant price increase.¹⁴⁵ For oilseeds the supply problem fundamentally came from a lack of transportation from faraway places such as Argentina.¹⁴⁶ The loss of these supplies then equated a systemic shock to the industries dependent on flax. The market structure in flax products shows the fundamental reason for why raw materials questions were approached internationally as such markets were greatly interconnected between nations.

In the question of flax for fibres the SEC would attempt to take joint action. As mentioned the value of seed products was greater than that of the fibres, but the loss in fibre supply seems to have been more dramatic as it was dependent on one source which was largely unapproachable due to the Russian civil war. The Raw Materials Committee pointed out that the production of flax in Austria and Germany had been large and that some supplies could be gained there, so the committee suggested that they should offer a trade of flax for "...a more liberal supply of raw materials from overseas."¹⁴⁷ Though the offer was made nothing came from it. At the meeting in November 1919 it was reported that the Reparations Commission had decided not to go ahead with the suggestion as the provisioning of coal and food had priority for now, and the Germans were dragging out making economic commitments until the final ratification of the Peace Treaty.¹⁴⁸ This example of flax has shown the possibilities that lay in technical work at the time in addressing the economic situation. Here a result could have been feasibly achieved as it was mostly about identifying a need, and the possibility for providing for it. This situation was however quite different in the last example, in the attempts to address and discuss commercial policy and the economic impacts of protectionism.

¹⁴⁵ FRUS PPC 1919 X: 596-597 The value of £60 in 1913 equals £4400 in 2003, while £320 in 1919 equals £10450. Conversion based on: O'Donoghue Jim, Goulding Louise, & Allen Grahame. (2004). Consumer Price Inflation Since 1750. In Editor Dickman Paul. *Economic Trends*. No. 604 (March 2004), pp 38-46. Office for National Statistics: 41, 43

¹⁴⁶ FRUS PPC 1919 X: 597

¹⁴⁷ FRUS PPC 1919 X: 565-566, 597

¹⁴⁸ FRUS PPC 1919 X: 615

3.4 Protectionism

The discussions about protectionism which has been briefly entered upon in the proceeding chapter falls into the wider policy situation of the post war situation. As protectionism in various forms grew rampant throughout the period but were especially problematic during the attempts to reconstruct Europe after the war. The French delegation submitted an extensive report on trade barriers in November 1919.¹⁴⁹ So the French wanted to use the SEC as something more than just an arena for information distribution by addressing and discussing the impacts of protectionism. The report presented the import and export rules of eleven countries, based on information either submitted by the country itself or gathered by the French.¹⁵⁰ This report showed a European trade situation in a dire condition, and the limited availability of many goods. Most countries had dropped general import restrictions, with Germany as a very notable exception as it still maintained a general prohibition on civilian imports. It provided a list of over 900 articles of which import were forbidden, much of which was unnecessary luxury items given the German economic situation items such as decorative plants, perfume, silk, toys etc. However, it also included necessities such as textiles and machinery for manufacturing clothing.¹⁵¹ The export situation was markedly different however, as most countries maintained some form of control typically with either export prohibitions, or requirements for export licences. Here Switzerland formed an extreme case, requiring export licences for over 1100 different articles ranging from raw materials to finished goods.¹⁵²

The general situation in Europe for exports and imports were quite different from one another. Imports of both finished goods and raw materials were mostly free, while export especially for raw materials were not. Most were eager to buy and get supplies, but few were willing to sell what they had in the highly uncertain post war market. To maintain the example of flax and linen, five out of the twelve countries maintained some form of export restrictions on it either in the form of seeds (and seed oil), flax or finished fabric.¹⁵³ Poland and Czecho-Slovakia might

¹⁴⁹ FRUS PPC 1919 X: 628 The report is not included in FRUS but it has been found in the NARA material.

¹⁵⁰ French Delegation to the Statistical Committee. Raw Materials Committee Notes on the Present regulations for trade in various European Countries. 22.11.1919. Attached to 31st SEC meeting, Appendix 312. 21.11.1919. National Archives Microfilm Publications. (1970). Microcopy No. 820. General Records of the American Commission to Negotiate Peace 1918-1931: - Volume 104. Roll 130: Supreme Economic Council(hereafter known as NARA, MP 820, V104-R130): Minutes.Doc nr F.W.180.0501/31. These countries were: Germany, Belgium, Spain, France, Holland, Italy, Norway, Poland, Sweden, Switzerland and Czecho-Slovakia.

¹⁵¹ *Ibid*: Germany, List of Goods of which the import into Germany is Forbidden.

¹⁵² *Ibid*: Switzerland, List of articles for which a General Export license is granted.

¹⁵³ *Ibid*: Belgium Exports, Spain Export regulations, Holland Export Regulations, Sweden Swedish Export Prohibitions, Switzerland List of Articles for which a general export license is granted.

also have had restrictions here, they had general policies of restricting exports of limited goods which as demonstrated flax was at the time. Italy however actually had restrictions on the import of flax to protect their own flax production which they were developing seemingly with self-sufficiency as the goal.¹⁵⁴ This exception to the general import and export pattern however underlines the difficulties of finding raw materials to import, as the import restriction here was to become self-sufficient in it. This form of quantitative trade restrictions was a particular development after WWI to try to limit dependence on foreign goods.¹⁵⁵ Information about import and export practices was valuable for all nations who received it, as it made it possible to understand the commercial situation in each country was like and know how trade had to be approached, what one needed a license for etc. In a larger perspective it made it possible to understand the trade situation in Europe, of which the report painted a bleak picture.

This report was as mentioned made by the French delegation so they formulated the information about the other nations, except for Belgium and Italy who provided their own and Britain who had no statement but was supposed to send one later.¹⁵⁶ Britain never sent any report on this within the SEC, and as shown they were generally reluctant to discuss their economic policies. Italy in making its own statement used this to defend their commercial policy as much as providing concrete information about it. They stated that they saw their commercial restrictions and prohibitions mainly as transitory until Belgium, France and Britain would end their restrictions which they saw as damaging. Especially cited was the French policy who had returned to commercial freedom by ending trade prohibitions but in doing so "...had raised its customs duties to such a height as to be equivalent to a prohibition."¹⁵⁷ Another important side of not only this report, but the SEC in general lay in it as an arena where the member nations could address their economic concerns. The Italians here clearly stated a desire to return to 'normal' and despite the early opposition to cooperation for the return to normalcy this now formed one of the ways it was attempted to achieve this. By using the SEC, one could try and get a better understanding the economic situation, by sharing information and discussing hinderances to economic recovery. The SEC itself could not do anything directly about the situation, except to hand the report to the PC and CR for "appropriate action" but no discussion

¹⁵⁴ *Ibid*: Italy

¹⁵⁵ Graff, Kenwood & Loughheed 2014: 169

¹⁵⁶ French Delegation to the Statistical Committee. Raw Materials Committee Notes on the Present regulations for trade in various European Countries: The British Empire. 22.11.1919. Attached to 31st SEC meeting, Appendix 312. 21.11.1919. NARA, MP 820, V104-R130: Minutes. Doc nr F.W.180.0501/31

¹⁵⁷ *Ibid*: Italy

has been found on it in the material.¹⁵⁸ So despite the ambitious goals of addressing the economic situation through international cooperation little directly came from this. However, there was also a clearly present idea to use the gathering of information as way of guiding policy discussion, which can be seen the last studied example.

In December 1919 the CR was supposed to make a new report, dealing with several raw materials and the position and supply of each member nation in regard to them. The materials it was supposed to cover were coal, wool, cotton, flax and phosphates, so mostly the same as in the September report, though the Italian PC delegate also asked that hides and palm kernels be added to it. The report was supposed to contain information about what supplies and production each member nation had, how prices were affected by “monopoly and reservation”, and lists of what kinds of protectionist measures were in place for the materials.¹⁵⁹ In a statement about the progression of the work on the report the CR also stated that factors such as shipping and finance affected the position of each country so this as well might have been looked at further in the report.¹⁶⁰ Such a report then would have required extensive gathering of information and the skill to put it into system, and could potentially have given a comprehensive picture of the European trade situation, but the report was never submitted.

By the last SEC meeting in February 1920 it was noted that the report was under production, and that it would be given to the PC when it was done.¹⁶¹ The reason for the delay was that the British and Italians had not yet submitted the required documents, but no report was submitted to the PC and the matter was not brought up again. It seems highly likely that this was due to opposition from the British. It has already been shown that the British were reluctant to discuss their commercial policies, and they would seemingly remain so as they later also opposed attempts by the League of Nations to study the raw materials situation.¹⁶² It is safe to assume that the report would have shown that Britain was much better off in many regards than the other member nations, and that they resisted the creation of such a report to avoid discussing of their policies. To take the case of palm kernels as an example, it too like linseed was used for

¹⁵⁸ FRUS PPC 1919 X: 628

¹⁵⁹ Permanent Committee, Minutes of Proceedings, 7th-11th meetings 7th PC meeting Minute 69 Future Functions of the Raw Materials Committee. 18.12.1919. NARA, MP 820, V111-R137 Doc nr 180.05701/26

¹⁶⁰ FRUS PPC 1919 X: 685

¹⁶¹ FRUS PPC 1919 X: 676

¹⁶² Kapp, Karl W. (1941). *The League of Nations and Raw Materials 1919-1939*. In *Geneva Studies, Vol. XII*. No. 3. Geneva Research Centre: 23

the making of oil, chiefly for margarine production.¹⁶³ Britain stood for around ¾ of world kernel production in its west African colonies, with Germany being the biggest buyer and margarine producer. With the war and the loss of the German market steps were taken to encourage domestic consumption, by adding an export tariff in October 1916, which was further increased in March 1919.¹⁶⁴ The desire for discussion and action was clearly there, but nothing more came from this due to British opposition. This does however further underline how the technical work and gathering of information held power in shaping political discussion. Had the report been made it could have formed a concrete case for addressing the problems caused by protectionism, and the unequal raw materials situation in Europe. The report then shows how the ideas of technical work had developed to a point where it could be actively utilized to address political issues which shows a growing ambition for the use of technical work in a nearly technocratic fashion.

