

# A Just Contribution

On the reparations imposed on post-Napoleonic France and the interests and deliberations that produced them

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## Introduction

On July 8th, 1815, only weeks after Napoleon had been decisively beaten near the village of Waterloo, Paris was occupied by British and Prussian troops. In the French capital, a Prussian general, Gebhard Leberecht von Blücher, was intent on avenging the humiliation of his nation's disastrous defeat at the battle of Jena eight years prior, by destroying the bridge that Napoleon had named after the battle. It was not the first time Blücher was in Paris and it was not the first time he tried to blow up this bridge. A little over a year earlier, when the allies had first occupied Paris, he had been intent on destroying it as well. He was talked out of it then, and after the fuses of the explosives failed in 1815, the attempt was abandoned again. While the bridge was allowed to stand, this did not mean that France would come off as lightly in other respects. Blücher issued another order when he occupied Paris. Besides his symbolic attempt at vengeance by destroying the Jena bridge, he imposed a contribution of 100 million francs on the French capital. His allies were opposed to this action as well, not out of principle, but for political and practical reasons. They wanted such a measure to be for the joint deliberation of all allies.

This thesis is about these deliberations. On November 20, 1815, the Second Treaty of Paris was signed by the allies and by France, which committed itself to the payment of a 700 million francs indemnity along with over a billion francs in other costs. In the months prior to that day, the allies and France deliberated and discussed, exchanged interests and pretenses, and made compromises that led to this final treaty. This paper is concerned with the financial parts of these deliberations, and with the interests, goals and circumstances that informed them. More specifically, to allow for a thorough examination of primary sources, the scope of this thesis is limited to the 700 million francs indemnity. The allies – Great Britain, Prussia, Russia and Austria – had been lenient the year before, but now, as France had violated the conditions of the previous treaty, things were different. The allies wanted solid securities against future French aggression and to create a just and durable peace in Europe after 25 years of war. But, besides this, they wanted to be indemnified for their costs and efforts as well. They wanted indemnities or, in other words, reparations.

Reparations can be defined as 'compensation for an injury of wrong, esp. [sic] for wartime damages or breach of an international obligation'.<sup>1</sup> In modern discourse, the term is often applied in so-called 'reparation politics', that is, the movement that seeks (financial) redress for wrongs against individuals for war crimes or oppression, e.g. slavery, episodes of colonialism and the Holocaust. In a more traditional sense, however, reparations are not about compensation for groups or individuals, but state-to-state payments: when one state loses a war, the victor may

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<sup>1</sup> Stephanie Wolfe, *The Politics of Reparations and Apologies* (Springer 2013) 23.

demand payment for damages. This was how it was codified in the 1907 Hague Convention: “A belligerent party which violates the provisions of the said Regulations shall, if the case demands, be liable to pay compensation. It shall be responsible for all acts committed by persons forming part of its armed forces.”<sup>2</sup>

The reparations paid by France after the Paris Treaty of 1815 were a case of traditional state-to-state payments. They were an important element in the treaty that put a definitive end to one of the most well-known wars in history, but their importance has been overlooked. The literature on reparations, as far as it exists, almost exclusively deals with the Treaty of Versailles which ended the First World War. This may not be surprising, given the disastrous events that would follow the Versailles Treaty and the role these reparations may have played in the rise of Adolf Hitler, but the fact of the matter is that other reparations episodes have received relatively little attention. This is a historiographical oversight, not in the last place because an increased understanding of the 1815 reparations would improve our insight in the deliberations of those who negotiated the Versailles treaty a century later.

Furthermore, within the literature on the Napoleonic Wars and their aftermath, the reparations have stood in the shadow of the discussion on the political aspects of the treaties. This is striking, especially considering that the Second Treaty of Paris was even accompanied by a separate convention, signed two weeks before the principal treaty, dedicated to the indemnities. It was a substantial and delicate aspect of the peace. In a recent seminal book on the Congress of Vienna and what came after, Mark Jarrett only spends a couple of pages on the subject. What is more, his discussion takes the reparations as a given: ‘she [France] was not so fortunate this second time’, is about all he says about the reasons for the financial demands.<sup>3</sup> Granted, Jarrett’s book is specifically concerned with the congress system that emerged after 1815, but this treatment of the financial aspects is typical of the literature on the post-war settlement. Both Henry Kissinger and Harold Nicholson do go into the details of the negotiations concerning the Second Treaty of Paris, though, here as well, the financial aspects are not really taken into consideration.<sup>4</sup> Tim Chapman similarly only grants brief attention to the reparations, even going as far as dismissing them as a ‘fine’. Referring to the financial aspects of the peace, he writes: ‘Neither of these financial burdens was too difficult, the fine being paid promptly and the army

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<sup>2</sup> Convention (IV) respecting the Laws and Customs of War on Land and its annex: Regulations concerning the Laws and Customs of War on Land. The Hague, 18 October 1907.

<sup>3</sup> Mark Jarrett, *The Congress of Vienna and its Legacy: War and Great Power Diplomacy after Napoleon* (I.B. Tauris 2012) 172. For the rest of his discussion, see: 180.

<sup>4</sup> Henry A. Kissinger, *A World Restored: Metternich, Castlereagh and the Problems of Peace: 1812-1822* (Harvard 1954); Harold Nicholson, *The Congress of Vienna: A Study in Allied Unity, 1812-1822* (1946; Grove Press 2000).

withdrawing as a result.<sup>5</sup> Thomas Veve perhaps comes closest to a proper appreciation of the indemnity. He addresses the negotiations in the introduction to his book about the army that occupied France between 1815 and 1818, but his discussion is ultimately restricted to a few pages, as the subject of his book is the army of occupation.<sup>6</sup>

Despite this lack of attention for the reparations over the years, several articles have in fact been written on the subject. These articles demonstrate that the financial burdens, contrary to Chapman's rather belittling assessment, far exceeded the level of a simple fine. France was struggling: its coffers were empty and its finances in arrears. Payment was never going to be a walk in the park. In the end, it was only able to fulfil its obligations with the help of the Duke of Wellington and the private banking houses Baring and Hope. The problems facing France were first comprehensively discussed in a 1953 article by French historian André Nicolle. More recently, Eugene White, who has written extensively on French nineteenth-century finances, has published a more economically-minded discussion in 2001 on how the French paid. Similarly, in 2014, Kim Oosterlinck et al. have placed the reparations in the broader context of the evolution of French sovereign debt between 1815 and 1825. Finally, a 2016 article by Jerome Greenfield provides a fuller picture of the loan negotiations that took place in 1816 and 1817.<sup>7</sup>

What these articles have in common is their starting point: after only a very brief discussion of why the reparations were imposed, they jump to how the payments were made. Only Eugene White in his 'Making the French pay' takes more time to address the matter. Still, although he explicitly poses the question 'Why were reparations imposed in 1815?', his discussion does not exactly constitute an analysis of the deliberations, intentions, interests and discussions of and between the allies concerning financial exactions. Like Jarrett and most others, his assessment is simply that 'reparations now became part of a tougher peace package, assessing a penalty for threatening the new European order and a deterrent against future ventures'.<sup>8</sup> The reparations, in short, are taken as a given in the literature, without paying attention to the underlying deliberations.

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<sup>5</sup> Tim Chapman, *The Congress of Vienna, 1814-1815* (Routledge 2006) 54.

<sup>6</sup> Thomas Dwight Veve, *The Duke of Wellington and the British Army of Occupation in France, 1815-1818* (Greenwood 1992) 12-17.

<sup>7</sup> André Nicolle, 'The Problem of Reparations after the Hundred Days', *The Journal of Modern History*, 25, 4 (1953) 343-354; Eugene N. White, 'Making the French pay: the costs and consequences of the Napoleonic reparations', *European Review of Economic History* 5 (2001) 337-365; Kim Oosterlinck, Loredana Ureche-Rangau, and Jacques-Marie Vaslin, 'Baring, Wellington and the Resurrection of French Public Finances Following Waterloo', *The Journal of Economic History*, 74, 4 (2014) 1072-1102; Jerome Greenfield, 'Financing a New order: The Payment of Reparations by Restoration France, 1817-18', *French History*, 30, 3 (2016) 376-400.

<sup>8</sup> Eugene N. White, 'Making the French pay', 339.

This paper intends to do exactly that: it intends to fill the historiographical gaps on these three levels by discussing the context, the interests and the negotiations that led to the 700 million francs indemnity specifically. This thesis is limited to the indemnity because part of the total sum to be paid by France was only determined *after* the treaty was signed, and because limiting the focus of this research allows for a more rigorous investigation of the deliberations leading up to the treaty, within the scope of a master's thesis.<sup>9</sup> Through a thorough investigation of primary source-material concerning the deliberations, incorporating printed correspondence from principal actors, unprinted memoranda and protocols of meetings between the allies, ranging from shortly after Napoleon was defeated in June to the signing of the final treaty on November 20<sup>th</sup>, 1815, this thesis attempts to answer the question why the allied powers decided to impose financial indemnities on France with the Second Treaty of Paris and how they arrived at their final decision.<sup>10</sup> What were the various interests, goals and circumstances influencing these deliberations and how were these balanced and negotiated by the allies?

For a proper answer to this question, a necessary first step is to set the stage for the deliberations. This includes a brief description of the wars that made this treaty necessary, of course, but also a discussion of the history of reparations and the interests of the great powers involved at the beginning of the negotiations. Together, these three elements provide the necessary context to understand the deliberations. This is followed by a detailed discussion of the problems 'on the ground', to demonstrate how the allies dealt with problem of providing for their armies at France's expense without derailing the situation. It shows how differently the allies acted towards France and how Prussia asserted itself from the very beginning, while the other powers were concerned with the stability of France and the emerging issues of payment. In the third part of this thesis, these issues and dispositions reappear in the negotiations that lead to the final settlement, which will be dissected in the last segment to retrospectively illustrate who was the driving force in these negotiations.

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<sup>9</sup> One other financial aspect was to allow individuals to submit claims for damages. The deadline was set at 1 March 1817, and the final sum (set at 320.8 million francs) was only accepted by the French legislature in May 1818, which is far beyond the scope of this thesis. See: Eugene White, 'Making the French pay', 340.

<sup>10</sup> Note that I have not accessed the actual archives in Berlin (Geheimes Staatsarchiv Preussischer Kulturbesitz), as this requires special permission. Instead, I have relied on the meticulous notes taken by prof. dr. Beatrice de Graaf, who was so kind to let me make use of them.

# 1. Setting the Stage

## 1.1 The Revolutionary and Napoleonic Wars

To fully understand the decisions of the allied powers in 1815, it is vital to know the depths of the turmoil Europe had been plummeted in by France and how the wars eventually came to an end. In this part I will briefly discuss this history, before turning to the deliberations and the peace treaty itself.

When in 1814 Napoleon Bonaparte was first forced to abdicate by an allied coalition of Russia, Prussia, Great Britain and Austria (and several smaller states), Europe had been at war for a generation. The long wars had begun in April 1792, when the National Assembly of Revolutionary France declared war on Austria, convinced that the war would be both short and victorious. Instead, the Austro-French war would be the starting point of a conflict that would ultimately include nearly every country of Europe, raging across the continent, the Middle East, southern Africa and the West Indies. Ironically, what began as an ideological struggle to defend the Revolution against the anti-revolutionary monarchies of Europe – the French legislators hoped to consolidate revolutionary gains through a successful war against the Austrian emperor – eventually became expansionist in nature, like the wars the hated *ancien régime* had been fighting for ages. There were two crucial differences, however: first, the revolutionaries (and later Napoleon) succeeded where the Bourbons had failed, conquering substantial parts of Europe; secondly, the Revolutionary Wars established the idea of citizen-armies and spread the revolutionary ideology across Europe. Both differences are captured in the revolutionary government's announcement that it would assist all peoples in the struggle against their kings.<sup>11</sup>

Understandably, the monarchs of Europe were not amused by this expansionist revolutionary zeal.<sup>12</sup> In fact, they were afraid. As the British Enlightenment historian Jonathan Israel writes, the Revolution 'represented an alarmingly disruptive force in international relations from the outset'.<sup>13</sup> Its very principles were a rejection of all existing norms and values of monarchical Europe: it ended the monarchy, it declared war on the aristocracy, and it aimed to destroy the authority of religion. Louis XVI and Marie Antoinette were decapitated, aristocrats were attacked, while churches were transformed for the veneration of reason. To European potentates, the Terror, which exposed thousands of necks to the guillotine, and the revolutionary wars, were the evidence that revolutionary ideas were the scourge of the earth.

