TEXT OF GERMANY'S REPLY TO PEACE TREATY

DECLARE ALLIED POWERS WANT PEACE OF MIGHT

Germany's Answer to Conditions laid down at Versailles consists of 60,000 words Protesting that Allies have "Forsaken Peace of Justice."

[Continued from preceding page.]

The German delegates cannot reconcile such provisions with the principles cile such provisions with the principles of impartial justice. They may offer great advantages to rival merchants, but do nothing towards repairing the damage which Germany has undertaken to make good. It is only natural that the German people should now believe that the Allies intend to stamp out German commercial competition. The German delegates lay great stress on the necessity of granting full and reciprocal freedom of action whenever possible, and outline the proposals, repeated in the following chapter.

CHAPTER FOUR—Reparation—German delegates and outline the proposals.

CHAPTER FOUR—Reparation.—Germany accepts the obligation to pay for all damages sustained by the civil populations in the occupied parts of Belgium and France, in as much as she has brought upon them the terrors of war by a breach of international law through the violation of Belgian neutrality. She opposes reparation to other occupied territories in Italy, Montnegro, Serbia, Rumania, and Poland, as no attack in contradiction to international law was involved. She voluntarily concedes responsibility for Belgian loans, but claims that the Allies have far exceeded in the categories of damages named in the draft treaty the agreements entered into at the Armistice, especially in holding Germany responsible for losses to civilians outside the occupied territories, to the states themselves, to military persons, and in losses caused by Germany's allies.

Germany contests certain specific responsibilities, particularly as to the costs of an army of occupation, which CHAPTER FOUR - Reparation. - Ger

sponsibilities, particularly as to the costs of an army of occupation, which she considers both unnecessary and uneconomic. She cannot accept the reparation commission as outlined as the giving of such dictatorial powers would mean a repurciation of severeignty.

economic. She cannot accept the reparation commission as outlined as the giving of such dictatorial powers would mean a renunciation of sovereignty. The commission would be both party and judge, and the greater part of the reparations could only be collected by force. A German commission is therefore proposed for co-operation with this commission, any disagreement to be finally decided by a mixed court of arbitration under neutral presidency.

Germany is anxious to co-operate towards the restoration of France and Belgium, to which end proposals will shortly be made. She recognizes the principle that her taxation shall be not less heavy than any allied state, but predicates their whole attitude, as to reparation upon the acceptance of her general proposals, on the ground that she can bear the heavy burdens imposed only if her territory is not divided up, her industrial as well as her food basis not destroyed, and her overseas connections, colonies, and mercantile fleet retained. Also territories separated from her should pay their proportionate share of the war debt.

Germany agrees to issue, four weeks after peace, Government bonds for twenty billion marks gold, payable before the 1st May, 1926, and for the remainder of the reparations to draw up deeds for annual payments without interest, beginning the 1st May, 1927, the total not to exceed one hundred billion marks, including repayments to Belgium, deliveries of materials during the Armistice, and other concessions required. The annuity to be applied each year is to be fixed as a distinct percentage of Germany's revenues, that for the first ten years not to exceed a billion marks annually.

Ton-or-tone replacement of shipping cannot be accepted, as this is entirely beyond Germany's reduced production

| render of fishing vessels is impossible owing to their supreme value for the food supply of Germany, and especially as one hundred and forty-six of the two hundred and ten fishing boats are de-manded. The surrender of the whole overseas merchant fleet is unacceptable, and not over ten per cent of the river

and not over ten per cent of the river tonnage can be given over.

Germany acknowledges the principle of giving her resources directly in the service of reparation, but only in so far as not to infringe on her economic sovereignty. To this end they propose a German commission parallel to the Reparations Commission, the two to work out details in co-operation. The work out details in co-operation. The requisition of materials shall be carried out, however, in such a way as to avoid the disorganization of German economic life; restitutions must be made first of all from free stocks; the time limits in certain interace must be increased. certain instances must be increased

SECTION FIVE.