3.5 The technical turn

The onset of peace and the withdrawal of the US from the SEC lead to a change in its structure and its work. There was a clear desire to maintain international cooperation, but without the US the means for economic action was removed. Even so cooperation was still desired for facing the economic problems of the period as illustrated in the international aspects of the raw materials situation. So the desire for, and the change in means for, cooperation lead to a technical turn in the SEC's work, as a way of better understanding the raw materials situation. This demonstrated the desirability of technical work which allowed for a better understanding of the raw materials situation, but also the potential that lay in technical work to influence difficult political matters such as protectionism. However, the actual possibility of such influence was curtailed by the same situation that led to the technical turn in the first place, the desire for un-intrusive cooperation. More significantly the SEC's technical turn showed the desirability of neutral expert approaches to economic matters to find rational solutions to politicized economic issues, where the SEC did not hold authority to make a satisfactory solution. It would still however be attempted to use the SEC to find a way of improving the economic situation, and the solution which was attempted was by reopening trade with Russia.

¹⁶³ James, Gorton (1922). Scrapping Industrial Armaments. In *The North American review*, Vol. 215, No. 797 (Apr., 1922), pp 473-482: 476

¹⁶⁴ Journal of the Royal African Society. (1916). An Imperial Industry. In *Journal of the Royal African Society*, Vol. 15, No. 60 (Jul., 1916) pp 320-334. Oxford University Press: 320-321, & James 1922: 476

4 The Russian Trade negotiations

The SEC's work in the opening of trade with Russia displays the highpoint of the allied technical ambitions, as it was attempted to make trade resumption possible through technical talks. The largest problem in resuming trade with Russia lay in the outcast status of the Bolshevik government, which held power over increasingly large swaths of Russia. Allied and international attitudes were ambivalent as to how to respond to this new arrival on the world stage, but early responses were hostile in the form of blockades, support to anti-Bolshevik forces, and military intervention.¹⁶⁵ However by the end of 1919 it was becoming increasingly clear that intervention was not succeeding, and that huge possibility's for trade, and supplies of raw materials were lost by not trading with the Bolsheviks.¹⁶⁶ This led to the SEC receiving the responsibility of dealing with allied economic policy towards Russia by the Council of Premiers (The Supreme Council) in January 1920,¹⁶⁷ and then the PC received the responsibility for entering into direct trade negotiations with the Bolshevik Government in April.¹⁶⁸ This chapter focuses on the following questions: why was the Russian trade negotiations approached internationally through the PC, and how did it go about this work? Here it will be shown that the usability of the SEC lay in how it could settle technical matters, while at the same time this international and technical approach potentially got around the problem of recognising the Bolsheviks as a legitimate government. In this technical work the PC demonstrated the possibility of addressing a politically contentious matter technically. However, it also showed the fundamental weaknesses of technical work subordinated to political considerations, and in this showed the desirability of more a technocratic expert involvement in economic matters.

¹⁶⁵ MacMillan 2001: 77-82

¹⁶⁶ White 1992: 107-108

¹⁶⁷ United States Department of State. (1919) *Papers relating to the foreign relations of the United States: The Paris Peace Conference, 1919 Volume IX*. Washington, D.C: Government Printing Office: 890

¹⁶⁸ Supreme Council, The Reopening of trade. 26.04.1920. Attached to 15th PC Meeting, Appendix 116. 07.05.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/15

4.1 The outline of the negotiations

Before the contents and progression of the actual trade talks can be entered into it is necessary to determine the SEC members interests in resuming trade with Russia, and in extension why and how it was attempted to do so with the PC. The British motivations for trade resumption were fairly clear, as they stood to gain greatly commercially, but also politically as by reaching a trade agreement it was possible to deal with political issues such as Bolshevik propaganda and agitation within the empire. Italy could also benefit greatly from Russian trade, particularly by much needed food supplies. France on the other hand had to consider their desire for the payment of old Russian debts which the Bolshevik refused to take responsibility for, and the nationalization of the large amounts of investments which France had made in Russia before the war.¹⁶⁹ There were commercial interests for France in resuming trade with Russia in 1920, but the desirability for doing so was not strong enough to set aside the questions for repayment.¹⁷⁰ This however did not make the French unwilling to enter trade talks, as will be shown, doing so made it possible for them to try and pressure the question of repayment. Belgium likewise had lost great investments in Russia, as before the war Belgium stood for 11% of foreign direct investments.¹⁷¹ The Belgians were however also by their own admission greatly dependent on trade with Russia being restarted to restore its own economy.¹⁷² The problem was how to balance out both the desire of restarting trade, and the tenuous political questions that arose out of negotiating with the Bolsheviks

The first idea for opening trade with Russia had actually been to go around the problem of dealing with the Bolsheviks all together by entering trade talks with an organization called Central Union of Russian Co-operative Societies (Centrosoyus).¹⁷³ This organization coordinated Russian trade before and during the war and had branches outside of Russia which would not be directly under Bolshevik control, and in general it was believed that even within Russia it was still relatively independent. Trading with it would thereby not require an implicit recognition of the Bolshevik government, or potentially abandoning matters such as repayment demands which was key for the French. The PC was in fact engaged in talks with this

¹⁶⁹ Ullman 1972: 102 & Macmillan 2001: 75

¹⁷⁰ Carley 2000: 1276-1277

¹⁷¹ Fischer, Paul. (2000). *Foreign Direct Investment in Russia: A Strategy for Industrial Recovery*. London: Macmillan Press Ltd.: 315-316

¹⁷² le Tellier, Statement of the Belgian Government about the resumption of commercial relations with Russia. 25.06.1920. Attached to 21st PC meeting Appendix 130. 25.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/21

¹⁷³ Ullman 1972: 11

organization in early 1920. However, the Centrosoyus had to receive approval from the Bolshevik government to trade at all,¹⁷⁴ and it quickly became apparent that it was in fact not as independent as believed.¹⁷⁵ So the need to start up talks directly with the Bolshevik Government if one wished to resume trade became steadily clearer. This however raised the issue of implicitly recognizing the Bolsheviks as a legitimate government. This was particularly a problem for the British as the ones who were the most eager to resume trade, which made them desire joint allied governmental involvement in trade talks. If this was achieved then Britain would not potentially stand alone in having to extend recognition to the Bolsheviks, but the French would repeatedly refuse any involvement in such governmental talks exactly because of this legitimacy question.¹⁷⁶

The PC however provided a potential way around the legitimacy problem. Due to the technical turn of the SEC after the armistice, this organization was primarily composed of officials and experts rather than governmental representatives. By having these experts engage in the talks it would not imply the same level of governmental recognition as with ministers or diplomats. The delegates to the council were, Edward Frank Wise (Britain), Joseph Avenol (France), Dr. M. F. Giannini (Italy) while Belgian representation changed between three men: Mr Maskens, Mr Tellier and the Count de Kerchove, but the Belgians rarely got involved in the talks. The Japanese in their capacity as an ally would also send a representative later in the trade talks, but they mostly observed and Japan seemingly they did not become a full member of the SEC.¹⁷⁷ Avenol, Wise, and Giannini however were quite active in the talks. What is interesting to note about these three is their relative areas of expertise. Wise was an official with the British Ministry of Food, considered to have great knowledge about Russia, and friendly relations with the Bolsheviks.¹⁷⁸ Avenol is far more (in)famous for his later role as Secretary-General of the League of Nations, but before then he was considered to be “international financial expert” attached to the French Embassy in London.¹⁷⁹ Giannini was most likely a man named Francesco Giannini who served at the Italian embassy in London. This Giannini was noted as being an economic expert, and that he enjoyed good relations with the Russians during the Genoa

¹⁷⁴ FRUS PPC 1919 X: 779

¹⁷⁵ Ullman 1972: 37, 39-41, 44-45

¹⁷⁶ Ullman 1972: 29-31, 95-96, 111-113

¹⁷⁷ Permanent Committee. 21st PC meeting minute 157 Japanese Delegation. 25.06.1920.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/21

¹⁷⁸ Ullman 1972: 11, 15, 116

¹⁷⁹ Reinalda, Bob. (2012) Avenol, Joseph Louis. In Reinalda, B., Kille, K., Eisenberg, J. (Ed.). *IO BIO, Biographical Dictionary of Secretaries-General of International Organizations*. www.ru.nl/fm/iobio. Accessed 12.03.2018: 1-4

Conference of 1922 (which dealt with the relations between Russia and the rest of Europe, and European reconstruction).¹⁸⁰ These relations he might have built up during the trade talks through the PC, so it is likely that this Giannini was the delegate to the PC. Before he joined the PC, he sat on the SEC's Raw Materials section so most likely his expertise lay in this area.¹⁸¹ So between these three, there was expertise in food, finance and raw materials, which constituted some of the major economic problem areas of the period.

The difference between technical and ministerial representation can be seen in how the SEC and the PC engaged differently with the early Centrosoyus trade talks in January 1920. Here the PC delegates focused on the trade technicalities, such as the financing of trade, what goods the Russians had available, the role of the Bolshevik government in trade etc.¹⁸² In the SEC which was still largely constituted by ministers however these talks quickly came to focus on political challenges in the form of the representatives on the Russian trade delegation. The Belgian delegation expressed concerns about the potential spreading of communism from whatever representatives that might come out of Russia, while the Italian and the French made it clear that there had to be a distinction between the political and commercial parts of talking with the Russians, as they would not recognize the Bolshevik regime.¹⁸³ The British delegation did not disagree with this, but they maintained that the danger of not finding a solution to the European resource problems was greater than "...one or two bolshevist agents leaving Russia."¹⁸⁴ This focus on the political in the SEC how the SEC and the PC could function differently, as the PC experts could work on a less political basis.