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<sup>11</sup> Gregory Fremont-Barnes, *The French Revolutionary Wars* (Osprey 2001) 8.

<sup>12</sup> Jarrett, *The Congress of Vienna and its Legacy*, 21-22; Simon Schama, *Citizens* (Penguin 1989) 588-603.

<sup>13</sup> Jonathan Israel, *Revolutionary Ideas: An Intellectual History of the French Revolution from The Rights of Man to Robespierre* (Princeton 2014) 164, 231.

Even worse for Europe, the threat of revolutionary expansionism to other European countries became even more potent with the rise to power of Napoleon Bonaparte in 1799. Under his reign, the transformation from defensive to expansionist wars was completed. The wars effectively became a struggle for French hegemony. The human toll of these conflicts was enormous. Estimates of the number of fatalities of the Revolutionary and Napoleonic Wars differ, but they invariably run into the millions. Additionally, Napoleon's goal of making war pay for itself cost conquered countries dearly.<sup>14</sup> Spain, for example, paid six million francs per month from October 1803 onwards in exchange for neutrality, while Napoleon imposed large contributions on Austria and Prussia.<sup>15</sup> Both considering lives lost and material cost, then, the allies had compelling motives to be vindictive when Napoleon was finally forced to abdicate with the Treaty of Fontainebleau in 1814.

At that point, the way ahead for the allied powers was all but straightforward. They wanted to create a just and sustainable peace, but this was easier said than done. After all, a just peace may not necessarily be sustainable, while a sustainable peace may not necessarily be just. Interests, and thus goals, diverged on all kinds of matters. Who was to replace Napoleon? What kind of system was to be established? How will the borders of France be drawn? One thing was clear from the outset: France would not become a republic, as the republic was the cause of the war in the first place.<sup>16</sup> In the end, the Allies opted for a constitutional monarchy. The brother of the beheaded king Louis XVI was chosen to head this restored Bourbon monarchy, provided he would agree to grant a constitution. This newly anointed ruler, king Louis XVIII, signed the first Peace of Paris in May 1814, which reduced France to its 1792 borders (which were larger than those of 1789).<sup>17</sup> The allies were lenient, perhaps too lenient, careful as they were not to foment revolutionary spirits in France.

However, the situation was not resolved with these measures. The revolutionaries and Napoleon had thoroughly uprooted the map of Europe. To settle the more intricate matters and the territorial aspects of the peace, the allies agreed to convene in Vienna later that year. Statesmen of all greater and lesser powers of Europe were invited to attend the general congress in November 1814, the most important of them being foreign secretary Lord Castlereagh and the Duke of Wellington for Britain, foreign minister Count Nesselrode for Russia, foreign minister Prince Metternich for Austria, Prince Hardenberg for Prussia, and foreign minister Talleyrand for

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<sup>14</sup> Philip G. Dwyer, *Napoleon and Europe* (Routledge 2014) 10-11.

<sup>15</sup> Charles Esdaile puts the total number of casualties of the French Wars (i.e. Revolutionary and Napoleonic) at 5 to 7 million, including civilians. See: Charles Esdaile, *Napoleon's Wars: an international history, 1803-1815* (Penguin 2009) 459.

<sup>16</sup> Mark Jarrett, *The Congress of Vienna and its Legacy* (I.B. Tauris 2016) 53.

<sup>17</sup> Roy Bridge and Roger Bullen, *The Great Powers and the European States System, 1814-1914* (Routledge 2014) 25.

the French, who were invited to sit at the table as well. The plenipotentiaries of the lesser powers, meanwhile, were mainly present to ratify the decisions of the bigger players. This gave weight to the decisions taken at Vienna, but it fit in with broader existing notions of public law as well: convening congresses at the end of major wars had been a well-established European custom from the Westphalian peace conventions onwards. Even the French Directory and Napoleon had turned to such congresses to legitimize their gains.<sup>18</sup> For over seven months, the statesmen present in Vienna grappled with matters of varying difficulty and importance, the most notable stumbling stone being the Polish-Saxon question, which divided the allies to such an extent that in the end Talleyrand played an important role in resolving the conflict, deftly using it as a wedge to increase his influence.<sup>19</sup>

Napoleon, meanwhile, had been exiled to Elba, in what was essentially a unilateral choice on Tsar Alexander's part. Not everyone was pleased with this decision, fearing that the island's proximity to the French mainland would spell a quick return of Napoleon. Those fears were proved right on March 7<sup>th</sup>, 1815, when Napoleon landed on the south-coast of France and commenced his march on Paris.<sup>20</sup> During the Hundred Days that followed, Napoleon tried to upset the existing order one last time. The allies, shocked to the core by Napoleon's return, were not exactly prepared for a resurgence of the *Grande Armée*, but they were all the more resolved to put a definitive end to the terrifying energy of Bonapartism.

In various parts of France, the revolutionary zeal reawakened, with working men yelling 'Long live the emperor!' in the streets of Lyon, for example.<sup>21</sup> But Napoleon's return was never going to last. His attempt faced universal resistance in the other European powers. Only three months later, when Napoleon marched his army north for Brussels, he was stopped near the small village of Waterloo. When the smoke cleared on that 18<sup>th</sup> of June 1815, Napoleon was defeated. Only days later, Paris was taken, now by the Prussians and the British, and Napoleon was forced to abdicate for a second time. This time he was banished properly. They sent him to Saint Helena, a remote British island far off the coast of West Africa, never to return.<sup>22</sup>

The shock of the Hundred Days changed the way the allies approached the peace. Castlereagh described this changed mindset in an address to the House of Commons in 1816. After mentioning that he would never forget 'the generous and disinterested conduct of the allies toward the French in the year 1814', he said it might be wished that their conduct had been different 'if looked at in conjunction with the events that afterward occurred'. However, he

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<sup>18</sup> Jarrett, *The Congress of Vienna and its Legacy*, 69-70.

<sup>19</sup> *Idem*, 27-30.

<sup>20</sup> David Lawday, *Napoleon's Master: A Life of Prince Talleyrand* (Random House 2011) 260.

<sup>21</sup> Francois Furet, *Revolutionary France, 1770-1880* (1992) 277.

<sup>22</sup> J. David Markham, *The Road to St. Helena: Napoleon after Waterloo* (Pen & Sword Military 2008) 50-51.

decisively dismissed such judgment with the benefit of hindsight. If the allies had taken harsh measures, 'when the French nation seemed ready to leap into the arms of their legitimate king', joyful at 'being delivered from their tyrant', then perhaps the consequence would have been 'to involve that country and the confederates in a protracted and intestine warfare'. That was the very last thing the British, and all other allies, wanted.<sup>23</sup>

Still, the allies returned to the negotiating tables with a different, harsher mindset. This time the peace would be less conciliatory, as the Hundred Days had shown the continuing vitality of bonapartism and revolution – these had to be weeded out for good. For that reason, two peacetime alliances were created: the Quadruple Alliance in November 1815, which included the four great powers Britain, Prussia, Russia, and Austria, and the Holy Alliance, signed by the monarchs of Austria, Russia, and Prussia in September 1815. For lack of a better option, Louis XVIII was restored to the throne once again. The power unleashed by the French Revolution was enormous; it had taken the allies seven coalitions to grind it to a definitive halt at the battle of Waterloo in 1815.<sup>24</sup> This time, they were resolved to make Louis XVIII's reign durable.

Before turning to the actual deliberations, however, it is necessary to briefly sidestep chronology and go back in time, in order to understand what kind of ideas the allies could have held about looting, compensation and indemnities, after which the interests of the allies at the beginning of the deliberations will be discussed.

## 1.2 A history of tribute, pillage and indemnities

The practice of reparations, the most famous example of which is the hefty sum exacted from Germany after the First World War, in fact goes back thousands of years. Not in the exact sense as they are known in the modern age, with its elaborate justifications and legal framework, but instead as the evolution of the old custom of tribute.<sup>25</sup> Already in ancient Sumer, it was established practice for the defeated party to pay tribute to its victor. This often took the shape of a regular payment. Failure to pay was considered a just cause for renewed war. So in essence, the practice of tribute boiled down to a threat: 'pay us or we will attack you'.<sup>26</sup> For the Romans, demanding tribute was essential to the functioning of their realm. In some cases, they would refrain from claiming tribute with the goal of gaining an ally, but this was the exception. The Romans expected their defeated enemies to pay a share of the costs of the war as the price of peace.<sup>27</sup> This resonates

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<sup>23</sup> 'Address upon the Treaties with Foreign Powers', 19 February 1816, in: Thomas Carson Hanson (ed.), *The Parliamentary Debates from the Year 1803 to the Present Time*, Vol. XXXIII (1816) 682-683.

<sup>24</sup> Fremont-Barnes, *The French Revolutionary Wars*, 8.

<sup>25</sup> Rudolf Bernhardt, *Use of Force: War and Neutrality Peace Treaties (N-Z)* (Elsevier 2014) 178.

<sup>26</sup> Alexander Gillespie, *A History of the Laws of War: Volume 2. The Customs and Laws of War with Regards to Civilians in Times of Conflict* (Bloomsbury 2011) 215.

<sup>27</sup> Gillespie, *A History of the Laws of War*, 223.

closely with the modern practice of demanding reparations, which I will explain further down. Tribute remained an important practice throughout history until approximately the Renaissance. Before then, the Byzantine emperors paid tribute to halt the aggression of Attila the Hun and many parts of Europe paid tribute, so-called *Danegeld*, to Vikings to stop their horrific and disastrous raids.<sup>28</sup>

However, tribute was not the only destructive aspect of having war waged on your territory. In addition to tribute, an integral part of warfare throughout the ages was the looting and pillaging of conquered territory.<sup>29</sup> For the Greeks, the amassment of spoils was part and parcel of their way of war; it was sanctioned by their Gods, heroes and philosophers like Plato and Socrates. For the Romans, as well as the Barbarians later on, pillage was simply a way of paying the warriors. This was still the case in the age of the Crusades, when booty became an important source of reward for soldiers on both Islamic and Christian sides, as many of them were unpaid.<sup>30</sup>

Organized devastation caused by pillaging troops could aid a commander's goals by denying supply to the enemy or breaking the enemy's morale, but the lure of the loot would sometimes lead to chaos, as soldiers would start pillaging even before the last enemy had been defeated.<sup>31</sup> Interestingly, this endangered the political-military goal of an attack in much the same way as the military requisitions endangered the goals of the allied occupation in 1815, which I will discuss later. Systematic looting was still evident in the eighteenth century, where the taking of spoils is estimated to have paid for about a quarter of the cost of Louis XIV's wars, for example, and during the Seven Years War pillaging was done by Austrian, French, Russian and British forces while the war raged across Prussian territory. The problem of chaotic looting was solved, or was attempted to be solved, by discussing divisions of loot up front: soldiers could still take the property of others, but the prize was shared equally. In practice, however, looting and pillage was a tenacious part of warfare.<sup>32</sup>

In the meantime, a state system had begun to emerge in which the idea of a balance of power between the main states was the pre-eminent mechanism governing international relations. While it was regularly named and referred to, it is impossible to establish what the exact rules were – as it had none. Still, according to Paul W. Schroeder, the code that governed the game of international politics in the late-eighteenth and early-nineteenth century can be summarized under a few main labels:

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<sup>28</sup> Gillespie, *A History of the Laws of War*, 227.

<sup>29</sup> Gérard Chaliand, *A Global History of War: From Assyria to the Twenty-First Century (...)* 49.

<sup>30</sup> Gillespie, 218, 221, 225, 231.

<sup>31</sup> John A. Lynn, 'Looting/Plunder/Booty', in: Robert Cowley and Geoffrey Parker (eds.), *The Reader's Companion to Military History* (New York 1996) 271.

<sup>32</sup> Gillespie, 241-242.

Compensations, indemnities, alliances as instruments for accruing power and capability, *raison d'état*, honour and prestige, Europe as a family of states, and finally, the principle or goal of balance of power itself<sup>33</sup>

The rule of compensation is important here. It is a simple principle meaning that one state must seek compensation for gains made by another state that is important to oneself. In a system where all main powers are relatively balanced against each other, every gain by one of these powers is to the relative detriment of the other powers' standing. The second rule, that of indemnities, simply refers to payments for losses or services. This meant that states would not only try to indemnify themselves for the costs made during a war by exacting those costs from the subjugated enemy, much like the tributes in earlier times, but also that states expected to be indemnified for their assistance in wars, either by sharing in the spoils or through direct payments.<sup>34</sup>

Martin Wight similarly identifies compensation as an important element of international politics, but he considers indemnification as a simple financial version of compensation. Economic indemnities or reparations, he writes, was one kind of compensation, while compensation in a stricter sense as established in the eighteenth and nineteenth century was 'a method of regulating the balance of power by agreed territorial exchange'.<sup>35</sup> This distinction will return later on in this thesis, as it was a subject during the deliberations. The indemnity imposed by the second treaty of Paris is nowadays considered as being solely of a financial nature, but that was not the case. For now, however, it is important to remember the distinction between territorial and financial compensation and, in what follows, to see how Napoleon dealt with this principle.