Germany agrees, if her situation permits, to export to France, coal equal to the difference occasioned by the destruction of the French mines, the maximum to be twenty million tons for the first five years and five million tons thereafter. In order, however, to expedite the reconstruction of the French mines, Germany asks to be allowed to devote her skill to this work. She is unable to accord the options for coal demanded owing to decreased production, but is willing to agree to a priority on the surplus over the German inland requirements of the next ten years to meet the requirements of France and Belgium. In return, Germany expects adequate supplies of minerals for her smelting work from Lorraine and France. As to coal derivatives, decreased production makes it posible to deliver only a portion of that demanded.

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Germany agrees to the option demanded as to dyestuff and chemical drugs, though refusing to accept price control by the comission as involving a surrender of business secrets wholly unwarranted. A continuing option until nineteen twenty-five is refused as imparing Germany's financial capacity.

In a final paragraph Germany states that shortage d time has made it impossible to give an exhaustive statement and therefore proposes oral negotiations, with the suggestion that she has in mind ways of reparation possible not considered by the Allies, especially the compensation or owners of destroyed industrial undertakings by the transference to them of proportional shares in similar undertakings in Germany.

Chapter Five—Regulations Concernence

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Ton-or-tone replacement of shipping cannot be accepted, as this is entirely beyond Germany's reduced production power, and would destroy the German economic system. She agrees, nevertheless, to construct an even greater tonnage, and over a longer period than stipulated. The demand for the sur-

could be settled through the League of Nations, by special agreements or at an international conference. She agrees not to discriminate against Allied goods going by rail or vessel, but rejects interference with her international railways and traffic organiz

national railways and traffic organizations.

Chapter Six—Internal Navigation.—
The control of Germany river systems by international commission, in which Germany in no case is to have a majority, gives an economically unlimited authority over Germany's internal waterways and indirectly over German railways. This would have a decisive influence on the internal regulation of Germany's whole economic life incompliable with Germany's sovereignty, and therefore impossible. Germany agrees, however, to revise existing conventions to meet new conditions and open up German rivers to the utmost extent to the traffic of all nations, subject to the principle that Riparian States alone are to participate in the administration. As to the Elbe, she agreed to take the utmost account of the deeds of Czecho Slovakia; for the Rhine, she believes the centrol commission adequate, but is willing to accept negotiations for improvement; for the Danube, she demands representation on both commissions; for the Older, a purely German river, use states that no commission is necessary; for the Vistulla, she is willing to enter into negotiations with Poland, and for the Elemen, with the other Riparian States. She is unwilling to accept, except after more details. Negotiations: The arrangements placing Strasburg and Kohl under a single administration, or those dealing with the Rhine bridges and works for producing water power. As to the use of Hamburg and Stettin by Czecho-Slovakia, she is willing to negotiate a separate treaty to this end, and also to enter into negotiations as to how interested states may obtain a proportional share of the river tonnage beyond that surrendered under reparations the Kiel canal can be open to the traffic of all nations under conditions of reciprocity, though the international commission proposal is acceptable only if other straits are similarly treated.

Chapter seven — Treaties.—While unable in the short time, available to absolv the completeness of the list of CHAPTER SIX-Internal Navigation.

CHAPTER SEVEN — Treaties.—While unable in the short time available to check the completeness of the list of multilateral arrangements enumerated in the draft treaty as becoming of operative again, Germany believes it preferable in principle for all multilateral treaties in force at the outbreak of war to come into force again at the peace, a later examination to decide which of them should be altered or terminated. The provision to accept in advance future arrangements made by the Allies as to international postal, telegraphic, and wireless traffic is held incompatible with the dignity of an independent people. An energetic protest is raised against the provision giving the Allies the exclusive right to decide which of the bilatorial treaties in force before the war shall be revised. Instead, each party should be free to which of the bilatorial treaties in force before the war shall be revised. Instead, each party should be free to inform the other of any provisions which have become in-operative, the settlement to be arrived at by special commissions. Germany notes that treaties with states not at war with her as Peru, Bolivia, Ecuador, and Uruguay are not affected by the rupture of diplomatic relations; refuses to accept the general abrogation of engagements with her former Allies and Russia and Rumania, as threatening the ordered relations with those countries command declines to give the Allies certain advantage secured to her own allies and to neutrals until she has had time to examine them in full, after which special negotiations are proposed.