The go ahead for direct talks with the Bolshevik government came on the 26th of April 1920 during a meeting of the Supreme Council at San Remo,¹⁸⁵ and in this the PC received its mandate for the talks:

¹⁸⁰ Fink, Carole. (1984). *The Genoa Conference: European Diplomacy, 1921-1922*. USA: The University of North Carolina Press: 60, 165, 282

¹⁸¹ Raw Materials Section. Session of March 12, 1919, Those Present. 12.03.1919. National Archives Microfilm Publications. (1970). Microcopy No. 820. General Records of the American Commission to Negotiate Peace 1918-1931: Volume 108. Roll 134: Supreme Economic Council: Financial Section, minutes, reports. Raw Materials Section, minutes. Doc nr 180.05301/1

¹⁸² Permanent Committee, Minutes of Proceedings, 7th-11th Meetings, 9th PC meeting Minute 91 Re-opening of Trade Relations with Russia. 26.01.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/2 & FRUS PPC 1919 X: 779-780, 783

¹⁸³ FRUS PPC 1919 X: 681-683

¹⁸⁴ FRUS PPC 1919 X: 682

¹⁸⁵ White 1992: 120

- “...the Permanent Committee of the Supreme Economic Council is empowered : -
- (a) To make such arrangements with the Russian Delegation as are necessary to enable trade with Russia to be resumed as rapidly as possible,
 - (b) To discuss with the Russian Delegation, and to submit to the Allied Governments, general questions arising out of the resumption of such trade,
 - (c) Generally to devise measures which shall render surplus Russian foodstuffs and raw materials available as soon as possible for the rest of the world,
 - (d) To consult with the representatives of the United States Government, of neutral Governments, and of the Secretariat of the League of Nations when necessary.”¹⁸⁶

These instructions makes it clear that the PC was to consider the technical side of trade while the political or general matters should be left to the allied governments. Instruction (c) however is interesting to note from a technocratic point of view, as the PC was asked to consider and suggest broad approaches to how to restore trade, and in this there seems to have been a potential for a technocratic development of the PC. Here it can for example be pointed out that later in the negotiations Avenol the financial expert was asked to assess the viability of a suggestion made by a group of business men for how to finance trade with Russia. The idea was to have Russian gold stored in a “International Clearing House” in Denmark, used to settle payment, as security for trade, and as security for credit and loans to Russia.¹⁸⁷ The technocratic chime here lays in the idea of having experts consider technical solutions to rationalize international trade. In the above example it could potentially have greatly eased fears about trade with Russia as security was provided for it, while also granting much needed credit to Russia. This development did not occur however, as the PC would not reach a point in the negotiations where the consideration of such measures could be really discussed, as the international trade talks eventually broke down.

The breakdown of these talks would came due to underlying political problems which overruled the technical work. The progression and the contents of the talks with the Russians were thought out early in the process, and illustrates how they broke down. The intended procedure of the talks was that the Russians and the PC would submit questions and answers to one another about how trade might be resumed and conducted, which would then be discuss on the next meeting. The last meeting that the PC held with the Russians on the 28th of June 1920 ended with the intent of holding a new meeting soon, when the remaining questions for the Russians

¹⁸⁶ Supreme Council, The Reopening of trade. 26.04.1920. Attached to 15th PC Meeting, Appendix 116. 07.05.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/15

¹⁸⁷ Permanent Committee. 23rd PC Meeting Minute 179: International Clearing House Scheme. 26.07.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/23

were answered.¹⁸⁸ These answers, though done by the end of June were not considered by the PC before the end of July, and it itself held no meetings before then, or with the Russians.¹⁸⁹

This halt in the negotiations happened because the head of the Russians trade delegation, Leonid B. Krassin, had to leave for Moscow to get clearer instructions for the negotiations he was engaged in directly with Lloyd George and the British. The intention was to resume both these and the negotiations with the PC by the end of July, when the PC prepared to hold its next meeting. However, Britain experienced international pressure to stop these negotiations, due to the tension caused by the ongoing Polish-Soviet war. That conflict dragged on for months and figured heavily in international politics, further there was mounting internal British opposition to engaging in negotiations. This led to the negotiations being postponed all the way out to November.¹⁹⁰ By then however the French, most likely due to their support of the Polish in the war,¹⁹¹ had withdrawn from the PC negotiations, and the PC itself held its last meeting in September.¹⁹² In the end the British would give up the international attempts at entering trade negotiations and made a trade agreement with the Russians in March 1921.¹⁹³ What this shows is how the political issues took precedents over the technical negotiations of the PC, and led to these talks ending. In the following chapters the trade talks will be approached by further looking at what the allies hoped to gain from trade with Russia, the technical matters in need of settling for doing so, and how the wider problems tied to legitimacy and political questions affected and eventually ended the talks.

¹⁸⁸ Permanent Committee. 1st meeting with the Russian Trade delegation. 17.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/20 1/2; Permanent Committee. 2nd meeting with the Russian Trade delegation. 26.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/21 1/2; Permanent Committee. 22nd PC meeting, Minute 166 Next meeting with the Russian Trade Delegation. 1st meeting with the Russian Trade delegation. 28.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/22

¹⁸⁹ Permanent Committee. 23rd meeting, Minute 170 Negotiations with the Russian Trade Delegation. 26.07.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/23

¹⁹⁰ Ullman 1972: 116, 128-129, 217, 398-399

¹⁹¹ Steiner 2005: 151

¹⁹² Permanent Committee. 24th PC meeting, Minute 183 Draft Trade Agreement with the Russian Soviet Government. 17.09.1920. NARA. NARA, MP 820, V111-R137 Doc nr 180.05701/24

¹⁹³ White 1992: 132

4.2 The benefits of trade

Before the war, Russia had been an important exporter of food and raw materials. Producing large amounts of grain, timber, minerals, petroleum and flax.¹⁹⁴ It is however noteworthy how little the availability of goods and raw materials figured in the trade talks. In the early trade talks with the Centrosoyus, there seemed to be a general interest in all Russian goods, though grain and flax were specified as to what goods the allies wanted.¹⁹⁵ When the talks started in June 1920 the Russians presented a list of their potential exports, and their desired imports. The desired imports were finished goods such as textiles and medicine, or various equipment and machinery for agriculture and industry, and also locomotives. Goods for rebuilding and restarting the Russian economy. The export list included goods such as timber, flax, grain and oil, manganese ore and asbestos. They do seem however to have been scraping the bottom of the jam jar to find things to offer, as the list also included animal and metal waste products, “products of Russian peasant industries” such as toys, sloe-berries and jam, which can hardly have been in high demand.¹⁹⁶ There were however no discussion as to the contents of these lists or what quantities could be had or were needed, and this would not be a focus at any later meetings either. With a notable exception when the Belgians as a part of stating their general policy towards Russia underlined their, and the rest of Europe’s, dependency on gaining access to Russian goods.¹⁹⁷ The task of the PC as presented in April was first and foremost to consider what prevented the resumption of trade, and not the actual contents of it. The lack of discussion however stands as a contrast to the earlier desperation for getting raw materials. In a Communications Section report from June 1919 for example it had been stressed how providing aid and opening trade with Russia was of great importance:

“...not only for the relief of the inhabitants themselves and the restoration of the normal conditions of life, but for the increase of productivity, so essential in this world crisis, by the throwing open of the unlimited resources of Russia to the industry of all nations.”¹⁹⁸

¹⁹⁴ White 1992: 5-6

¹⁹⁵ FRUS PPC 1919 X: 779-780, 783

¹⁹⁶ Commercial Delegation of the Union of Russian Co-Operative Societies Centrosoyus, Questions to be discussed with the Head of the British Government. 29.05.1920. Attached to 18th PC meeting, Appendix 122. 07.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/18

¹⁹⁷ le Tellier, Statement of the Belgian Government about the resumption of commercial relations with Russia. 25.06.1920. Attached to 21st PC meeting Appendix 130. 25.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/21

¹⁹⁸ FRUS PPC 1919 X: 411-412

This belief in the “unlimited resources of Russia” also seems to provide part of the answer as to why it was not really discussed much. The allies greatly believed in the capabilities of Russia as a supply source. As argued by White there was a great belief in Britain that Russia held significant stores of raw materials and food. This was at the very least believed by Wise who expressed great faith in the Russian resource situation and these stocks importance for the reconstruction of Europe, and Wise greatly influenced the British ideas about Russia.¹⁹⁹ This perceived abundance seems to provide part of the answer as to why materials were not discussed as much anymore, the assumption being that there were raw materials to be had if one could remove the obstacles to trade which was the task of the PC.

The belief in Russia as a potential ‘cure-all’ is supported by how the PC continued to work with raw material availability before the talks came under way, but then stopped as they began. The Russian export and import lists were as mentioned transferred in June 1920, but from January to May the PC was engaged in the question of getting flax from the Baltic states (Estonia, Latvia, Lithuania). A British report about the Baltic countries was received in January recommending that these states should be aided in their reconstruction efforts: to prevent German economic dominance of the region, shore it up against Bolshevik pressure, gain markets, and access to timber and flax.²⁰⁰ At the following meeting this was brought up again by Avenol who wished to also stipulate that no allied firms should be enabled (presumably by their government) to achieve flax monopolies in the Baltic countries to which the other delegates agreed.²⁰¹ At the next meeting when Avenol was not present however this agreement was changed to the others simply having noted this disagreement, which changed this from an anti-monopoly decision to an acknowledgment of French views.²⁰² This matter would not really be discussed again before May, and there was less PC activity in this period seemingly due to Avenol and Giannini being away for quite some time.²⁰³ During the May meeting however the French and Belgians stated what the problem in the flax situation was.