### 1.3 Napoleon's treaties

By the time Napoleon became the most powerful man in France, compensation as a rule of international politics was well-established and Napoleon did not fail to honour the concept – initially at least. The treaties he concluded after his victories in the Wars of the First and Second Coalitions are in fact excellent examples of compensation. Both wars ended with treaties that left Austria, the defeated party, some territory that originally belonged to a third party, in both cases the unlucky Republic of Venice. By the Treaty of Campo Formio, for example, which ended the War of the First Coalition and left Great Britain as the sole power fighting France, Austria officially ceded its possession of the Austrian Netherlands and certain other territories in exchange for some territory in Italy and the promise of further compensation in Germany, which it ultimately did not receive. This in itself was evidence of the rapidly changing French attitude: France was

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<sup>33</sup> Paul W. Schroeder, *The Transformation of European Politics, 1763-1848* (Clarendon Press 1994) 6.

<sup>34</sup> *Idem*, 6-7.

<sup>35</sup> Martin Wight, *Power Politics*, 186.

increasingly unwilling to seek moderate settlements with other states.<sup>36</sup> Where Napoleon seemed to act on the idea of relatively equitable restitution at first, the compensation became ever more marginal in time, to the point that there was no compensation anymore at all. Another treaty with Austria, the 1805 Treaty of Pressburg by which Austria withdrew from the Third Coalition, represents a step in that direction, as it stripped Austria of one-sixth of its territory and three million subjects, while it only received the Electorate of Salzburg as minor compensation.

The treaty was remarkable in another manner as well, as it was the first time Napoleon imposed a financial sum, which amounted to 40 million francs. It reduced Austria to political, military and financial powerlessness.<sup>37</sup> Importantly, the imposed economic costs were not considered tribute, in contrast with other periods, as Napoleon reclassified them as indemnities for the price of the wars instead. Moreover, Napoleon tried to ensure Austrian ongoing compliance by occupying Austrian territory and by maintaining large parts of his army at Austria's costs, draining the Austrian treasury.<sup>38</sup> This evolution would play a role in the way the allies considered the matter of demanding compensation from France in 1815, as we will see further down.

If the Treaty of Pressburg was considered harsh at the time, its harshness pales in comparison with later treaties. The 1808 Treaty of Tilsit which concluded the war between Prussia and France devastated Prussia. By Tilsit's terms, Prussia lost approximately half of its territories, while its pre-war population of over nine million subjects was reduced to fewer than five million. The treaty required that all Prussian fortresses were to be occupied by French troops and that the kingdom joined Napoleon's Continental System (an embargo against British trade), with devastating consequences for Prussian trade.<sup>39</sup> To make things worse, Napoleon demanded that imperial garrisons were supported at Prussia's expense as well as the construction and maintenance of highways he was planning to build. Finally, the withdrawal of the troops was tied to the payment of an indemnity, the height of which was set 140,000,000 francs. Half of that sum was to be paid within twenty days of ratification. All in all, the treaty's unprecedented severity (at least, as far as great powers were concerned) left deep scars in the Prussian psyche and as such became the source of the vengefulness which animated Blücher when he tried to demolish the Parisian *Pont d'Iena* later on.<sup>40</sup>

To conclude this overview of treaties and precedents for the 1815 indemnities, the 1809 Treaty of Schönbrunn, which ended the Fifth Coalition after Austria had been decisively defeated, was yet another example of Napoleon's harsh peace terms and use of indemnities. Austria again

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<sup>36</sup> Hamish M. Scott, *The Birth of a Great Power System, 1740-1815* (Pearson/Longman 2006) 280.

<sup>37</sup> Schroeder, *The Transformation of European Politics*, 284.

<sup>38</sup> Michael V. Leggiere, *Napoleon and the Struggle for Germany* (Cambridge 2015) 27; Gillespie, 248.

<sup>39</sup> Leggiere, *Napoleon and the Struggle for Germany*, 25.

<sup>40</sup> *Idem*, 25-28.

lost various territories, but with it this time it lost access to the sea, transforming it into a landlocked country. Her forces were reduced to 150,000 men and it was saddled with a war indemnity of 85 million francs.<sup>41</sup> Together with the Treaty of Tilsit, it concludes the transformation of Napoleon's dealings with defeated powers and it was the most recent peace treaty for the allied powers to look back on when they were drafting the First Peace of Paris in 1814. Evidently, they did not let vengefulness get the better of them then, but it was harder to resist the second time around. Given the harshness of Napoleon's treaties, the luring call of vengeance must have been enormous.

In addition, as we have seen in this short overview of several millennia of tribute, pillage and indemnity, demanding a certain sum from a subjugated party was more than commonplace throughout the ages. Although the labels and the exact justification have changed over time, the basic mechanism has always remained the same: the vanquished pays the victor, unless the victor decides otherwise. In ancient times these payments could go on indefinitely in the shape of tribute, but other than that, the idea of reparations for damages or that of indemnities for the costs of war are all one and the same. What this means is that the only difference between indemnities in 1815 and tribute in the nineteenth century B.C. lies in its justification: can the demanded sums be considered just? If not, then the labels 'reparations' or 'indemnities' are a mere veil for extortion, plain and simple. This was definitely true for the indemnities Napoleon imposed on Prussia and Austria, whether the same was true for those imposed on France is one of the questions that will be addressed in the rest of this paper.

Another aspect of this history is the chaotic looting. While this was not exactly the case in 1815, not in the same way as in the cases described above, there are similarities. Generally stated, the problem with the chaos of random pillage by soldiers without pay is that their actions could have a negative influence on the goals of their commanders. This was true in a very direct sense in the example mentioned above: if some soldiers turned to looting before the last enemy had been defeated, it is quite clear that it would be detrimental to the efforts of the army as a whole. Similarly, we will see that the allies were struggling to keep their armies in line as well, but on an entirely different scale. They had to secure the means to provide for their armies through negotiation with the French government in order to stop the looting and to safeguard their goal of tranquilizing France.

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<sup>41</sup> Alan Sked, *Metternich and Austria: An Evaluation* (Palgrave Macmillan 2008) 42.

#### 1.4 Interests of the different allied powers

While keeping the hardships and setbacks of the allies in mind, one last subject to address prior to the discussion of the negotiations are the interests of the allied powers in the 1814-1815 period.

The most important of the British delegates, Viscount Castlereagh, had a rather clear view of what was to be attained in Vienna for the wellbeing of the British state. This was the case because Castlereagh's ideas about the future constellation of Europe were substantially informed by the plans that the former British prime minister William Pitt had drafted a decade earlier. This 'Pitt plan' shaped Castlereagh's designs, most importantly with its emphasis on a belt of buffer states surrounding the aggressive French state and the menace of Russia balanced with a strengthened Prussia and Austria.<sup>42</sup> The higher goal served by these measures was a sustainable peace. Castlereagh realized that, for a future peace settlement to be sustainable, the needs and wishes of the great powers needed to be satisfied as much as possible, without making this or that power overly powerful.<sup>43</sup> Within this framework, then, Castlereagh aimed to secure various goals: the creation of buffer states was partly to be realized with a united Belgium and Holland, central Europe was to be strengthened through the creation of a German confederation, and Austria was to be predominant in Italy.<sup>44</sup>

Contrary to other states, Britain did not seek any territorial gains on the continent itself. This was not the result of some highhearted ideal, but of pragmatic strategic interests: continental possessions would only serve to draw Britain into wars and alliances it did not want or need. The British disposition at the Vienna Congress was not acquisitive, simply because it was, as Mark Jarrett puts it, a 'largely satiated power' with its command of the seas.<sup>45</sup> Contrastingly, its land army was relatively lightweight compared to the continental powers. Its main interest, therefore, was to keep the continental powers quiet: Britain wanted – and even needed – a tranquil Europe so it could focus on and benefit from its colonial empire.<sup>46</sup> To enhance the security of the British Isles, the next best step it could take was to minimize the chances of an amphibious invasion. For that reason, it had formally annexed Ireland a decade prior and it was now looking to unify the formerly Austrian Netherlands with the rest of the Low Countries in order to keep it out of French hands.

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<sup>42</sup> Nicholson, *The Congress of Vienna: A Study in Allied Unity: 1812-1822*, 55-56.

<sup>43</sup> *Idem*, 242.

<sup>44</sup> Jarrett, *The Congress of Vienna and its Legacy*, 154.

<sup>45</sup> *Idem*, 156.

<sup>46</sup> Chapman, *The Congress of Vienna, 1814-1815*, 20.

Prussia was in a different position entirely. From the early eighteenth century onwards, its history had been one of incessant successes and unparalleled ascendancy among the European powers. Means to this success was the militarization of Prussian society, which helped its most famous king, Frederick the Great, attain the grand victories that cemented Prussia's status as one of the great powers and led Napoleon to visit his grave in 1806. Militarily, Prussia punched far above its weight, considering its relatively small territory and population, supposedly leading to the saying that Prussia was not a state with an army, but rather an army with a state.<sup>47</sup> This made Napoleon's humiliation of the Prussian forces at Jena in 1806 extremely poignant, while the subsequent Treaty of Tilsit added insult to injury. By stripping away large swathes of its territory, it reduced Prussia to a third-rate power. The Prussian army had been destroyed and its territory had been drastically reduced, effectively taking away everything Prussia stood for.

The trials and tribulations of the Prussian nation were at the forefront of the Prussian delegates' heads while discussing the post-war settlement. Alongside the particular interests they asserted at the negotiation table, they held one view unerringly, namely that France should be punished severely.<sup>48</sup> Beyond that, what Prussia wanted above all was to become a great power again. It needed land for that, because at the time, size was an important determinant of power. Generally speaking: the bigger the territory, the bigger the population, and the bigger the population, the bigger the pool of army recruits and taxable individuals.<sup>49</sup> Moreover, Prussia's location in central Europe made it prone to invasions from all sides. Its desire for land was therefore not a mere case of greediness, but also a simple need for strategic buffers. It wanted to attain this in part by absorbing Saxony, which Austria, for reasons I will detail below, would not allow.

Prussia's negotiating position was relatively weak at the Congress, as it had not played a role of significance in the first overthrow of Napoleon.<sup>50</sup> Therefore, Prussia wisely aligned itself with the far mightier Russia for a partition of lands with the 1813 Treaty of Kalisch. By this treaty, Prussia would gain Saxon territory, while Russia would annex Poland. Unsurprisingly, the other allies did not like this. Opposition from both Britain and Austria led to immense tensions in the alliance, even bordering on war at some point, and it took some clever intervention on the part of Talleyrand to solve the issue. In the end, through the combined pressure of the other allies, both Prussia and Russia had to let go of their treaty and settle for a compromise, by which Prussia gained only part of Saxony.

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<sup>47</sup> Mary Fulbrook, *A Concise History of Germany* (Cambridge 2004) 77.

<sup>48</sup> Chapman, *The Congress of Vienna, 1814-1815*, 24.

<sup>49</sup> *Idem*, 18-19.

<sup>50</sup> *Idem*, 24.

