## General Observations.

The establishment of the Free City proved a disappointment economically, largely as the result of political causes. The plan satisfied neither Danzig nor Poland, and the mutual confidence necessary between partners in a successful business enterprise was never present. The makers of the settlement had hoped to see a revival of the happy relations which had once existed between the self-governing Hansa town and its Polish overlord, and had anticipated that the economic bond of the port with its hinterland would triumph over racial Times, however, had changed. On the one hand and political antagonisms. the Danzig merchant, though still possessing a strong civic patriotism, had lost that habit of initiative and independent action which still characterised his fellow-merchants in the old Hanseatic towns of Hamburg and Bremen. He found it difficult to break his long-established trade relations with Germany and adapt himself to the economic system of a new country with a lower standard of living. Moreover, the commercial elements in the city whose economic interests might in time have brought about co-operation were not predominant. Service, industrial, and agricultural elements, which were hostile to the Polish connexion on economic as well as on social and political grounds, formed nearly seven-eighths of the population. On the other hand the twentieth-century Poland did not inspire the same confidence as the Poland of the fifteenth century. She was a new State, struggling with internal difficulties in the first decade of her existence, and in the second over-shadowed by the power of Russia and Germany. Her relations with Danzig, furthermore, were immensely complicated by the construction of the supplementary port of Gdynia, whose rapid rise could not but add fresh difficulties to the position of the Free City and increase resentment. It remains true, however, that Danzig's traffic increased greatly through its connexion with Poland, particularly when compared with that of the German Baltic ports, and that most of its industries flourished except in times of general depression, while the Free City's population not only showed no tendency to leave it but was considerably swelled by German immigration.

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