¹⁹⁹ White 1992: 115, 225

²⁰⁰ Permanent Committee. Minutes of Proceedings, 7th-11th Meetings, 8th PC meeting Minute 83 Economic reconstruction of the Baltic provinces. 06.01.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/26; Lt. Colonel S. G. Tallents, Economic Reconstruction of the Baltic Provinces. 31.10.12. Appendix 45 *Ibid*

²⁰¹ Permanent Committee. Minutes of Proceedings, 7th-11th Meetings, 9th PC meeting Minute 90 Minutes. 26.01.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/26.

²⁰² Permanent Committee Minutes of Proceedings, 7th-11th Meetings, 11th PC meeting Minute 100 Minutes. 02.02.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/26.

²⁰³ 12-14th PC Meetings. 05.03.1920, 09.03.1920, 26.03.1920. Minutes of Supreme Economic Council, Permanent Committee [1st-23 meetings, September 13, 1919 - July 26, 1920, and appendixes 1-142. Hoover Library. D642.A4351 V.2 (V). The 12-14th PC meetings are not available within NARA, but have been found within the Hoover Library.

The French and the Belgians revealed that a British bank (the National Metal and Chemical Bank) had in fact achieved a monopoly in the Baltic States, which prevented the French or Belgians from obtaining any flax.²⁰⁴ The change to the minutes then seems to come from the British not wanting to have their agreement to such an anti-monopoly decision. This move it is worth pointing out was a part of a concrete plan by that Bank to try to dominate the commerce of the Baltic countries, and while it seemingly did not do so on governmental behalf, the British seemed eager enough to support this endeavour given their actions here.²⁰⁵ The French and Belgian response to monopoly was that the Bank should be made to “...deliver it [flax] to the consuming countries without distinction” and in proportionate amounts relative to pre-war import levels. This idea then was in line with the earlier French ideas to use the SEC to address raw material inequalities as has been discussed in chapter 3. As Wise pointed out such an arrangement would be unacceptable as it would be seen “...as an Allied conspiracy to depress flax prices”. What was agreed upon in the end was that flax exported to Britain would be sold at open auction with free re-export if the purchaser was a foreigner, and to try to settle unfilled French contracts.²⁰⁶ This auctioning system however, would still most likely be to the benefit of the British. It was better off financially, and the other nations would also have to find scarce shipping to reexport it. What this shows is that there still was a desire to obtain goods, but with the possibility that came with Russia attention was focused on it and its promising capabilities.

4.3 The technicalities of trade

The main goal of the PC work was to settle various trade technicalities, particularly about how trade would function and the role of the Bolshevik government in this trade. This would mainly be approached by gathering information about how the state controlled trading monopoly would function, as this was the greatest unknown and uncertainty for foreign traders. Here the original intention of arranging trade through the Russian Centrosoyus is worth to bring up again. As mentioned this was extensively a political move, to get around the problem of implicit recognition of the Bolshevik Government. However, this move was also likely connected to desirability of familiar and understandable trading conditions. The Centrosoyus had been active

²⁰⁴ Belgian and French Delegation, Import of Flax From the Baltic Provinces. 26.03.1920. Attached to 15th PC meeting Appendix 107. 07.05.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/15.

²⁰⁵ White 1992: 151

²⁰⁶ Permanent Committee. 15th PC Meeting Minute 123 Import of Flax from the Baltic Provinces. 07.05.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/15.

internationally for quite some time, and with it one could have engaged in relatively normal transactions with a familiar entity.²⁰⁷ The talks with the Russians on the other hand focused on what was ‘abnormal’ in the Russian trade, particularly the governmental trade monopoly. The questions which were discussed with the Russians were:

1. Are the delegates of the Soviet Government the only persons who have the right to carry on foreign trade outside Russia?
2. Is the Soviet Government the only body with which foreign traders will be allowed to do business in Russia?
3. What is the legal effect and what will be the consequences of contracts made ;
(a) with bodies and persons in districts of old Russia which do not at present recognise the authority of the Soviet Government ;
(b) with bodies or persons in Soviet Russia not included under question (2)?
4. What is the division of commercial rights between the Central Soviet and local Soviets, and what control does the Central Soviet exercise over local Soviets?
5. In what form will contracts be made, under what laws and what are the means of execution ;
(a) if the contract is made in an allied country ;
(b) if the contract is made in Russia?.²⁰⁸

It must be noted however that the PC asked more questions of the Russians than just these (sixteen in total), with the remaining questions dealing with more technical details such as how labour contracts would function, the process of loading and unloading ships, the status of patent laws, custom duties, taxation etc.²⁰⁹ These first five questions then seems to be the most urgent ones for the PC to get answered as they dealt with more overarching considerations with impact on all of the more minute remaining questions. Further the remaining questions were only ever answered by the Russians and never discussed by the PC, due to the mentioned halt in the talks in July 1920. Considering these questions beyond that they underline the PC’s technical role and the desirability of getting such matters settled, then will not provide significant insight into the development of international peacetime cooperation.

The first two questions deal with who it can be traded with, and the position of the Bolshevik government in trade. The Russians affirmed that trade was a state monopoly handled by the National Commissariat for Foreign trade and whatever organizations it might choose to delegate responsibility to.²¹⁰ Here the PC wanted more information about what sort of

²⁰⁷ White 1992: 112-114

²⁰⁸ Permanent Committee, Questions addressed by the Permanent Committee to the head of the Russian Trade Delegation. 11.06.1920. Attached to 1st meeting with the Russian Trade Delegation Appendix 125. 28.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/20 1/2.

²⁰⁹ *Ibid*

²¹⁰ Russian Trade delegation. Preliminary answers to question raised by the Supreme Economic Council. 24.06.20. Attached to 21st PC meeting, Appendix 128. 25.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/21.

organizations this might be, and particularly the role of the Centrosoyus. The Russians explained that the Commissariat would divert authority to whatever body it thought appropriate in the specific situation, the Centrosoyus was one example, but other bodies (even private firms), could be used similarly if deemed appropriate. This created a situation with great potential for confusion as to who had the authority to conduct trade. Wise therefore asked that traders should be provided with registries of authorized traders, while the Japanese representative asked for legal documents on the Commissariat.²¹¹ The goal here was clearly to gather information of use to traders to give insight into and confidence in Russian trade.

The governmental trade monopoly was a controversial matter itself, and dealing with it formed one of the benefits of entering these talks internationally, as it gave a stronger bargaining position than if it was pursued individually. Avenol had raised the matter previously expressing a desire that the Allies should make a joint objection to this monopoly.²¹² Most likely the French would have greatly preferred to deal directly with civilians and private firms to avoid dealing with the government. Giannini and Wise however pointed out that the Allies could hardly make demands on the matter, when the Russians themselves would have to accept whatever conditions were laid upon them in the countries they traded with as well. Giannini made one exception however: the Italians would not accept the Russians granting exclusive trade monopolies to Italian socialists.²¹³ Wise supported the Italians in taking steps towards this as an anti-propaganda measure (as it would entail commercial discrimination on a political basis), and likewise in the British trade talks with the Russians they asked and was guaranteed that propaganda measures would be dropped against itself and its allies.²¹⁴ Some pressure could be used when banding together internationally such as in the case of propaganda, but something like an anti-monopoly declaration would have been a too excessive demand.

The monopoly matter was also closely related to the third question. What would happen if one started trade with groups in Russia without governmental sanction, or in areas which had been part of the Russian Empire but now didn't recognize Bolshevik authority? One notable example here being Ukraine which expressed its eagerness for trade and wanted to discuss this with the

²¹¹ Permanent Committee. 2nd meeting with the Russian Trade delegation, Minute 4 Answers by the Russian Trade Delegation to questions 1- 5 of a questionnaire by the Permanent Committee. 26.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/21 1/2.

²¹² Permanent Committee. 18th PC meeting, Minute 141 Questions for discussion between the Allies and the Russian Trade Delegation. 07.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/18

²¹³ Permanent Committee. 19th PC meeting, Minute 147 Questions for discussion between the Allies and the Russian trade delegation. 08.06.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/19

²¹⁴ Ullman 1972: 104

PC. Avenol expressed the desire to start up trade with Ukraine, even before asking the Russians about what reservations they might have to parts of the Empire they now were in conflict with.²¹⁵ Ukraine and Southern Russia was one of the last holdouts for White forces currently fighting with the Bolsheviks, and would continue to do so throughout much of 1920.²¹⁶ The problem however was that the Ukrainians had cooperative organizations like the Centrosoyus which they wanted to start trade through. Dealing with the Ukrainian cooperative would then have required some form of negotiations which could damage the Russian talks as Giannini pointed out, while Wise pointed out that the Ukrainian organization undoubtedly had less to offer than the Russians, so dealing with the Ukrainians was not worth it at the risk of trade with Russia.²¹⁷ The conclusion they reached was that private traders could start trading on their own risk, and in doing so the Russian negotiations were not in danger.

The Russians did not condemn trading with former parts of Russia, but they would naturally not take responsibility for such agreements, and they would not have legal standing within Russia.²¹⁸ The specific matter of Ukraine proved to be quite complex. However, parts of Ukraine were also under communist control, as the Ukrainian Soviet Republic which it was explained had made an agreement to arrange its trade through the Russian trade Commissariat. Before this Bolshevik control was achieved legal trade from these areas as well would have gone through the Ukrainian cooperatives. What would then the position of these previously lawful deals be, would they be recognized? This had wider ramifications as it also extended to older Centrosoyus deals made before trade fell under the Commissariat. These deals had been legal at the time of entry but how would these hold up now? Krassin maintained that in some cases they might be kept, if the deals made were deemed to be within Russian interest, but generally they would not assume responsibility for them. This however made Avenol question how they might trust any deals reached with the current and later trade delegations. As a political change within the Bolshevik government (or even just the falling out of favour of the individual who made the deal), might lead to deals being cancelled again. Krassin maintained

²¹⁵ Permanent Committee. 18th PC meeting, Minute 141 Questions for discussion between the Allies and the Russian Trade Delegation. 07.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/18.