Russia, meanwhile, gained only parts of Poland, to the disappointment of Tsar Alexander I. He did not play his hand well at the Congress of Vienna. His land army was immense. He could (and did) field far more armed forces than any of the other great powers, and what is more, Napoleon's failed Russia campaign of 1812 had been the beginning of the end for the French emperor. Alexander I followed up this clever victory with a *tour de force* across the continent only to end up thousands of kilometers from home in the French heartland, as a crucial contingent of the forces that coerced Napoleon to resign. For those reasons, Alexander's bargaining position for the first Treaty of Paris and in Vienna was good. He wanted Poland and none of the powers was in any position to thwart him, even though they highly desired to do so. Why were Britain and Austria so anxious to prevent Russia from acquiring Poland? Simply because even without Poland, Russia was massive and powerful. It already had an irrefutable claim to Finland, as well as to Bessarabia (approximately modern day Moldova and parts of Ukraine), so the Polish territories would even further enhance its power, and, most importantly, would project Russian power further west than ever before. All of this made Russia the most menacing of the great powers.<sup>51</sup>

While Britain had issues with this Polish extension of Russian lands as it would disturb the balance of powers in Europe, it posed a more direct threat to Austrian interests. With Russia in possession of (most of) Poland, Austria was vulnerable to attack along its northern border.<sup>52</sup> Metternich, the Austrian foreign minister, could not accept that. At this point in time, Austria was no strong great power. It saw a growing Russian threat in the east and had fallen victim to the French threat in the west. Both its economy and population gave it little support from within. Because of that, what Metternich sought to achieve was a *just equilibrium*: a balance of power to cancel out threats. Moreover, he shared the British aim of strengthening central Europe to forestall Prussian expansion at Austria's expense.<sup>53</sup>

Metternich wanted to establish and maintain control over Northern Italy, while creating a German Confederation under Austrian leadership.<sup>54</sup> Generally speaking, he intended to territorially separate Austria from all the other powers. Austria needed strategic buffers. That is why he abandoned the Austrian Netherlands, only to be compensated in Northern Italy (Lombardy and Venetia), away from the other powers, why he refrained from taking German territory bordering on France, and that is also why he was staunchly opposed to the Russian annexation of Poland.<sup>55</sup> Like Britain, then, Austria was a largely satiated power. It did not seek to

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<sup>51</sup> Chapman, 24.

<sup>52</sup> Alan Sked, *Metternich and Austria. An Evaluation* (Palgrave Macmillan 2008) 65.

<sup>53</sup> Chapman, 17; 22-23.

<sup>54</sup> Jarrett, 155.

<sup>55</sup> Alan Sked, *Metternich and Austria*, 64.

expand, but to consolidate, to create a stable Europe and to suppress all forces that threatened to uproot the existing order.

Inevitably, the various aims and interests of the great powers clashed when the post-war settlement was discussed at Paris and Vienna, prior to the Hundred Days and the Second Treaty of Paris. Russia and Prussia were determined to cling to the Treaty of Kalisch, while Britain and Austria tried to persuade them otherwise. It was not so much the Prussian, but the Russian expansion that worried them. Luckily for those powers, Tsar Alexander did not play his hand well. After a tense stand-off between the two blocs, which I will not elaborate upon in this piece, Talleyrand cleverly pulled his weight and helped bring about a compromise. Prussia gained parts of Saxony, Russia gained parts of Poland, but Poland in general became a semi-independent kingdom. Prussia was compensated in the west for its losses in Poland, however, effectively gaining the most of all powers. Its goal of gaining more land coincided with Austrian and British plans for a strengthened central Europe, but the lands it gained were geographically separated from its main territories while they were contiguous with France.

All of this would play a role in the negotiations central to this paper. Britain did not mind granting Prussia some more lands than necessary, as the settlement accorded closely with its goals anyway: its security was assured and the road was clear to enrich itself with free trade.<sup>56</sup> Austria was satisfied with the limitation of Russian expansion and the expanded Austrian influence in Italy. Moreover, all states surrounding France were pleased with the ring of buffer states. The final settlement was relatively lenient, despite incessant Prussian clamoring for severe punishment, which only demonstrates the relative powerlessness of Prussia at this point in time. This would change after the Hundred Days, however, as Prussian forces did play a significant role in defeating Napoleon a second time. In fact, they were the first to enter Paris and to demand a contribution, as we will see in the next part, and as such became the most persistent source of pressure for cessions from France.

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<sup>56</sup> Chapman, 52.

## 2. Military Requisitions

### 2.1 The Blücher episode: catalyst for the financial question

The first armies to arrive in the French capital after the battle of Waterloo were the Prussian and British, whose contingents in question were commanded by Blücher and the Duke of Wellington respectively. The behaviour of these two generals towards the Parisian populace differed considerably, even concerning the question whether Paris should be occupied at all. In a letter to Nesselrode, the Russian ambassador in Paris at the time, Pozzo di Borgo, wrote that Wellington wanted to spare Paris the presence of foreign armies, while Blücher wanted to occupy it, because the French had done the same in Berlin.<sup>57</sup> Whether Blücher's reasoning was really as tit-for-tat as Pozzo di Borgo suggests is up for debate, but it is clear that the general was not interested at all in winning the trust of the Parisians and keeping them calm by peaceful means.

Instead, Blücher focused on claiming for the Prussian nation what he deemed just. For that reason, he demanded a contribution of 100 million francs from the city of Paris. On top of that, he intended to symbolically undo the humiliation of the Battle of Jena, in which Blücher had been present to see Napoleon utterly crush the Prussian forces, by destroying the bridge Napoleon had dubbed the *Pont d'Iena* in its honour. Blücher set his men to work on this destructive effort before anyone could talk him out of it, as had happened in 1814, but their attempt failed due to a lack of experience with destroying bridges, which led Wellington to quip years later that the British could have finished the job in five minutes thanks to their experience in Spain.<sup>58</sup>

Few were happy with Blücher's actions. Even within the Prussian forces, his chiefs of staff Müffling and Gneisenau were opposed to destroying the Jena bridge. The allied representatives and generals present in Paris immediately informed their superiors in their home countries of the Prussian actions, adding their personal opinions as well. Viscount Castlereagh informed Lord Liverpool of the affair, adding that Wellington had urged the Prussians 'at least to suspend all measures of this nature till the arrival of the sovereigns'.<sup>59</sup> Meanwhile, Pozzo di Borgo addressed Nesselrode with his opinion that the Prussians were making their yoke felt far beyond what prudence required, effectively abusing their victory. He further informed Nesselrode of Wellington's demand that Blücher should wait for the arrivals of the sovereigns. The fact that he

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<sup>57</sup> Pozzo di Borgo to Nesselrode, 2 July, 1815, in: Pozzo di Borgo, Charles (ed.), *Correspondance diplomatique du comte Pozzo di Borgo, ambassadeur de Russie en France, et du comte de Nesselrode, depuis la restauration des Bourbons jusqu'au congrès d'Aix-la-Chapelle (1814-1818), publiée avec une introduction et des notes*, Vol. I (Paris 1897) 186-188.

<sup>58</sup> Earl Philip Henry Stanhope, October 25, 1838, *Notes of Conversations with the Duke of Wellington, 1831-1851* (New York 1888) 119.

<sup>59</sup> Castlereagh to Liverpool, 8 July, 1815, in: Charles William Vane-Tempest Stewart, second Marquess of Londonderry (ed.), *Memoirs and Correspondence of Viscount Castlereagh* (John Murray: London, 1848-1853) Vol. X, 419-420.

was aware of this demand suggests some cooperation or (at least) communication between the various powers on the matter.<sup>60</sup>

The matter was so important to the British that Wellington's letter was followed up by a meeting between Castlereagh, Wellington, Gneisenau and Blücher on July 9<sup>th</sup> and another letter from Wellington to Blücher on the same day.<sup>61</sup> In this letter, Wellington explicated his objections to Blücher's intentions more fully: it was disagreeable to the King of France and a disturbance to the city. He made a legal argument against the destruction of the bridge, which, considering it as a monument, should be left standing by the articles of the 1814 Treaty of Paris, and a political argument against the unilateral contribution Blücher imposed on Paris.

The latter part of this letter, in which Wellington puts forward his political argument, is where this episode ties into to the general pecuniary problem of the treaty negotiations discussed in this paper, as it pertains to the systematization of military requisitions and war contributions:

In regard to the contribution laid on the city of Paris, <...> it appears to me that the Allies will contend that one party to a general alliance ought not to derive all the benefit resulting from the operations of the armies.<sup>62</sup>

In short, Wellington thought a unilateral requisition is unfair. But his objections went beyond this, as he added that the allies might even 'contend for the right of considering the question whether France ought or not to be called upon to make this pecuniary sacrifice'. It shows that Wellington, at this point, does not exclude the possibility that France might not be subjected to any impositions at all. Whatever the outcome, however, Wellington insists that 'the levy and application of this contribution ought then to be a matter for the consideration of all the allies' and he asks Blücher to defer his measures till the sovereigns have arrived.<sup>63</sup>

In the Allied Council, the matter whether the allies had a right to indemnities was apparently quickly settled, as one of the first protocols already stated they would act 'without losing sight of the just grounds the Allies [had] for indemnities, not on the city of Paris taken separately, but on France as a whole'.<sup>64</sup> Two things are of interest in this formulation: first, it leaves the nature of

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<sup>60</sup> Pozzo di Borgo to Nesselrode, 9 July, 1815, in: *Correspondance diplomatique du comte Pozzo di Borgo*, 202-203.

<sup>61</sup> Wellington to Marshal Prince Blücher, 9 July, 1815, in: Arthur Wellesley, Duke of Wellington, *The Despatches of Field Marshal the Duke of Wellington during His Various Campaigns in India, Denmark, Portugal, Spain, the Low Countries and France from 1789 to 1815*, Vol. XII (T. Egerton: London. 1811-1813) 552-554.

<sup>62</sup> *Idem*, 553.

<sup>63</sup> *Idem*, 554.

<sup>64</sup> 'Protocole des conférences. Séance du 13. Juillet 1815', in: Geheimes Staatsarchiv Preußischer Kulturbesitz. Staatsarchiv Preußischer Kulturbesitz. III.HA Ministerium für auswärtigen Angelegenheiten. Map: 1464; '...en ne perdant plus à vue les justes titres que les alliés ont a des indemnités, non sur la ville de Paris séparément prise, mais sur la France entière...'.<sup>64</sup>

the indemnities – territorial or financial – undefined; second, it clearly refers to and rejects Blücher's imposition on Paris alone, instead urging for an indemnity that strikes France in its entirety. Importantly, this second element also opens the possibility of an exclusively territorial indemnity, if only in theory, as France as a whole could be asked to cede territories as a form of indemnity. It is important to keep this in mind, as it shows that the ultimate treaty with its 700 million francs indemnity was not a given at this point, and that the treaty could have ended up looking entirely differently.

Before we return to the matter of territorial and pecuniary indemnity in the third part of this thesis, it is first necessary to consider the issue of military requisitions. That is because in the early days of the occupation the upkeep of their armies was perhaps the most pressing matter for consideration of the allies. Who was to pay? Most, if not all, allies were quite ready to relieve themselves of this financial burden by offloading it onto France, especially because it did not appear likely that the armies would soon be able to leave France. Earl Bathurst, the British minister of War, wrote to Wellington on this subject, stating that 'the feeling for France to pay for the maintenance of our army is so very general and so strong in this country that we could not continue to act upon a different principle' and that it was deemed 'highly expedient' that the maintenance of the force should be at the expense of France.<sup>65</sup> The same was true for the other forces present in France.

In fact, the situation turned critical rather quickly. At this point in time, France was occupied by an allied force of over 800.000 men, all of whom had to be fed. As there was no system in place to provide this, it became a matter of military requisitions, which rapidly deprived the local populace of all their resources. This seriously concerned Wellington, who wrote to Castlereagh that this situation would set the whole country against the allies if 'the requisitions and all the contributions levied from the country are not regulated by some authority besides the will of each individual General commanding an army'.<sup>66</sup>

These were the issues pressing on the allies. They were questions with the potential of undoing everything the allies had fought for: ask too much and the French populace will rise up in anger; ask too little, and some allies might lash out in disappointment. It was a dilemma that the allies had to collectively grapple with in the following months. In what follows, I will first address this issue of military requisitions. What makes this so important to the general pecuniary question

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<sup>65</sup> Earl Bathurst to Field Marshal the Duke of Wellington, 10 July, 1815, in: Arthur Wellesley, Second Duke of Wellington (ed.), *Supplementary Despatches, Correspondence and Memoranda of Field Marshal Arthur [Wellesley] Duke of Wellington*, Vol. XI (John Murray: London, 1858-1872) 23; Earl Bathurst to Field Marshal the Duke of Wellington, 10 July, 1815, in: *Idem*, 24 (note: this is a different letter).

<sup>66</sup> Wellington to Viscount Castlereagh, 14 July, 1815, in: Wellesley, *The Despatches of Field Marshal the Duke of Wellington*, Vol. XII, 558.

is that, first, the outcome of the discussion concerning the upkeep of the occupation army was a matter that would become part of the final financial settlement, and second, because in these discussions and in the correspondence with the French government it must have become clear to the allies that exacting payments from France while keeping an eye on the higher goal of stability and durable peace was not an easy balance to keep.