CHAPTER EIGHT-Prisoners of War CHAPTER EIGHT—Prisoners of War and Graves.—Germany requests the release of prisoners of war and interned civilians convicted of a crime or offence committed during their confinement in a hostile state. She also demands a full reciprocity of treatment for such prisoners and for the care of graves, and consents to bear only such expense for prisoners of war and interned civilians as are incurred after they have left the territory of the enemy power.

they have left the territory of the enemy power.

CHAPTER NINE—Penalties.—As to the trial of the Ex-Kaiser, Germany cannot recognize the justification of, such criminal prosecution, which is not founded upon legal basis, or agree to the competence of the special tribunal proposed, or the admissibility of the surrender to be requested of the Netherland. She cannot admit that a German be placed before a special foreign tribunal, to be convicted as a consequence of an exceptional law promulgated by foreign powers only against him, on principles, not of right, but of politics, and to be punished for an action which was not punishable at the time it was committed. Nor can she consent to a request being addressed to Holland to surrender a German to a foreign power for such unjust proceedings. As to the surrender of persons accused of violations of the laws and customs of war for trial by a military tribunal even when proceedings have already been begun by German courts, Germany is forbidden by her criminal code to make such extradition of German subjects to foreign governments. Germany again declares her preparedness to see that violations of international law are punished with full severity, and suggests that the preliminary questions as to whether such an offence has been committed be submitted to an international tribunal of competent neutrals to judge all violations by subjects of all the signatories, Germany to have her share in the formation of this tribunal, and the meeting out of punishment to be left to the national courts.

CHAPTER TEN—Labour.—The conditions of peace start from the stand-point that the international

left to the national courts.

CHAPTER TEN—Labour.—The conditions of peace start from the standpoint that the interests of the working classes are not to be decided by the workers themselves, but are to remain the concern of their governments. Moreover, since Germany is not immediately accepted as a member of the League of Nations and the organization of labour, the German people are precluded (?) from (?) co-operation in determining the rights and duties upon which the health and welfare of the workers depend, although Germany's labour legislation has become a model for the entire world. The peace conditions destroy all the progress which the German workers have made, and submitted them to extreme distress and exploitation.

Such a peace would be consided at

exploitation.

Such a peace would be concluded at the expense of the working classes in all countries. Consequently, the German workers can only agree to a peace which embodies the immediate aims of the international labour movement, and which does not sacrifice all their achievements, in favour of alien oppressors. A solemn protest is therefore made against even a temporary exclusion of Germany from the organization of Iabour. The Allies and Associated Governments possess no right to inflict damage upon German workers by the exercise of wilful and irresponsible powers. A peace which does not bestow equal rights upon working men would be based upon quicksand. The peace terms are lacking of the first essential for recognition of equal rights of workers of all lands. Germany once more proposes the summoning of a conference of labour organizations to discuss the Allied proposals, the German counter proposals, and the Berne Resolution of February, the resolution to be embodied in the Treaty of Peace and to attain thereby the force of international law. Any other settlement would signify a violation of fundamental human rights which the conscience of the world does not allow. Such a peace would be concluded at which the conscience of the world does not allow.

SECTION SIX.

CHAPTER Two—Guarantees.—Even in the provisions for its execution the peace conditions do not renounce the principle of force. As a guarantee for the fulfilment of conditions which strike such a terrible blow at the life of the German people, an occupation of German territory extending over many years is demanded obviously to provide security against German aggression and security against German aggression and as a guarantee against a refusal by

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