Ukrainian Diplomatic Mission in the United Kingdom. Message to the Supreme Economic Council. 31.05.1920. Attached to 20th PC Meeting, Appendix 123. 11.06.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/20.

²¹⁶ Ullman 1972: 310-313

²¹⁷ Permanent Committee. 20th PC Meeting, Minute 150 Use By the Soviet Government of Roumanian gold in payment for goods purchased abroad. 11.06.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/20.

²¹⁸ Russian Trade delegation. Preliminary Answers to Question Raised by the Supreme Economic Council. 24.05.20 Attached to 21st PC meeting, Appendix 128. 25.06.1920. NARA, MP 820, V111-R137 Doc nr: 180.05701/21.

that the difference was that these arrangements would be within the Russian state system, and would be acknowledged as such. This then made the question of who actually had authority from the Commissariat to trade even more important, and Wise therefore again requested that such information had to be provided and exchanged.²¹⁹ As has been argued above the focus on getting information was significant and necessary as a way of lessening uncertainties in commercial relations.

The fourth question of the PC's questions sought to establish the relative commercial powers between local Soviets such as Petrograd (St. Petersburg), and the Central Soviet. This matter was brought up by Avenol who was concerned that agreements with the central Soviet might not be respected by the local Soviets, but he was also curious about the local Soviets possibility of conducting their own trade.²²⁰ The Russians answered that the local Soviets answered to the Central Soviet and would respect the deals it made. Foreign trade was the privy of the Commissariat, but local soviets could do small local deals "essential to their wellbeing" with neighbouring countries.²²¹ This clarification was important in that the trading situation would have been extremely difficult if one had to adjust to different rulesets within each Russian city and territory. It might seem quite insignificant seeing as the answer to this was a simple confirmation of the control of the central government, but it should be remembered how little knowledge one had about Russia. It would have been very important to know beforehand, if the situation had been that one had to deal differently with each individual Soviet.

The fifth question dealt with what legal system contracts and deals should be handled under. Its connection to the implementation of trade rather than the legalistic lays in the special situation that arose from Russian trade being a state monopoly. As pointed out by Wise, if trade was resumed and a conflict arose which needed to be settled in court, then it clearly was a problem that in Russia "...the Government was trader, executive and judge in one."²²² This question as

²¹⁹ Permanent Committee. 2nd meeting with the Russian Trade delegation, Minute 4 Answers by the Russian Trade delegation to questions 1- 5 of a questionnaire by the Permanent Committee. 26.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/21 1/2.

²²⁰ Permanent Committee. 18th PC Meeting, Minute 141 Questions for Discussion between the Allies and the Russian Trade delegation. 07.06.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/18.

²²¹ Russian Trade delegation. Preliminary Answers to Question Raised by the Supreme Economic Council. 24.05.20 Attached to 21st PC meeting, Appendix 128. 25.06.1920. NARA, MP 820, V111-R137 Doc nr: 180.05701/21.

Permanent Committee. 2nd meeting with the Russian Trade delegation, Minute 4 Answers by the Russian Trade delegation to questions 1- 5 of a questionnaire by the Permanent Committee. 26.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/21 1/2.

²²² Permanent Committee. 18th PC Meeting, Minute 141 Questions for Discussion between the Allies and the Russian Trade delegation. 07.06.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/18.

well dealt with the uncertainty of starting up trade with an unknown entity. He went on to suggest different solutions as to how trade disputes could be settled, such as all disputes being handled by representatives from the trader's country (rather than local law), or that the League of Nations could mediate, but also that any agreements that British traders entered into should include a clause stating that any trading disputes should be settled in British courts.²²³ The desire was clearly to avoid Russian laws as much as possible as the nationalization processes had undermined any confidence in the area. The problem however was the implications these solutions had for Russian sovereignty.

The Russians maintained that deals made within Russia had to follow Russian law.²²⁴ Wise pointed out however that during the direct talks with the British they had assented that few traders would trade with Russia if it rested on Russian law, so they seemed willing to allow the principle that contracts could be made with basis in the laws of other countries, but they would not state so openly. Wise in a private PC meeting likened the situation to the one experienced by traders "...who had to do business in undeveloped countries, where social order was not completely secured."²²⁵ The British desire here was linked to a wish to mediate as much of the uncertainty in the commercial situation as possible. When the matter was discussed with the Russians themselves most of the PC expressed a desire to be furnished with Russian legal documents, but they too would most likely be able to profit from the British practice if they were able to reach some form of agreement. As put by Wise "...M. Krassin would probably not be able to do business on a very large scale, unless the existing conditions of Russian law was properly disseminated amongst foreign traders."²²⁶ This statement also sums up the main concern that can be seen to dominate the PC technical work of clearing up uncertainties in the trading situation. In doing so the PC also seemed to be mostly successful, managing to get the information they desired or agreement that it would be provided. However, the underlying political tensions brought by the Polish-Soviet war would bring an end to the talks.

²²³ Permanent Committee. 19th PC meeting, Minute 147 Questions for Discussion between the Allies and the Russian Trade Delegation. 08.07.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/19.

²²⁴ Russian Trade delegation. Preliminary Answers to Question Raised by the Supreme Economic Council. 24.05.20 Attached to 21st PC meeting Appendix 128. 25.06.1920. NARA, MP 820, V111-R137 Doc nr: 180.05701/21.

²²⁵ Permanent Committee. 21st PC meeting, Minute 160 Negotiations with the Russian Trade Delegation. 25.06.1920. NARA, MP 820, V111-R137 Doc nr: 180.05701/21.

²²⁶ Permanent Committee. 2nd meeting with the Russian Trade delegation, Minute 4 Answers by the Russian Trade Delegation to questions 1- 5 of a questionnaire by the Permanent Committee. 26.06.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/21 1/2.

4.4 The legitimacy and political sides of trade

Beyond the usability of the PC's technical work, the PC also provided a way around the underlying legitimacy and political issues of dealing with the Russians, but these problems were still present however. A good example of this in the question of the safety of private traders and official delegates that might go to Russia to respectively, conduct and facilitate trade. The question of official trade representatives was a contentious matter but private traders less so. Private traders dealing with the Russians was not in of itself a problem, and traders were already in fact allowed to meet with the Russian trade delegation and arrange for trade deals.²²⁷ The problem of official delegates however lay in what sort of status political status these must have, and to what extent they would imply recognition of the Bolshevik government. The British and the Italians expressed that they would be willing to send delegates to Russia, while the Belgian and French would not, as this would extend recognition. Such delegates could at any rate not be sent, nor were private traders likely to get involved, without a clear understanding of the Russian situation with guarantees as to the safety of all involved personnel. Such guarantees rested on three main concerns as Wise expressed it: Freedom of travel, guarantees of their personal freedom, and protection of property. This seems like very basic concerns hardly worth to bring up, but it is important to remember the great uncertainty of what could be expected of Russia. As expressed by Avenol generally about dealing with Russia "...the difficulty was one of adapting International European Commercial Law to dealings with a country whose Government had set itself apart from all common international laws and customs."²²⁸ So such clarification and assurance was necessary if confidence in trade was to be restored. At the same time however, the disagreement between the allies on the matter of delegates was not addressed here, and it could not have been as this was a fundamentally political issue.

Another matter which also figured heavily in the political considerations was the problems that arose from the Bolshevik nationalizations and the loss of property. As will be recalled in the mandate that the PC received for its work, it was supposed to contact other countries to inform them about their role in the trade negotiations and in response they received various statements and claims on nationalized property. Norway, Sweden and Switzerland as one example held a

²²⁷ Permanent Committee. 16th PC Meeting Minute 131 Negotiations with the Russian Trade delegation. 17.05.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/16.

Permanent Committee. 18th PC Meeting Minute 141 Questions for Discussion between the Allies and the Russian Trade delegation. 07.06.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/18.

²²⁸ Permanent Committee. 19th PC meeting Minute 147 Questions for Discussion between the Allies and the Russian Trade Delegation. 08.07.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/19.

conference in April 1920, asserting their claims to restoration of goods seized during the revolution.²²⁹ While Rumania expressed their desire to get help in having gold which belonged to it returned, and for allied help in preventing the gold from being used. It had been sent to Russia for safe keeping during the war, and had been taken by the Bolsheviks during the civil war.²³⁰ Here French motivations for partaking in the talks can be seen to have been greatly political, as in response to the Rumanian claims they stated they would discuss such matters within the PC.²³¹ Avenol had in fact early on in the negotiations underlined that they might place "...political questions antecedent to trade negotiations", and that no deal might come from the talks at all.²³² At the same time their participation in the trade talks allowed them the possibility of monitoring the situation, and potentially use the talks to press their interests in debt repayments and property restoration.

British motivations were quite different, as they wanted to use the PC to maintain their own legitimacy (by not being alone in dealing with the Russians) in their drive for the opening of trade. So, in matters like the one of nationalised property they were more lenient than the French. This leniency of the British and their differences in opinion with the French can particularly be seen in their attitudes to Bolshevik use of old Russian imperial assets such as gold, for payment in trade. Here the French denied the Bolsheviks the right to use such assets when they at the same time did not recognize imperial debts, and they would work to confiscate such assets if used in trade in France. The British on the other hand made statements that they would not allow such confiscations to take place.²³³ This clearly was an extremely important question for the possibility of resuming trade, as this held the potential of paralyzing trade if the Russians could not use their gold to pay for goods. In this it can be seen another reason for why the PC, while made of experts working with technical matters, was not technocratic. As it lacked the kind of political distance and neutrality to the matters it worked with which Kaiser and Schots finds to be the one of the defining features of the technocratic idea.²³⁴ Even though

²²⁹ Conference of neutral countries. Claims on Russia. 17.04.1920 Attached to 24th PC meeting Appendix 144 17.09.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/24.