## 2.2 From random requisitions to an agreement

Wellington's call for the joint consideration of matters concerning requisitions and contributions by the French state was heeded by his allies, and when the ministers of the various allied powers began meeting each other daily at eleven o'clock at the residence of the British representatives from the 12<sup>th</sup> of July onwards, they made sure to establish several principles as a baseline to ensure smooth cooperation between them.<sup>67</sup> In the second meeting, these principles were laid down. The ministers present decided that henceforth no ally would or could act in isolation, which, seeing that this was merely days after Blücher imposed 100 million francs on Paris, was quite clearly a reference to Prussian actions.<sup>68</sup> The ministers stated that everything that would be decided, all guarantees that would be demanded from France, would be discussed and executed by common accord in the name of the four main powers of the alliance. Moreover, all military requisitions that could have an effect on the greater issue at hand, i.e. the tranquility of France, would be proposed, discussed and deliberated by this *conference*.<sup>69</sup>

With these three principles, the allied ministers hoped to prevent that the French population would rise up against the allies like Wellington feared, as we have seen above. Similarly, although perhaps for other reasons, the French minister Talleyrand was concerned with stopping random requisitions from French subjects. Responding to the news that the allies were working in unison and wanted to be addressed as such – which was another arrangement they made at the second meeting –, he had various questions for this newly established allied council that were 'a matter of the highest interest for the wellbeing of the allied troops and the security of French subjects'.<sup>70</sup> His questions show that Talleyrand was hoping to make the requisitions, which were inevitable, as painless as possible.

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<sup>67</sup> The composition of those present could differ between meetings, but generally there was at least one representative for every great power, and usually more than one. Regular attendees were, for Britain, Castlereagh and Wellington, for Prussia, Gneisenau, Knesebeck, Humboldt or Hardenberg, for Austria, Metternich and Schwarzenberg, and for Russia, Nesselrode, Capo d'Istria and Pozzo di Borgo.

<sup>68</sup> 'Annexe 6 de la séance du 13. Juillet 1815', Geheimes Staatsarchiv Preußischer Kulturbesitz. III.HA Ministerium für auswärtigen Angelegenheiten (henceforth: GStA PK). Map: 1464; '*Aucun des Cabinets ne voudra et ne pourra conséquemment sous sa propre & seule responsabilité agir isolement*'.

<sup>69</sup> 'Annexe 6 de la séance du 13. Juillet 1815', GStA PK 1464.

<sup>70</sup> 'Annexe 12 de la séance du 14. Juillet 1815', GStA PK 1464; '*...le soussigné a l'honneur de proposer à la délibération de LL. SS. une question de plus haut intérêt pour le bien-être des troupes alliées et la sureté des sujets de S.M.T.C. [DdB: the French king]*'.

First, he asked whether a single and common administration for the requisitions would be established, and in what fashion the allies wanted the local authorities to interfere with this administration. Next, he wondered what links such a commission would hold with the French commission established for this subject. He added that this commission could offer all their statistical information to make the allies aware of local resources to allow for the most equal division possible. Lastly, he asked the allies to carefully consider this before they established any financial contribution, and to make sure that the regional distribution of the allied troops was such that no village would be requisitioned twice by the troops of different armies.

The letter by Talleyrand established themes that would take central stage the entire discussion: interplay between allied and local authorities and the excessive burden on particular regions and villages. As we have seen, at least some of the allies were very much interested in keeping the French population at ease and were careful not to overcharge them. Therefore, several days after Talleyrand's letter, another decision was taken to prevent any issues. At the eighth meeting, on the 19<sup>th</sup> of July, the allied council decided that in conformance with the principles decided at the meeting of the 13<sup>th</sup> (the second meeting, discussed above), generals will from this point abstain from any further pecuniary requisitions or requisitions of any other nature, except for those strictly necessary for subsistence.<sup>71</sup> While it was a step in the right direction, the exception for subsistence left the door open for further trouble, as we will see further on. Simultaneously, the Prussians, who were the most vengeful of all powers, were becoming increasingly annoyed with the interfering efforts of the British in moderating Prussian measures. The Prussians themselves justified their measures on the plea of retaliation, which in their view *was moderate*.<sup>72</sup>

However, the French would beg to differ. On July 20<sup>th</sup>, less than a week after his first memorandum, Talleyrand sent a second memorandum to the allied council. This time it was a rather extensive document, comprising a written letter by himself, along with a note detailing recent requisitions and excesses by the various allied armies. While it was only six days after his first note, Talleyrand's tone was quite different. The excesses were great and manifold, he wrote, and too prolonged to be called the inevitable result of numerous troops marching across French territory. Instead, these were excesses by troops who believed they could 'procure what they want[ed] by force, if they [did] not receive it at first demand'.<sup>73</sup> What Talleyrand effectively

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<sup>71</sup> 'Annexe sub No. 25 du protocole de la 8<sup>me</sup> séance', 19 July, 1815, GStA PK 1464.

<sup>72</sup> Lieut. Col. Sir H. Hardinge to Field Marshal the Duke of Wellington, 19 July, 1815, in: Wellesley, Second Duke of Wellington (ed.), *Supplementary Despatches, Vol. XI*, 39-40.

<sup>73</sup> 'Annexe sub No. 29 du protocole de la 10<sup>me</sup> séance', 20 July, 1815, GStA PK 1464; '*Ces excès sont trop grands, trop multipliés, trop longtemps prolongés pour n'être attribués qu'aux suites inévitables de la marche de troupes nombreuses qui, ne trouvant pas, dès leur première demande tout a qu'elles exigent, croient pouvoir se le procurer par la violence*'.

accuses the allied troops of here is pillage, and the worst part is that the destruction was not limited to direct material ruin, but had forced the peasants to flee, to leave their homes and their crops. The harvest had been entirely abandoned, according to Talleyrand, with devastating consequences.

Thus far, Talleyrand's note limited itself to what all this had done to the French countryside, but he then turned the subject around to try and make some political gains. The French subjects most harshly struck by all of what has been described were in despair, Talleyrand wrote, and would perhaps take up their arms. They had already done so in some regions, he added, and while this might not be very frightening at this moment, it might become so in the future. Therefore: 'a little order, measures taken between the various powers and the French government could alleviate the burden of the war for the people *and* the soldiers'.<sup>74</sup> He tried here to connect the needs of the allies with those of the French with the following argument: only the willing cooperation of inhabitants can ensure the complete execution of the allied measures, but foreign agents only inspire alienation, while the French authorities do not need force to be obeyed – the people are indisposed towards the allied forces because the way they act is so contrary to the proclamations of the allies.

It is important to realize that Talleyrand had everything to gain by exaggerating the scale and consequences of the allied requisitions. After all, it is realistic to assume that he would be interested in stopping or minimizing it even *if* the extent was in fact modest and not more taxing than absolutely necessary. Nevertheless, his letter to the allies was accompanied by a detailed breakdown of *what* had been requisitioned *where* and *by whom*. For example: the entire cash register of the Department of Eure, containing 2329 francs, was taken by the Prussian forces who occupied the region, while in the Department of Aisne, the Vervins district was bereaved of a quarter of its horses for transport, valued at 600,000 francs.<sup>75</sup> Everything taken together, 57,355,030 francs had been requisitions by the allies according to the French government – a huge sum, considering that the occupation was less than three weeks old at this point. Unsurprisingly, the Prussians took the largest share: 33,536,030 francs, although they disputed this themselves: at the meeting of July 22<sup>nd</sup>, Count Gneisenau showed a report to demonstrate that the claims were highly exaggerated, stating that they had only received 1,260,000 out of a demanded 8,816,000 francs.<sup>76</sup>

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<sup>74</sup> *Idem*; 'Un peu d'ordre, des mesures confectées entre les diverses Puissances & le Gouvernement François pourraient alléger le fardeau de la guerre pour les peuples et les soldats'.

<sup>75</sup> 'Enlevements des fonds', in: 'Annexe sub No. 29 du protocole de la 10<sup>me</sup> séance', 20 July, 1815, GStA PK 1464.

<sup>76</sup> 'Protocole des conférences. Séance du 22. Juillet 1815', GStA PK 1464.

Despite the huge discrepancy between the Prussian and French versions of the story, the allied conference reached an agreement at that same meeting of the 22<sup>nd</sup> July: no more requisitions whatsoever. All armies would receive the order to abstain from imposing contributions and to suspend those that were already in place. This news was relayed to the French minister two days later, while it was now formally decided that ‘the contribution that France was to pay to the allies was to be considered as an object of negotiation with the king, so that its burden could be equally distributed across the kingdom’.<sup>77</sup> To do so, every army intendant was asked to send an exact designation of all objects and clothing it has requisitioned to the conference, with a precise distinction between those demands that have already been fulfilled and those that remain to be satisfied.

A week later, at the 21<sup>st</sup> meeting on August 1, with the occupation now nearly a month old, the question in the conference was whether the allies should fully lean on the French administration for the payment of the contribution for the armies or whether they should reserve themselves the right to touch the revenues of the occupied territories. There were three points to this matter: first, they all agreed they had the right to demand French revenues; second, they agreed that they could offer the French government to leave the requisitions to her, in return for the payment of a (to be determined) sum in monthly instalments; although, third, it should be understood that the allies had the right to take the revenues themselves should the government fail to pay.<sup>78</sup> Again, the Prussian delegation was the hardest to persuade. Three days later, the Prussian response came in a memorandum, stating that it was not interested in administrating any provinces if she could not assure her army its salary, food and equipment, which was indispensable, and the indemnity she deserved for the expense of the war. The problem for Prussia was that it believed that these goals could only be satisfied by ‘direct and local surveillance of the departments and that one loses indispensable time to act in negotiating with the French government’ on monthly payments.<sup>79</sup> However, if the other powers were otherwise disposed, Prussia would follow, as long as it got what it was due.

It might not be entirely surprising that despite the good intentions of the allies, as laid down in the meeting of July 24<sup>th</sup>, Talleyrand found occasion to complain once again in a letter in which he – again – cites various incidents to prove that the principles adopted by the allies are

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<sup>77</sup> ‘Projet d’instruction des souverains alliés pour les commandants en chef de leur armées’, 25 July, 1815; *‘La contribution que la France devra payer aux alliés est à considérer comme un objet de négociation avec le Roi, afin qu’elle soit répartie sur la totalité du Royaume & ne pèse pas exclusivement sur telle ou telle Province’.*

<sup>78</sup> ‘Protocole des conférences. Séance du 1. Août 1815’, GStA PK 1464.

<sup>79</sup> ‘Annexe sub No. 60 à la séance du 4 Août’, GStA PK 1464; *‘le bât au dessus mentionné, ne peut-être atteint que par une surveillance directe & locale sur l’administration des départemens [sic], & qu’on perd un tems indispensable pour agir, en négociant avec le Gouvernement français sur un abonnement...’*

entirely unknown to their military administration, which eats away at the source of the French state's revenues.<sup>80</sup> Talleyrand may come across as a nuisance at this point, and he may have made the same impression on the allied ministers back then, but despite the interest he may have had in exaggerating the extent of the pillaging, as mentioned above, he was not alone – and, importantly, his complaints did not go unheard.

First, perceptions matter, so whether the stories of requisitions were exaggerated or not, if people believed the allies were looting and pillaging, the goal of tranquility would be undermined regardless. Second, his views were supported by some of the allies themselves. On August 22nd, Austrian-employed diplomat Friedrich von Gentz consigned his thoughts on the occupation to a memorandum: 'Never has a land conquered by French troops suffered as much as France does today. The levies of the French army were at least ruled by a principle of unity, an orderly procedure, a system'. Furthermore, Napoleon used men who understood how to 'exploit a country without destroying it' by calculating what it could bear. He concluded that for the allies 'the tree must be cut down in order to pluck its fruits'.<sup>81</sup>

Gentz' criticism was somewhat late, however, as the allies were making efforts to change the situation. In fact, two weeks earlier, a memorandum by Castlereagh had persuaded the rest of the conference to do exactly what Gentz accused them of not doing: taking into consideration what the country could bear. Castlereagh's memorandum read at the 25<sup>th</sup> séance, proposed to take into account what the armies needed on the one hand, and what France could provide on the other, based on a just and reasonable consideration of its resources, wishes and financial means.<sup>82</sup> This proposal was seconded a day later with the decision to demand 50 million francs for two months' worth of army upkeep, while fully handing back the administration to France.<sup>83</sup> Importantly, the allies wanted the first half of this amount to be paid by August 25<sup>th</sup>, only nineteen days after this was decided. It would prove to be too soon for the French government, as we will see, but Talleyrand would not fail to emphasize that it was not necessarily nor solely France's shortcoming that led to this situation.

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<sup>80</sup> 'Protocole des conférences. Séance du 5. Août 1815', GStA PK 1464.

<sup>81</sup> 'Die politische Lage Frankreichs. Eine Denkschrift von Gentz', 22 August, 1815, in: Richard Fürst von Metternich-Winneburg (ed.), *Oesterreichs Teilnahme an den Befreiungskriegen. Ein Beitrag zur Geschichte der Jahre 1813 bis 1815 nach aufzeichnungen von Friedrich von Gentz nebst einem Anhang: Briefwechsel zwischen den Fürsten Schwarzenberg und Metternich* (Vienna 1887) 697; 'Nie hat ein von den französischen Truppen erobertes Land so viel gelitten, wie gegenwärtig Frankreich erleidet. bei den Eintreibungen der französischen Armee hatten wenigstens ein Princip der Einheit, ein geregelter Gang, ein System geherrscht. <...> Dies Alles fehlt den Alliirten. Bei ihnen muß der Baum umgehauen werden, um die Frucht davon zu pflücken.'

<sup>82</sup> 'Annexe sub No. 65 à la Séance du 5 Août, 1815', GStA PK 1465.

<sup>83</sup> 'Protocole des conférences. Séance du 6. Août, 1815', GStA PK 1465.

At first, Talleyrand responded positively to the proposal made by the allies. He recognized that the maintenance of the allied armies should be at the expense of the land it occupies, he accepted the payment of fifty million francs, but he demanded that orders would be immediately given that the administration of the departments would be without reserve or restriction in the hands of the French, because it would otherwise hamper the government's engagements.<sup>84</sup> A week later, this demand would form the basis of his argument that France was not culpable for not paying on time, but another issue arose first: The allies had noticed that the French commission was planning to deduce all previously requisitioned sums from the amount to be paid. That was not what they had intended. The 50 million francs was to replace all *future* requisitions; they did not want to authorize an interpretation so opposed to the intention of the courts and so contrary to the engagements proposed and accepted.<sup>85</sup> Considering, at this point, the situation as an independent observer two centuries later, the idea that the allies must have felt relatively exhausted by the incessant complaints, misunderstandings and objections by the French cannot fail to arise – and it became worse still, before it would get better.

On the 24<sup>th</sup> of August, one day before the first payment of the first share of the 50 million was due, Talleyrand sent a letter to the conference stating that the payment could not be made in time. The argument he made was quite sound. He complained – again – that the requisitions had not stopped despite orders to do so. Some of the troops, apparently, simply did not listen. With this state of affairs, he added, the following principle should nevertheless be adhered to, namely that it is just that the execution of engagements should correspond exactly with that of the other party.<sup>86</sup> The protocol of the meeting in which the letter was discussed several days later neatly summarizes his main argument:

He states that since the civil and financial administration has not been fully and unreservedly handed back to him, it was not in his powers to procure the funds for the payment of the first 25 million for which the date of payment is August 25.<sup>87</sup>

As the allies did not do their part of the agreement, France *could not do* hers. While this complaint seems fair, it seems as though the French government could go on with these objections indefinitely, as the allied powers found themselves in a very difficult position: they did not want to suck France dry and leave it as a wasteland, because they needed it as a stable part of the European system. This gave the French leverage in the negotiations, as we will see in the next

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<sup>84</sup> 'Annexe sub No. 74 à la Séance du 12. Août, 1815', GStA PK 1465.

<sup>85</sup> 'Annexe sub No. 84. à la Séance du 18. Août, 1815', GStA PK 1465.

<sup>86</sup> 'Annexe sub No. 95 à la Séance du 27 Août, 1815', GStA PK 1465.

<sup>87</sup> 'Protocole des conférences. Séance du 27. Août 1815', GStA PK 1465; '*Il expose que l'administration civile & financière ne lui ayant pas été remise en entier & sans restriction il n'a pas été en son pouvoir de se procurer les fonds pour le payement des premiers vingt cinq millions dont le terme d'acquittement est du 25 Août.*'

section as well. However, at this point in the deliberations on the military requisitions, it was a French proposal that gave both sides a way out of the deadlock they found themselves in.

It was the French minister of finance, Baron Louis, who ultimately devised a way to satisfy the needs and wishes of both sides. He argued that even though the allied armies behaved much better than before, France was not able to pay what the allies demanded in the present state of affairs. In fact, in times of peace French revenue did not exceed 50 million francs per month and this amount was absorbed by its regular expenses. Now, with three quarter of the kingdom occupied and the heavy burden of requisitions, the exhaustion of the land was felt in all its parts, its administration disorganized, the resources of public revenue in shambles – France could only pay the extraordinary charges demanded to *the extent of* the taxable matter left and beyond that by making use of credit (i.e. borrowing money), Baron Louis argued. This credit is something that will return and be further explained in the next section, but Baron Louis already hinted at its essence in this letter: ‘credit can only be found in the trust of a better future’, that is to say, it is impossible to borrow if the lenders are not confident they will get their investment back.<sup>88</sup>

In what follows, Baron Louis argued that France needed a delay of payment because it simply cannot pay at present. What is more, he added that it is both out of necessity and out of prudence, because a prolongation of this state of affairs would be disadvantageous for the allies as well. The problem for the allies, and the issue that gave Baron Louis his leverage in my opinion, is that the allies cannot proceed with the levying of these funds themselves, exactly because there was not enough left to take. He therefore suggested two things: that the allies set a fixed sum for the upkeep per soldier, and that the sum will be paid by issuing *bons du trésor* and other financial instruments that, when issued, guarantee their holder a certain amount of money. As their value depends on the regularity of payment and the stability of the state, it would force the allies to respect the arrangement from their side, as the payments would be inhibited if the French administration was meddled with.<sup>89</sup> This solution cleverly solved the two problems – random requisitions annoying the French, non-payment annoying the allies – by directly tying them together. In a sense, then, this was the practical enforcement of the principle Talleyrand espoused above: the execution of arrangements by one party should directly correspond to that of the other.

The allies accepted Baron Louis’ proposal in the 47<sup>th</sup> séance on September 7, essentially ending a two months’ long debate on how to organize the necessary military requisitions without upsetting the French populace.<sup>90</sup> Interestingly, however, despite all Talleyrand’s objections, the

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<sup>88</sup> ‘Annexe sub No. 95 à la Séance du 27 Août, 1815’, GStA PK 1465; ‘...avec les secours du crédit qu’elle ne peut trouver que dans la confiance d’une amélioration future.’

<sup>89</sup> *Ibidem*.

<sup>90</sup> ‘Protocole des conférences. Séance du 7. Septembre, 1815, GStA PK 1465.

French state had already issued a forced loan of 100 million francs on August 20<sup>th</sup> to accommodate the payment.<sup>91</sup> It was designed to produce as little inconvenience as possible, but a forced loan is displeasing by nature and as such it was a device that the French could not lean on.

The problem of military requisitions, the entire debate from early July until September, is telling in various ways. First, the matter of systematizing what exactly was to be demanded from France first arose from Blücher's actions in Paris, which were partly motivated by revenge and partly by the urge to secure payment for his army, and the issue persisted throughout this discussion: what could France pay? This is a matter that will return in the next section. Second, the deliberations are an apt exposition of the Prussian attitude: Prussia had suffered under French occupation, so if France suffered while Prussia claimed what it was due, so be it. Third, the negotiations show the struggles the allies had in balancing their demands with their goal of keeping France quiet and accommodating. Fourth and last, it shows the difficulties France had with fulfilling its financial obligations while sustaining a massive occupation army. These were all issues that played into the deliberations of the actual treaty, which I will discuss next.

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<sup>91</sup> 'Contribution extraordinaire à lever comme réquisition de guerre', 20 August 1815, in: *Correspondence de M. le Préfet du Département de la Seine-Inférieure*, Vol. 21 (1811-1818) 69-73.

### 3. The 700 million francs indemnity

#### 3.1 First plans

In this part I will address what the main goals of the allies were in the negotiations leading up to the Second Treaty of Paris. As we will see, these demands differed considerably, and so did their respective considerations of the French capability of acceding to all these demands, which I will discuss after.

One objective was shared by every power in the alliance, without fail: the future tranquility and security of Europe. Where the allies differed, however, was on how to achieve this goal. The Prussians, for example, simply intended to completely curtail France financially and territorially, while the British had another, perhaps more elegant, goal, namely that of creating a ring of fortresses along the French northern and eastern border. This goal corresponded with the 1804 plan designed by former British Prime Minister William Pitt. The plan, which sought to weaken France by depriving it of its conquests and strengthening its neighbours, had been more or less taken as a blueprint by Castlereagh before in negotiating the Congress of Vienna.<sup>92</sup>

In the British diplomatic correspondence, the question concerning fortresses is first discussed in late July. In a letter to Castlereagh on July 28th, in response to a report on the deliberations up till then, Liverpool, the British Prime Minister, let him know that occupying existing fortresses was to be preferred to dismantling them.<sup>93</sup> The discussion in the British government soon turned to a different measure for the same purpose, however, consisting of financial claims for the erection of new fortresses. On August 3<sup>rd</sup>, Castlereagh informed Liverpool that Wellington had 'claimed a due appropriation of what may be demanded for fortifications'. His goal was to secure half of the total demanded sum for the purposes of defence. Part of this, approximately 50 million, was to be obtained for the Low Countries.<sup>94</sup> One week later, in a letter to the minister of finances Vansittart, Castlereagh reiterated his intentions of securing a liberal proportion of the entire sum for fortifications.

It seems he was preaching to the choir, though, as Liverpool answered Castlereagh soon after, on 11 August, exclaiming that the British state was low on funds and that the efforts of the Hundred Days had nearly exhausted its treasury. He emphasized that the British and the Dutch deserved funds for fortifications, unless France would cede fortresses to them.<sup>95</sup> This statement

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<sup>92</sup> Jarrett, *The Congress of Vienna and its Legacy*, 147.

<sup>93</sup> Lord Liverpool to Lord Castlereagh, 28 July, 1815, in: Vane-Tempest Stewart (ed.), *Memoirs and Correspondence of Viscount Castlereagh* (Vol. 10) 445-446.

<sup>94</sup> Castlereagh to Liverpool (Précis, No. 27, Secret and Confidential), 3 August, 1815, in: Wellesley, Second Duke of Wellington (ed.), *Supplementary Despatches* (Vol. XI) 123-125.

<sup>95</sup> Liverpool to Castlereagh, 11 August, 1815, in: Vane-Tempest Stewart (ed.), *Correspondence of Castlereagh* (Vol. 10) 476-479.

shows the interchangeability of territorial and pecuniary indemnity in the eyes of Liverpool; the more important matter was its overarching goal of security. Alongside this political motive for demanding funds for fortresses, it was Wellington who added a more practical motive: France had been left in too strong a position by the previous treaty, while the other powers had been weakened by the ruin of their finances and 'the destruction of all the fortresses and strongholds in the Low Countries and Germany, principally by the French'.<sup>96</sup> Finally, it was Vansittart who tied the financial and practical strands together in stating that appropriating a large proportion of French the contribution to fortifications would 'effect most important objects of future economy as well as security'.<sup>97</sup> In short, a contribution for the construction of fortresses would simultaneously serve the goals of security and indemnity.

The general objectives Prussia sought to obtain this time were not unlike those of the other powers: to procure for Europe the security and guarantees needed to forestall new troubles in France that would necessitate another intervention, and to obtain indemnities. It should be noted, however, that the most striking differences between the plans of the various allies were not to be found in these general objectives at all, but in the ways and means they thought these objectives should and could be achieved. Justice and fairness are elusive concepts – what is just or what is fair cannot be definitively defined in a general sense, and the same is true in this specific case. Given the enormous disparity in their experiences during the wars, it should not be surprising that a 'just' settlement from the Prussian perspective would be far harsher towards the French than from a British perspective. These differences were reflected in the means and ends the Prussians were considering in July 1815, when Prince Hardenberg consigned the details of Prussia's point of view to a memorandum.

Considering, first, which guarantees would be needed to prevent new French aggression, Hardenberg pointed out that recent experiences had shown that the Kingdom of the Netherlands was very vulnerable. The same was true for borders France shared with German states: 'We have seen how easy it is for a French army to flood Germany and to turn to Austria along the Danube'.<sup>98</sup> If the battle of Waterloo had not been won, nothing would have been able to stop Napoleon before the Rhine river, according to Hardenberg. Therefore, Hardenberg wished to see the Netherlands reinforced and the smaller German territories along the French border as well. To give one example, he suggested that the region of Alsace be yielded to Austria, various fortresses along the

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<sup>96</sup> Wellington to Castlereagh, 11 August, 1815, in: Wellington, *Dispatches* (Vol. XII) 596-600.