²³⁰ Roumanian Legation. Roumanian gold in Russia. 30.06.1920. Attached to 23rd PC meeting Appendix 140. 26.07.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/23.

²³¹ Permanent Committee. 23rd PC meeting Minute 178 Use of Roumanian gold by the Russian Government. 26.07.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/23.

²³² Permanent Committee. 19th PC meeting Minute 147 Questions for Discussion between the Allies and the Russian Trade Delegation. 08.07.1920 NARA, MP 820, V111-R137 Doc nr 180.05701/19.

²³³ Permanent Committee. 18th PC Meeting Minute 143 Use by the Soviet Government of gold in payment for goods purchased abroad. 07.06.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/18.

²³⁴ Kaiser & Schot 2014: 6-7

it was subordinated to these political considerations the PC could not discuss or try to settle it as such political considerations fell outside its mandate.

So, the PC was not able to address many of the important underlying political matters which were left unaddressed, but the end of the PC came before the negotiations progressed to a point where such disagreements could have become acute. As the French as mentioned dropped out due to the Polish-Soviet war, while the British had to put their talks on a hold because of internal and international pressure. It seems like the French dropout made the British reconsider using the PC in the talks as it were the British that suggested that the SEC should be formally ended. The British were as mentioned very interested in having allied involvement in the talks as a way of preserving their legitimacy. This however seems to have been especially focused on French participation. Italy had been had been willing to join in governmental level trade talks, but the British dropped the idea when the French refused to participate, as isolating the French here might damage relations further.²³⁵ So the British made the recommendation to the allied Conference of Ambassadors (a replacement of the Supreme Council)²³⁶ which was approved in January 1921.²³⁷ The end of the SEC however also came as by this point the League of Nations had created its Economic and Financial organization, which could now take on international economic work.

4.5 The technical solution

This chapter has shown how the allies used the PC as a technical organization to approach the matter of trade with Russia, and that in doing so they experienced both the possibilities and limitations of technical work. The entry into the Russian trade negotiations came from the desire for access to believed abundant Russian resources as a potential way of solving many of Europe's material problems. This desire must have been especially strong due to the failures of interallied action in finding acceptable solutions to the raw materials situation as shown in chapter 3. Starting up trade negotiations however posed the challenge of implicitly extending recognition to the Bolsheviks, but here the PC provided a possible way around the problem. Due to the technical turn the SEC underwent following the armistice, the PC could function on a technical basis in trying to ease the resumption of trade as much as possible. The Russian

²³⁵ Ullman 1972: 95-96

²³⁶ Steiner 2005: 99

²³⁷ Conference of Ambassadors. Minutes of meeting No 96. 09.12.1920. NAUK: FO 893/9/6.
Conference of Ambassadors. Minutes of meeting No 103. 22.01.1921. NAUK: FO 893/10/5.

trade conditions and state control was an unknown factor and there was a great need for clarification and understanding. With this the PC provided a valuable service by gathering information about trading conditions, and clearing up areas of confusion such as who could be traded with, legal aspects of trade etc. The ambition was also clearly to have the PC settle even more technical matters, and to consider ways to ease and rationalise trade. As such the PC underlined the great possibilities that lay in technical work as a way of addressing complicated matters which was difficult to approach politically. In the end however, political considerations connected to the international tensions of the Polish-Soviet war trumped trade and the talks ended. Even before this, political disagreements between primarily the British and French had also showed the limits of the technical approach, which could not settle these kinds of underlying issues but which would still hold extensive bearing on the return to trade. So in the PC's work can be seen both the desire for a technical approach holding the potential of technocracy, but also some of the problems that these kinds of undertakings might face in the needs to balance out their technical work and political considerations. Some connections in this regard can be seen in the SEC's relationship with the League of Nations, and this will be considered before the conclusion of the text is made.

5 The legacy of the Supreme Economic Council

The intentions for a connection between the League of Nations and the SEC were clearly present in the continuation of the SEC. The Supreme Council decision in June 1919 which saw the SEC continued was done on the basis that "...international consultation in economic matters should be continued until the Council of the League of Nations has had an opportunity of considering the present acute position of the economic situation....".²³⁸ When the SEC itself stopped meeting in February 1920 it instructed the PC to work with the League in setting up its economic organization, when the League was ready to do so.²³⁹ As Salter had predicted in November 1919, it took quite some time before the League was able to address this matter, so it was not until July 1920 that the secretariat requested the PC to make suggestions about the new organization. The suggestion made at that time was that the PC, League secretariat and other League members should form a committee to discuss the matter.²⁴⁰ This however did not come to pass, as the Secretary General Eric Drummond, deemed it unpractical to set up such a committee until after the Brussels Financial Conference which was to hold bearing on the new organization.²⁴¹ By the end of the conference in October, a Provisional Economic and Financial Committee was created,²⁴² but by then the SEC and PC were no longer active and there was no direct transfer between the two organizations. However, there were other connections between the two, particularly in the technical work of the League.

One of the clearest areas of transfer was the men who served on the SEC. A number of which would go on to serve in the League and especially its Economic and Financial organization, such as Salter, Monnet, and Avenol who would eventually become secretary general, while Lord Cecil was an active supporter of the League. Fitzgerald as such argues that the long term significance of the SEC "...lies in the impact it had on its members. Impressed during their work on the council by the potential of international cooperation ... The council was an important training ground for future leaders working in international organizations."²⁴³ Was this development similar for those who were involved with the later work of the PC?

²³⁸ Bane & Lutz 1943: 627

²³⁹ FRUS PPC 1919 X: 684

²⁴⁰ Permanent Committee. 23rd PC meeting, Minute 171 Organisation of a Permanent Body under the League of Nations to deal with International Economic Affairs. 26.07.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/23; *Ibid* League of Nations. Invitation to the Supreme Economic Council for considering the establishment of a economic organization. 01.07.1920. Attached to 23rd PC meeting, Appendix 133.

²⁴¹ Eric Drummond. Note by the Secretary General. United Nations Archives Geneva. Undated. UNAG: R293/10/2101/5778.

²⁴² Hill 1946: 21

²⁴³ Fitzgerald 1971: 430

Avenol was the only one in the PC that went on to work in the League of Nations, becoming Secretary General in 1933. His ideas about how such organizations should function seems to have been affected by his experiences in the PC. Here he experienced the potential of technical cooperation, but also the limits to this kind of work in trying to deal with politically contentious matters such as it has been seen that the Russian trade negotiations were. The assessments of his term as Secretary General are typically critical in nature, pointing to failures in dealing with Nazi Germany and Fascist Italy and how he attempted to dissolve the League with the outbreak of WWII.²⁴⁴ However Avenol had a particular focus on the League as a technical organization, and the issues that were fundamentally in place for the League engaging with political matters. James Barros shows that Avenol already in 1923 believed that the League ultimately had to answer to the member nations and therefore it should not try to take independent political action, but it could try to indirectly influence the policy of its member nations.²⁴⁵ He would eventually come to support a reorientation of the League, away from political matters which it increasingly could not solve throughout the 1930's, to rather focus on technical work. To ensure that it continued to serve a useful purpose, and could affect and deescalate other problems by solving technical matters which affected international relations. In line with this came the publishing of the Bruce report on the 22nd of August 1939 (ten days before the European outbreak of WWII), which extensively argued for a technical and technocratic orientation of the League in economic matters. This report came too late to change the League, but it greatly influenced the creation of the United Nations.²⁴⁶ Avenol's role and motivations in this process is disputed by Clavin who points to the importance of the League's Economic and Financial Organization in the actual reform efforts.²⁴⁷ However the attitudes Avenol displayed towards technical work seems to have been shaped by his experiences in the PC, and the orientation he favoured was a step towards technocracy by focusing on politically distanced technical work.

Another area of transfer between the SEC and League is in information used by the league, and how it would also go about technical work itself. The League utilized information gathered by the SEC, for example in a report published on the European transport situation for the International Financial Conference of Brussels in October 1920.²⁴⁸ Large parts of this reports,

²⁴⁴ Reinalda 2012: 2-4

²⁴⁵ Barros, James. (1969). *Betrayal From Within: Joseph Avenol, Secretary-General of the League of Nations, 1933-1940*. London: Yale University Press: 21-22

²⁴⁶ Barros 1969: 189-196 & Kaiser & Schot 2014: 80-81

²⁴⁷ Clavin 2013: 232

²⁴⁸ League of Nations. (1920a). *International Financial Conference: Paper No. IX The European Transport Situation*. London: Harrison & Sons LTD: 2

such as for the situation in Poland was largely based on a Communications Section report made in January the same year.²⁴⁹ Salter as well expressed the value of the information gathered by the SEC. When he took charge of economic side of the League Secretariats in September 1919 he urgently requested to be sent copies of the SEC's minutes and documents.²⁵⁰ The International Labour Bureau as well was eager for getting information from the SEC. Requesting to whatever information the SEC might have about the impact of labour and production on the raw materials market when the Bureau was to study this.²⁵¹ Though this most likely did not take place as this request came during the last meetings of the PC.²⁵²

The most prominent link in technical work however was the Committee on Raw Materials and Statistical Information (CR), its Statistical Bulletin, and the Leagues focus on technical work in economic matters. Martin Hill notes the similarities between the work done by the CR to that done by later League inquiries, but also that the CR published the Bulletin of Statistics in cooperation with the League before it took over the publishing.²⁵³ The League took over the Bulletin at some point between April and August 1921, so quite some time after the SEC was formally dissolved.²⁵⁴ Up until then the British Board of trade had taken over the publishing of the Bulletin, as the League expressed great eagerness for maintaining its production until it could take it over.²⁵⁵ So the League as well developed a desire for approaching economic matters technically. The minutes and documents of the CR itself has not been used in this thesis as they have not been found. If these were to be found they can be interesting to study to see what sort of raw materials the CR focused on, to see how the raw materials situation of the period developed. More interestingly however it could be studied how this organization went about its work and gathered its information to see how this was done and to what extent its methods was transferred to the League of Nations. As argued by Quincy R. Cloet, the League readily adopted what it saw as beneficial to the pursuit of information and knowledge so this linkage can potentially provide valuable insight into the early technical work of the League.²⁵⁶

²⁴⁹ FRUS PPC X: 720, 723-724

²⁵⁰ League of Nations. Underhill to Evered. 09.09.1919. UNAG: R291/10/1084/1084.