<sup>97</sup> Vansittart to Castlereagh, 17 August, 1815, in: Vane-Tempest Stewart (ed.), *Correspondence of Castlereagh* (Vol. 10) 480-481.

<sup>98</sup> 'Mémoire de son altesse monseigneur le Comte d'Hardenberg', 22 July, 1815, GStA PK 1461, p.27; '*Nous avons vu, combien il est facile à une armée Française d'inonder l'Allemagne & de se porter sur l'Autriche en longeant le Danube*'.

Moselle and Sarre rivers to Prussia, and the entire region of Savoy to the Kingdom of Sardinia. This would provide the region with a 'good line of defense'.<sup>99</sup> Some of these proposals would make it into the final treaty, some would not; but the reason these suggestions for territorial changes are necessary to mention here is because the territorial and the pecuniary discussions sometimes touched. Prussia shared parts of its border with France due to the shuffling of territory at the Congress of Vienna. It wanted to make sure France would not be in a position to 'flood' German lands once again, if not by territorial, then by financial means.

For that same reason, Hardenberg was opposed to temporary occupation of fortresses and other places. Merely occupying some places for a limited amount of time while granting France the integrity of its territory conform the First Treaty of Paris would not be sufficient. It would merely be a palliative, because 'the evil would still exist and repeat itself without fail'.<sup>100</sup> This is quite a dramatic viewpoint, but can Prussia be blamed for taking it? The French had been a source of chaos in Europe for a generation. They were Prussia's worst nightmare. As we have seen, Prussia had been defeated, crippled and humiliated by France. And to add insult to injury, when France finally seemed defeated and curtailed by the First Treaty of Paris, and after it was granted very generous peace conditions by its former enemies (not thanks to Prussia, though), it simply discarded the treaty and took Napoleon back as its leader. This is how the Prussians judged the situation. They had little eye for the nuances of the situation, for the fact that, perhaps, France had not been *entirely* supportive of Napoleon upon his return.<sup>101</sup> It was the fact that he returned and could lead France to war once again that horrified them.

In this context, Prussia's next demand might be more understandable. In his memorandum, the second point Hardenberg addressed was the indemnity:

Without doubt, nothing is more just than demanding from France indemnification for the costs of a war, waged solely to defend itself from the troubles that threatened Europe anew<sup>102</sup>

He framed this demand in light of the fact that the allies 'generously' abstained from all their claims in 1814. The allies were indeed generous with their decision to absolve France of most financial pretenses, but Hardenberg specifically mentioned it here to emphasize their leniency and to contrast it with France's arrogance or non-compliance. He continued: 'It would be foolish

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<sup>99</sup> *Ibidem*.

<sup>100</sup> *Ibidem*, 'D'abord, ce ne seraient que d'un palliatifs, le mal subsisterait toujours, & se renouvellerais sans faute'.

<sup>101</sup> Tim Chapman, *The Congress of Vienna, 1814-1815* (Routledge 2006) 54.

<sup>102</sup> 'Mémoire de son altesse monseigneur le Comte d'Hardenberg', 22 July, 1815, GStA PK 1461, 27; 'Rien de juste sans doute, que de demander aux France des dédommagements pour les frais d'une guerre, entreprise uniquement pour se garantir des malheurs qui menaçaient de nouveau l'Europe.'

to do so again'.<sup>103</sup> Hardenberg therefore proposed to impose a war contribution somewhat exceeding the annual revenue of France, to the amount of 1200 million francs, claiming that it would not be an excessive demand. This sum should then be divided equally among all the allies, except for the last 200 million. Prussia asserted that Britain and itself deserved a certain amount for the conquest of Paris, more specifically: 100 million each. Finally, Hardenberg did not fail to reiterate the fact that the justification for Prussia's demands lay in the fact that Prussia had suffered so heavily from the contributions imposed by the French.

The Austrian position was written down by Prince Metternich in a memorandum dated August 6. As mentioned above, the differences in the plans of the allies was in the details of their methods and means. As such, Metternich emphasized in the opening sentences of his memorandum that the goal of the war had been to end the usurpation of Napoleon and to ensure a solid basis for the French government which could guarantee tranquility to France and Europe. However, Metternich also emphasized that 'this must not degenerate into a war of conquest', by which he presumably meant that the character and objectives of the war would be tarnished if the allies lost themselves in a frenzy of loot and indemnities.<sup>104</sup> He continued with a warning which shows *why* Metternich did not want this war to degenerate:

Sound policy must not prevent the powers from letting it degenerate in a war of conquest, because a notable alteration in the state of possession, as established by the Congress of Vienna, would entail a general revision, in which the goal of the war <...> would be lost immediately in the mass of new interests which would result from such a revision.<sup>105</sup>

If the powers allowed the situation to degenerate into a war of conquest, and allow extensive changes once again, it would not only tarnish the character and objectives of the war, but it would directly imperil 'the goal of the war'. What, then, was the goal of this war in the sense he is referring to here? Metternich puts it as follows: '...the urgent necessity of putting a check on principles subversive to the social order, on which Bonaparte has founded his usurpation'.<sup>106</sup>

He proceeded on this principle to exclude great territorial changes from his plans, because according to him only one entity could ultimately hope to benefit from such a renewed upheaval: Armed Jacobinism. This was the name Metternich gave to the revolutionary spirit that had

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<sup>103</sup> *Ibidem*, 'Ce serait être dupe que d'agir encore une fois ainsi'.

<sup>104</sup> 'Memorandum. Prince du Metternich', 6 August, 1815, GStA PK 1461, 70; 'Cette guerre ne doit pas dégénérer en guerre de conquête...'

<sup>105</sup> *Idem*, 75; 'Une saine politique ne doit pas moins retenir les Puissances de la laisser dégénérer en guerre de conquête, parce qu'une altération notable dans l'état de possession, tel qu'il se trouve établi par le Congrès de Vienne, entraînerait un revirement général, dans lequel le but de la guerre <...> se perdrait très immédiatement dans la foule des nouveaux intérêts qui résulteraient de pareil revirement'.

<sup>106</sup> *Ibidem*; '...l'urgente nécessité de mettre un frein aux principes subversifs de l'ordre social, sur lesquels Bonaparte a fondé son usurpation'.

animated France for a quarter of a century; more specifically, his term seems to refer to the violent, expansionist nature of that spirit, of which Napoleon Bonaparte was the embodiment. To prevent this Jacobinism from taking advantage of any territorial revisions, then, Metternich simply excluded every such arrangement from his considerations.

The importance of these considerations for the matter at hand lies in the consequences this had for the rest of his plans. Metternich wanted securities, and he considered that an occupation army could be more damaging to the national sentiment of France than the concessions which she already expected at that point.<sup>107</sup> Conversely, however, should the measures be too restrained, they could not be said to guarantee anything whatsoever. That was the dilemma the allies were struggling with, in his eyes. To solve this, he suggested the allies should work on a system based equally 'on the spirit of the treaties, on the actual circumstances in France, on the necessity of restoring the calm in this part of the continent' by guarantees that France can give to the powers and that the powers can demand from France'.<sup>108</sup>

Metternich developed various points that followed from this basis. An important aspect of his plans was his ambition to change the offensive attitude of France to a more defensive attitude. Crucial to this offensive attitude was, in Metternich's eyes, the array of fortresses France possessed along the borders whose positions were so far advanced towards its neighbours that they could never serve an exclusively defensive purpose.<sup>109</sup> Additionally, Metternich remarked in clear reference to the idea of a balance of powers, the French fortification system was so disproportionately strong compared to its neighbours, that it could never lead to a balance in reciprocal military attitudes. This imbalance was made worse by the destruction of all fortifications in the Low Countries and Germany, in the latter case by France herself.

Now, the way this connects to the pecuniary debate lies in Metternich's observation that the financial condition of the allied powers does not allow for a simple solution to the disproportionate strength of France's fortifications: the construction of new fortresses by the allies would provide them with barely any chances for security, 'whatever pecuniary relief may be obtained from France'.<sup>110</sup> What was needed instead was a more permanent and solid solution to the problem, which consisted of demanding that France adopt a different form of government and institutions, similar to those of the other powers. This would assure their stability by a just

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<sup>107</sup> *Ibidem*, 'L'occupation militaire, si elle devait avoir lieu sur une échelle étendue heurterait autant et plus le sentiment national de la France, que des concessions auxquelles elle s'attend'.

<sup>108</sup> *Idem*, 75; '...un système fondé également sur l'esprit des Traités, sur la position réelle des choses en France, sur la nécessité de rendre le calme à cette partie du Continent par des garanties qui la France devra donner aux Puissances, et qu'elle est en droit de leur demander à son tour'.

<sup>109</sup> *Idem*, 77.

<sup>110</sup> *Idem*, 80; '...la construction projetée de places ne présente guère de chances de sécurité, quelque secours pécuniaire qu'il soit possible de tirer de la France'.

balancing of powers. To ensure a smooth transition from war to peace, it would further be asked to accept a temporary occupation force.

Besides these points, Metternich stated that the allies had a right to claim an indemnity from France for the costs of the war. He did not elaborate on this point, however, as it was not the main subject of the memorandum, leaving the fixation of its exact size for a separate discussion. While the lack of a more detailed discussion of the indemnity in this memorandum is not particularly conducive to this research in a direct way, its omission is telling in another, more indirect sense. It subtly illustrates the hierarchy of issues in Metternich's mind – the matter of indemnities was not a crucial factor in his efforts to secure a solid settlement. With the risk of getting ahead of things, it is important to note – to support this observation – that Austria still did not mention a specific amount when the issue was discussed a month later in early September, instead opting for a middle way between the other powers.<sup>111</sup>

What he did remark on the indemnity, was that 'this indemnity could only take place with the means of a forced contribution'.<sup>112</sup> This is a puzzling statement, which requires a closer look. Metternich wrote that the '*indemnité*' could only be acquired by means of a '*contribution forcée*'. The problem is that this French term can indicate either a contribution in the meaning of tribute and indemnity or a forced loan, which makes this statement rather ambiguous. However, as he specifically says that the indemnity can be acquired 'by means of' a '*contribution forcée*', it is safe to assume that he was thinking about a forced loan. In that case, the matter is still interesting, as forced loans were not popular measures at all. We have already seen that the French government issued one to quickly secure the means to pay for the military requisitions, but it was not a measure it could resort to indefinitely.

Tsar Alexander of Russia took the opportunity of the negotiations for the new treaty to demonstrate his magnanimity, while hoping to use France to act as a counterweight to the other powers, primarily Britain.<sup>113</sup> Moreover, Russia was geographically the most removed from France of all the continental powers. Alexander's ideas for the settlement were therefore rather mild. The British perceived this. Castlereagh noted on July 24 that 'Russia <..> being remote, rather inclines to protect France' and 'he may also be inclined to keep up a connexion [sic], and not to see France reduced too low'.<sup>114</sup> Lord Liverpool, while expressing his understanding for this inclination, replied that the emperor's disposition should nonetheless be 'kept within reasonable bounds' and

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<sup>111</sup> Gentz to Carabja, 5 September, 1815, in: *Oesterreichs Teilnahme an den Befreiungskriegen*, 717-718.

<sup>112</sup> 'Memorandum. Prince du Metternich', GStA PK 1461, 76; '*Cette indemnité ne pouvant avoir lieu qu'au moyen d'une contribution forcée*'.

<sup>113</sup> Janet M. Hartley, *Alexander I* (Longman 1994) 142.

<sup>114</sup> Castlereagh to Liverpool (Précis of Correspondence on settlement with France), 24 July, 1815, in: *Supplementary Despatches* (Vol. XI) 122.

that while Alexander may 'act the part of mediator' to keep down 'extravagant and unreasonable pretensions', his attitude should not lead to the detriment of the securities to be attained by the allies.<sup>115</sup>

However, the plans the Russians entertained, as far as can be reliably determined through secondary sources<sup>116</sup>, were closer in spirit to the British plans than to those of the other two powers. In the correspondence of the British government, the translation (and part interpretation) of a Russian memorandum is attached to a letter from Liverpool to Castlereagh. As this letter is dated August 3<sup>rd</sup> and is a response to Castlereagh *about* the Russian paper, then the latter presumably reflects the Russian positions of late July or early August.<sup>117</sup> Importantly, the British memorandum warns that the Russian paper's ambiguity inhibits complete certainty concerning its contents. With these limitations in mind, it is reasonable to assume that the British diplomats had no interest in distorting the Tsar's message in their internal communication, so it is worth considering here.