²⁵¹ International Labour Conference. Request for SEC documents. 25.06.1920. Attached to 23rd PC meeting Appendix 139. 26.07.1920 NARA, MP 820, V111-R137 Doc nr 180.05701.23

²⁵² Permanent Committee. 24th PC meeting, Minute 182 Minutes Reference 177. 17.09.1920. NARA, MP 820, V111-R137 Doc nr 180.05701/24

²⁵³ Hill 1946: 17-18

²⁵⁴ League of Nations. Letter of thanks to A. W. Flux. 11.08.1921. UNAG R309/10/6408/X

²⁵⁵ Secretary General. Secretary General to the Board of trade. 21.04.1921. UNAG: R309/10/6408/6408X/X

²⁵⁶ Cloet, Quincy R. (2018, 01.22). Title: *'A fuller knowledge of the facts' - the League of Nations' endeavours to produce international expertise.* <http://projects.au.dk/inventingbureaucracy/blog/show/artikel/a-fuller-knowledge-of-the-facts-the-league-of-nations-endeavours-to-produce-international-expert/> (Accessed 14.05.2018)

5.1 Conclusion

In writing about the SEC in the early 1920's Ray S. Baker deemed it the "Greatest experiment ever made" due to the unprecedented attempt of preserving allied economic cooperation beyond the war. Such cooperation faced, as illustrated by Adam Tooze in his third economic model, extensive opposition and was crippled after the war with the end to the economic constraints it built upon. Even so, due to the economic problems of the armistice, such cooperation was restarted in the form of the SEC and it, despite opposition, was maintained due to the economic challenges the world still faced after the armistice. In studying this continuation, two questions were asked: Why did the victorious powers try to solve their raw material problems through international cooperation after WWI? And how was this collaborative experience an early example of the development of peacetime international cooperation? To which the following hypothesis was made: the continuation and development of the SEC demonstrated how technical and technocratic approaches could be useful in peacetime.

Here it has been argued that the international approach to raw materials matters came from the cooperative experiences of the war, and the potential that cooperation had for approaching the challenging political aspects of the raw materials situation. The failure to return to economic normalcy after end of wartime constraints and cooperation, showed the desirability of maintaining what cooperative structure one had managed to build during the armistice. So, the SEC was extended beyond the armistice to try to address economic issues as they arose. This continuation however also necessitated a change in how the organization worked and functioned due to the change in the SEC's means, and desirability for economic action following the withdrawal of the US. In this change the SEC would be turned towards technical cooperation, both from the pragmatic need following the withdrawal of the US, and the value that technical work held in approaching the economic situation. This technical cooperation was especially desirable when trying to deal with the fundamentally international raw materials problem. Concerning all nations dependent on the international market which was affected by factors such as finance, shipping, trade policies and international supply and demand as illustrated in the case of flax. Here the technical work made it possible to address politically contentious matters such as protectionism, as was extensively attempted regarding British protectionist policies. The success in this was limited, but in the making of the attempt it illustrated how technical work could be used to approach such complicated matters. Technical cooperation was also desirable in the attempts to open trade with Russia as a possible solution to the economic crisis. The role of the PC in this allowed both the settling of various technical

issues, and at the same time it got around the issue of implicitly giving the Bolsheviks legitimacy.

To conclude: The development of the SEC following the Armistice illustrated the value and potential in technical cooperation as a way of approaching difficult economic matters. In this potential also lay the kernel for a technocratic development to further utilise the potential for a rational and optimized economic world order. These types of ideas would grow important throughout the post war period, and was particularly important in the development of international organizations such as the League of Nations on which the SEC had some influence. There are however other sides of the SEC left unexplored. The possibility for further study of its work with raw materials has already been mentioned. The SEC also dealt with many other economic matters, particularly the work of its Communications section beyond the armistice can be interesting, as the work of rebuilding communications and transportation formed an important part of international cooperation and integration in post war Europe. During WWII the allies would once again turn to cooperation as a vital part of their war effort, with the Combined Production and Resources Board, and a study of this organization compared to similar cooperation during WWI can be valuable to see what was learned in the field of economic cooperation from one war to the next.

Source list

Primary sources

Archive material

National Archives Washington

National Archives Microfilm Publications. (1970). Microcopy No. 820. General Records of the American Commission to Negotiate Peace 1918-1931:

- Volume 104. Roll 130: Supreme Economic Council: Minutes.
- Volume 108. Roll 134: Supreme Economic Council: Financial Section, minutes, reports. Raw Materials Section, minutes.
- Volume 109. Roll 135: Supreme Economic Council: Raw Materials Section, minutes, reports. Transportation Section, minutes, reports.
- Volume 111. Roll 137: Supreme Economic Council: Communications Section, minutes, reports. Permanent Committee, minutes.

National Archives of the United Kingdom

- ADM - Records of the Admiralty, Naval Forces, Royal Marines, Coastguard, and related bodies.
ADM 137 - Admiralty: Historical Section: Records used for Official History, First World War
- FO - Records created or inherited by the Foreign Office.
FO 893 Ambassadors to the Peace Conference, Paris: Minutes of Proceedings
- T - Records created or inherited by HM Treasury.
T 161 Treasury: Supply Department

United Nations Archives, Geneva. League of Nations Secretariat: Economic and Financial Section

- Continuance of Supreme Economic Council (1919). R293/10/2101
- Supreme Economic Council - Request for Set of Documents/Minutes. R291/10/1084
- Transfer of the Supreme Economic Council. R309/10/6408

Source collections & printed sources

Bane, Suda Lorena & Lutz, Ralph Haswell. (1943). *Organization of American relief in Europe 1918-1919*. California: Stanford University press

Minutes of Supreme Economic Council, Permanent Committee [1st-23 meetings, September 13, 1919 - July 26, 1920, and appendixes 1-142. Hoover Library. D642.A4351 V.2 (V)

United States Department of State. (1919) *Papers relating to the foreign relations of the United States: The Paris Peace Conference, 1919 Volume VII*. Washington, D.C: Government Printing Office.

United States Department of State. (1919) *Papers relating to the foreign relations of the United States: The Paris Peace Conference, 1919 Volume IX*. Washington, D.C: Government Printing Office.

United States Department of State. (1919) *Papers relating to the foreign relations of the United States: The Paris Peace Conference, 1919 Volume X*. Washington, D.C: Government Printing Office.

Secondary sources

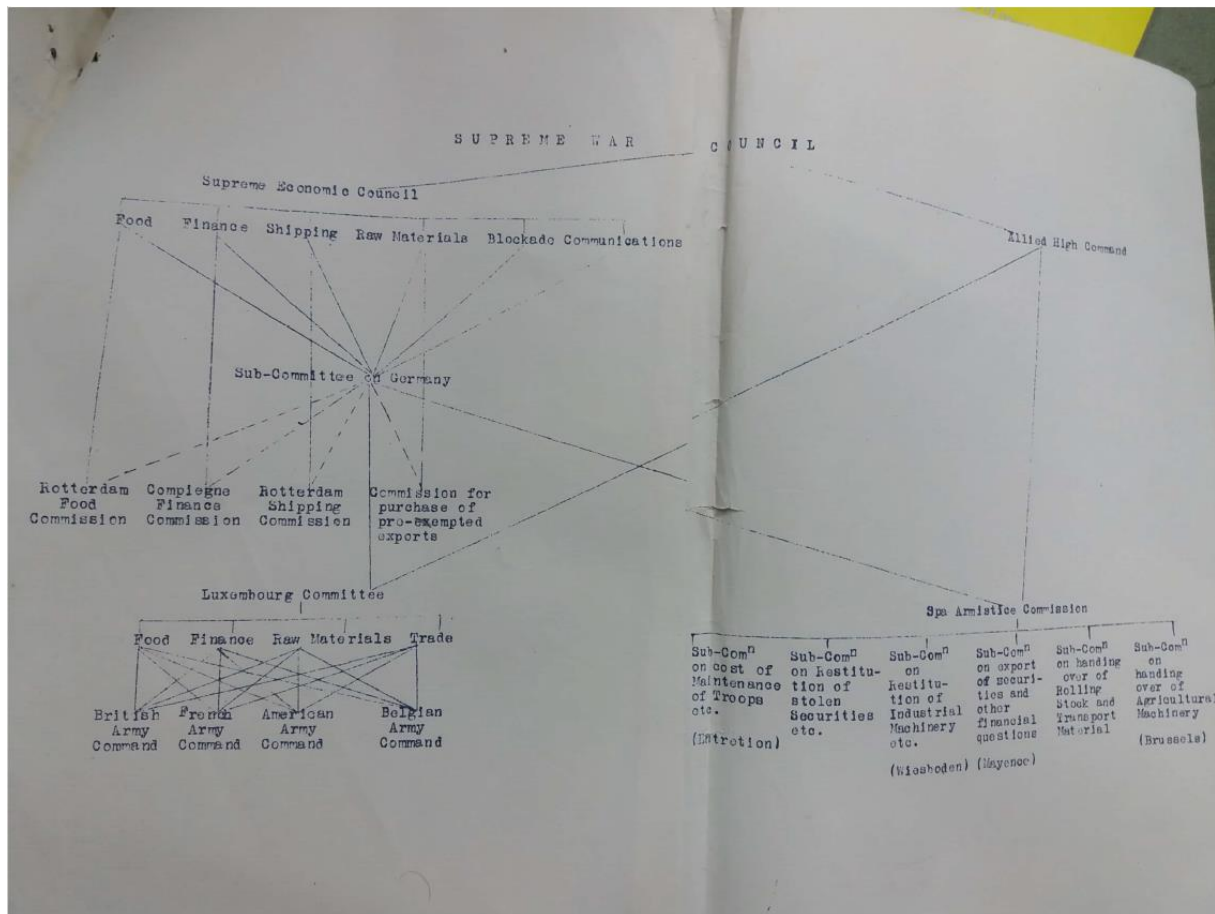
- Aster, Sidney (2015). *Power, Policy and Personality: The Life and Times of Lord Salter, 1881-1975*. Great Britain: Amazon.
- Baker, Ray Stannard. (1923). *Woodrow Wilson and World Settlement. 3 volumes. Volume II*. New York: Doubleday, Page & Company.
- Barker, Walter (1917). Flax The Fiber and Seed. A study in Agricultural Contrasts. In *The Quarterly Journal of Economics*, Vol. 31, no 3 (May, 1917), pp. 500-529. Oxford University Press.
- Barros, James. (1969). *Betrayal From Within: Joseph Avenol, Secretary-General of the League of Nations, 1933-1940*. London: Yale University Press.
- Brodie, Henry B. & Kapp, Karl W. (1941). The Breakdown of Inter-Allied Economic Collaboration. In 1919 in *United States cooperation with British Nations. – Planning pamphlets, 6*. Washington: National economic and social planning as.
- Carley, Michael J. (2000). Episodes from the Early Cold War: Franco-Soviet Relations, 1917-1927. In *Europa-Asia Studies*, Vol. 52, No. 7 (Nov., 2000) pp. 1275-1305
- Chancerel, Pierre. (2015). Raw Materials. In Daniel U., Gatrell P., Janz O., Jones H., Keente J., Kramer A., and Nasson B (Ed.). *1914-1918-online. International Encyclopaedia of the First World War*, ed. issued by Freie Universität Berlin, Berlin: [10.15463/ie1418.10686](https://nbn-resolving.org/urn:nbn:de:hbz:5:1-63864-p0110-9). (Accessed 12.02.2018)
- Clavin, Patricia. (2013). *Securing the World Economy: The Reinvention of the League of Nations 1920-1946*. Oxford: Oxford University Press.
- Cloet, Quincy R. (2018, 01.22). Title: 'A fuller knowledge of the facts' - the League of Nations' endeavours to produce international expertise. <http://projects.au.dk/inventingbureaucracy/blog/show/artikel/a-fuller-knowledge-of-the-facts-the-league-of-nations-endeavours-to-produce-international-expert/> (Accessed 14.05.2018)
- Cox, Mary E. (2015). Hunger Games: or how the Allied blockade in the First World War deprived German children of nutrition and Allied food aid subsequently saved them. In *Economic History Review*, 68, 2 (2015), pp. 600-631

- Duchêne, Francois. (1994). *Jean Monnet: The First Statesman of Interdependence*. New York: W.W. Norton & Company.
- Fink, Carole. (1984). *The Genoa Conference: European Diplomacy, 1921-1922*. USA: The University of North Carolina Press.
- Fischer, Paul. (2000). *Foreign Direct Investment in Russia: A Strategy for Industrial Recovery*. London: Macmillan Press Ltd.
- Fitzgerald, Oscar Penn. (1971). *The Supreme Economic Council and Germany: A Study of Inter-Allied Cooperation After World War I*. Georgetown University. High Wycombe: University Microfilms Limited.
- Fransen, Frederic J. (2001) *The Supranational Politics of Jean Monnet: Ideas and Origins of the European Community*. Westport: Greenwood Press.
- Graff, Michael, Kenwood, A.G & Loughheed, A.L. (2014). *Growth of the International Economy, 1820-2015*. Oxon: Routledge.
- Greenhalgh, Elizabeth. (2005). *Victory through coalition: Britain and France during the First World War*. New York: Cambridge University Press.
- Hill, Martin. (1946). *League of Nations: Economic and Financial Organization*. Washington: Lancaster Press.
- Himbury W. H. (1918). Empire Cotton. In *Journal of the Royal African Society*, Vol. 17, No. 68 (Jul., 1918), pp. 262-275. Oxford University Press.
- James, Gorton (1922). Scrapping Industrial Armaments. In *The North American review*, Vol. 215, No. 797 (Apr., 1922), pp 473-482.
- Journal of the Royal African Society. (1916). An Imperial Industry. In *Journal of the Royal African Society*, Vol. 15, No. 60 (Jul., 1916) pp 320-334. Oxford University Press
- Kaiser, Wolfram & Schot, Johan. (2014). *Writing the Rules for Europe: Experts, Cartels and International Organizations*. Palgrave MacMillan.
- Kapp, Karl W. (1941). The League of Nations and Raw Materials 1919-1939. In *Geneva Studies*, Vol. XII. No. 3. Geneva Research Centre.
- League of Nations. (1920a). *International Financial Conference: Paper No. IX The European Transport Situation*. London: Harrison & Sons LTD.

- League of Nations. (1920b). *International Financial Conference: Paper No. V International Trade*. London: Harrison & Sons LTD.
- League of Nations. (1943). *Europe's overseas needs 1919-1920, and how they were met*. Geneva: League of Nations.
- League of Nations. (1946). *Raw-Material Problems And Policies*. New York: American Book-Stratford Press, Inc.
- Lovin, Clifford R. (1978). Food, Austria, and the Supreme Economic Council, 1919. In *East European Quarterly*, Vol. XII, No. 4, pp 475-487.
- MacMillan, Margaret. (2001). *Peacemakers: The Paris Peace Conference of 1919 and Its Attempt to End War*. Great Britain: John Murray.
- Marks, Sally. (2003) *The Illusion of Peace: International Relations in Europe, 1918-1933*. New York: Palgrave MacMillan.
- Mazower, Mark. (2012). *Governing the World: The History of an Idea*. New York: The Penguin Press.
- O'Donoghue Jim, Goulding Louise, & Allen Grahame. (2004). Consumer Price Inflation Since 1750. In Dickman Paul (Ed.). *Economic Trends*. No. 604 (March 2004), pp 38-46. Office for National Statistics
- Readman, Kristina Spohr. (2009). Memoranda. In Dobson, Miriam & Ziemann, Benjamin (Ed.). *Reading Primary Sources: The interpretation of texts from Nineteenth- and twentieth-century history*. Oxon: Routledge.
- Reinalda, Bob. (2009). *Routledge History of International Organizations: From 1815 to the Present Day*. Oxon: Routledge.
- Reinalda, Bob. (2012) Avenol, Joseph Louis. In Reinalda, B., Kille, K., Eisenberg, J. (Ed.). *IO BIO, Biographical Dictionary of Secretaries-General of International Organizations*. www.ru.nl/fm/iobio. (Accessed 12.03.2018)
- Salter, J. A. (1921). *Allied Shipping Control*. Oxford: Clarendon Press. Reprinted by The Carnegie Endowment for International Peace in 1987.

- Schot, Johan & Lagendijk, Vincent. (2008). Technocratic Internationalism in the Interwar Years: Building Europe on Motorways and Electricity Networks. In *Journal of Modern European History* January 2008. pp 196-216.
- Scogin, Katie Elizabeth. (1987). *Britain and the Supreme Economic Council 1919*. Dissertation. Denton: North Texas State University. Available online <https://digital.library.unt.edu/ark:/67531/metadc332330/>
- Steiner, Zara (2005). *The Lights That Failed: European International History 1919-1933*. Oxford: Oxford University Press.
- Storli, Espen. (2012). Trade and Politics: the Western Aluminium Industry and the Soviet Union in the Interwar Period. In Frøland, H. & Ingulstad, M. (Ed.). 2012. *From Warfare to Welfare: Business-Government Relations in the Aluminium Industry*. Trondheim: Akademika Publishing.
- Temperley, H. W. V (Ed.). (1920). *A History of the Peace Conference of Paris. Volume I*. London: Hodder & Stoughton and Oxford University Press (Henry Frowde).
- Tillman, Seth P. (1961). *Anglo-American Relations at the Paris Peace Conference of 1919*. Princeton: Princeton University Press
- Todd, John A. (1923). The World's Crisis in Cotton. In *Foreign Affairs*, Vol 2, No 2 (Dec. 15, 1923) pp. 232-243. Council on Foreign relations.
- Tooze, Adam. (2014). *The Deluge: The Great War and the Remaking of Global Order*. St Ives: Penguin Books
- Tosh, John. (2015). *The Pursuit of History: Aims, Methods and New Directions in the Study of History*. New York: Routledge Taylor & Francis Group.
- Trachtenberg, March (1982). Versailles after Sixty Years. In *Journal of Contemporary History*, Vol 17, No 3 pp 487-506. Sage Publications Ltd.
- Ullman, Richard H. (1972). *Anglo-Soviet Relations, 1917-1921, Volume III: The Anglo-Soviet Accord*. Princeton: Princeton University Press.
- White, Christine A. (1992). *British and American commercial relations with Soviet Russia, 1918-1924*. The University of North Carolina Press.

Appendix 1



Lord Robert Cecil. Note Submitted By Lord Cecil on the general economic position.
05.04.1919. NAUK: ADM 137/3030.