The Russian memorandum consisted of several practical points on the arrangement with France. It maintained that 'in the present convulsed state of France, no government, <...>, can in itself afford to the Allies and to Europe that securities which they are entitled to expect'. This must therefore be obtained by 'diminishing the means of aggression', either through permanent territorial acquisitions or by the 'temporary occupation of a military line within the country' until a defensive barrier could be created for its neighbours and the expense had been defrayed by France. Furthermore, the French government should be able to expect that the contribution it would have to pay would be fixed in its amount and that the duration of the occupation – the duration suggested by the Russian memorandum was five or seven years, and the sum had to be sufficient to pay for the expense of the new frontier and the occupation of the French fortresses.<sup>118</sup>

Beyond these points about the French obligation to accept a contribution to the height of what was required to settle the securitization-related aspects of the settlement, i.e. reinforcing the borders and temporarily occupying France, there is no mention of a *pecuniary indemnity*. There is mention that the allies 'are entitled to the fruits of conquest', a statement vague enough to allow speculation on the nature of these fruits, but this ambiguity is removed by the sentence that follows: '...and therefore to such permanent acquisitions as they might deem necessary for their

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<sup>115</sup> Liverpool to Castlereagh, 28 July, 1815, in: *Correspondence of Castlereagh* (Vol. 10) 445.

<sup>116</sup> The difficulty with assessing the plans and ideas of the Russian emperor in the same fashion as I have done with the other powers, is that I have not been able to access a Russian memorandum directly. Instead, this analysis relies on British observations on a Russian memorandum. This limitation is taken into account in this discussion.

<sup>117</sup> Enclosure to the letter Liverpool to Castlereagh, 3 August, 1815, in: *Supplementary Despatches* (Vol. XI) 86-89.

<sup>118</sup> *Idem*, 87.

own security'.<sup>119</sup> The 'fruits of conquest' do not seem to refer to pecuniary indemnities, then, but simply to the contribution required from France for the two objectives specified above.

### *Justifications for an indemnity*

To a large extent, the allies could agree on the general points in the initial stage of the negotiations. They all concurred that the primary objective of the war had been to restore peace and order in Europe; that France was to be durably restored to peaceful habits; that fortifications were an important part of the future settlement; that France had to pay an indemnity for the past war; and, lastly, that the transition would be covered by an occupation army at French expense. What they did not yet agree on at this point in time, mid-August 1815, was how to achieve this durable peace and tranquility, how the issue of the fortifications was to be settled, what the size of the indemnity should be, how long the occupation army would stay and what size it would be. However, despite the common accord that the demand for indemnities was just, the legitimation for this conclusion was granted little attention in the memoranda and other statements.

It might be said that the demand for reparations this time around was unsurprising and required little additional justification beyond 'France was spared the first time and would not be as fortunate a second time', but some did offer a more specific justification. The Russian memorandum, for example, argued that if France 'had materially contributed to the overthrow of the system of Bonaparte' the allies could 'certainly not have claimed any permanent acquisition from France on the principle of conquest'.<sup>120</sup> Similarly, Lord Bathurst, British Secretary of State for War and the Colonies, asserted: 'The Allies have an unquestionable right to be indemnified by France. But for what? – for the expense they have incurred by the violation of the Treaty of Paris.'<sup>121</sup> Lord Liverpool, in the same vein, noted that the allies were 'fully entitled <...> to indemnity and security' due to the French nation's 'violation of the most sacred treaties'.<sup>122</sup>

If this was the reason to impose indemnities, however, there was plenty of room for criticism. Friedrich von Gentz noted that the powers had based their war on a very weak foundation as they had decided only to take up their weapons against Napoleon.<sup>123</sup> To understand what he meant, we need only look at the treaty that formed this last coalition against Napoleon. The eighth article of this treaty, signed on March 25<sup>th</sup> 1815, reads: 'The present Treaty is uniquely directed towards the goal of supporting France or any other invaded country from the enterprises

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<sup>119</sup> *Ibidem.*

<sup>120</sup> *Ibidem.*

<sup>121</sup> Bathurst to Castlereagh, 25 August, 1815, in: *Correspondence of Castlereagh* (Vol. 10) 500-502.

<sup>122</sup> Liverpool to Castlereagh, 15 July, 1815, in: *Supplementary Despatches* (Vol. XI) 32.

<sup>123</sup> Gentz to Carabja, 19 July, 1815, in: *Oesterreichs Teilnahme an den Befreiungskriegen*, 675.

of Buonaparte [sic] and his followers'.<sup>124</sup> The treaty literally states that the allies supported France *against* Napoleon, which is completely at odds with the idea of demanding indemnities *from* France. The Duke of Wellington perceived this. Writing to Castlereagh on August 11<sup>th</sup>, he argued that the treaties 'must prevent us from making any very material inroad upon the state of possession of the treaty of Paris', refusing to accept that 'the conduct of the French people since the 20<sup>th</sup> of March ought to deprive them of the benefit of that guarantee'. He added:

The French people submitted to Buonaparte; but it would be ridiculous to suppose that the Allies would have been in possession of Paris in a fortnight after one battle fought if the French people in general had not been favorably disposed to the cause which the Allies were supposed to favor.<sup>125</sup>

In short, not every Frenchman had supported Napoleon, so the reasoning for indemnities from France as a whole was flawed.

Still, while this criticism is valid, the justification offered by Bathurst and Liverpool as well as the Russian paper had implications for what could reasonably be imposed upon France. It rationalized the argument for indemnities, and as such offered a tool to those who wanted to close the door on an indefinite swelling of pecuniary demands. Without a principle to base the pecuniary demands on, these demands were more likely to incorporate all kinds of claims. In fact, Lord Bathurst made his argument in reaction to Prussian demands and actions, which he considered to be outrageous. The claims of the allies had to *begin* with the violation of the last treaty, which 'must be understood as having settled the account up to that period'.<sup>126</sup> Prussia's attempts to increase its demands by taking all that they had suffered in the past into account should therefore be rejected. This seemed to be the Prussian strategy indeed: the 1200 million francs indemnity suggested by Hardenberg in his memorandum was immediately followed by the complaint that what Prussia would receive with this sum would still be marginal compared to what France had taken from it.<sup>127</sup>

### *Reactions to projects*

Wellington and Bathurst's arguments quoted above were reactions to the positions taken by the other powers. Such reactions are useful to illuminate the respective positions of and relations between the different powers. Bathurst thought that the Prussian proposals were outrageous. So

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<sup>124</sup> 'Traité de la quadruple alliance conclu à Vienne le 25 mars 1815 entre l'Autriche, la Grande-Bretagne, la Prusse et la Russie', in: *Recueil des traités de la France. Tome 2 (...)* 474-476; Original in French: 'Le présent Traité étant uniquement dirigé dans le but de soutenir la France ou tout autre pays envahi contre les entreprises de Buonaparte et de ses adhérents...'

<sup>125</sup> Wellington to Castlereagh, 11 August, 1815, in: *Dispatches* (Vol. XII) 596.

<sup>126</sup> Bathurst to Castlereagh, 25 August, 1815, in: *Correspondence of Castlereagh* (Vol. 10) 501.

<sup>127</sup> 'Mémoire de son altesse monseigneur le Comte d'Hardenberg', 22 July, 1815, GStA PK 1461, 27-28.

did Lord Liverpool. Despite his own insistence on indemnities and securities, he thought the Prussian *projet* was 'in no way consistent with the relations in which we stand at present to Louis XVIII'.<sup>128</sup> The same applied to other powers bordering on France, such as the Netherlands and some of the smaller German states. Castlereagh suspected them of being influenced by a double motive, aiming to secure their frontiers while 'augmenting their respective possessions'.<sup>129</sup>

The Russian views were similar. According to Castlereagh and Gentz, the Russian emperor wanted the cessions to be resting on a principle in order to preclude arbitrary selection. This principle, in the territorial sense, was to be that France was restored to the borders of 1790 because the war had been waged against Napoleon.<sup>130</sup> Some of the Prussians, meanwhile, feared that the opportunity to take Prussia's due was fading. Indeed, the disparity between the Prussian claims and those of the other powers was substantial. If the Prussians indeed hoped that their claim of 1200 million would be sustained by the others, then they were in for a rude awakening. Blücher, who had imposed the 100 million francs contribution on Paris that never materialized, wrote to his wife despondently: 'I fear that I have sacrificed 25000 men, without it having any benefits for us'.<sup>131</sup>

Finally, Gentz, who was one of the persons closest to the Austrian minister Metternich at the time, consigned some thoughts to a memorandum on the projects from an Austrian perspective, as well as the reaction of the Austrians.<sup>132</sup> He wrote that all powers except the Prussians, who considered France as 'their rightful booty' and were driven as much by greed as revenge, were aware that they had to bring matters to a close before France would be ruined completely.<sup>133</sup> On the subject of the territorial arrangements, Gentz put Russia and Britain on the conservative side, Prussia on the aggressive side, and Austria in the middle, as the moderate power: 'Austria assert[ed] a middle way between these two extremes'.<sup>134</sup>

While the differences between the allied projects may have seemed like a matter of details at this point, these details – on the cessions and size of the indemnity – were in fact of the greatest importance. In fact, these differences led Gentz to think that the only thing keeping the alliance together by late August was the overarching goal of the restoration of order in France. He noticed

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<sup>128</sup> Liverpool to Castlereagh, 18 August 1815, in: *Supplementary Despatches* (Vol. XI) 130.

<sup>129</sup> Castlereagh to Liverpool (Précis of correspondence on settlement with France), 24 July, 1815, in: *Supplementary Despatches* (Vol. XI) 122.

<sup>130</sup> 17 August, Castlereagh to Liverpool (precis, private and confidential), 127-128; *Friedenspräludien*. Denkschrift von Gentz an Carabja, End of August, in: *Oesterreichs Teilnahme an den Befreiungskriegen*, 707.

<sup>131</sup> Friedrich Wigger, *Feldmarschall Fürst Blücher von Wahlstatt* (Stiller 1892) 279-280; Original in German: 'Ich fürchte, dass ich 25000 Mann aufgeopfert habe, ohne dass es uns irgend einen Nutzen bringt'.

<sup>132</sup> Enno E. Kraehe, *Metternich's German Policy, Volume I: The Contest with Napoleon, 1799-1814* (Princeton 2015) 313.

<sup>133</sup> *Friedenspräludien*, in: *Oesterreichs Teilnahme an den Befreiungskriegen*, 706.

<sup>134</sup> *Idem*, 707.

a change in the relations between the powers. Russia and Prussia had been close during the negotiations in Vienna, where they had pushed for upholding the Treaty of Kalisch (on the division of Polish and Saxon territory between them), but their relations had cooled down after two months of negotiating the new treaty. He also noted that Russia was becoming closer with France, while Prussia and Austria had become closer to each other as well, despite their contrasting interests (most of all in Germany).<sup>135</sup>

A closer Franco-Russian connection was worrisome to the other powers as these were the two primary continental forces; their combined strength would overwhelm the others, seriously disturbing the balance of power in Europe. According to Castlereagh, Metternich feared 'to give Russia so much the lead in conciliating the French government as to produce between France and Russia too close a connexion [sic]'. Therefore, while Prussia stubbornly sustained its harsh stance towards France, Britain and Austria considered more leniency, if only to prevent an overly close Franco-Russian bond. This position would characterize their position in the years following the treaty as well.

### 3.2 What could the French pay?

Halfway through August, with all the projects on the table and discussed by the diplomats amongst themselves, the basic tenets of what everyone desired were clear. Concerning the indemnities, it was understood by Castlereagh that it was not going to be lower than 600 million francs.<sup>136</sup> As the allies were aligned on the fact that there was to be an occupation army for a set number of years at the expense of the French as well, the costs for the French treasury were rapidly becoming sizeable. The discussion about the military requisitions has shown that the costs for the upkeep of one soldier per day was estimated at 2 francs. With an occupation army of 100,000 men, which Castlereagh expected at this point, this would amount to 200,000 francs a day, or approximately 6 million a month, or 72 million a year. With the 600 million francs and an army of 100,000 in his mind, Castlereagh admitted to Liverpool in a confidential letter, 'the pressure is likely to be as heavy in a pecuniary shape as the country can be expected quietly to submit to'.<sup>137</sup>

This remark raises an interesting question: what did the allies think about France's ability to pay? If their goal was to create and preserve peace and tranquility in France, then would an indemnity not be directly antithetical to that goal if it severely strained the French economy for several years? Given the criticism discussed above, it could even be argued that an indemnity was

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<sup>135</sup> *Ibidem*.

<sup>136</sup> Castlereagh to Liverpool (Précis, Private and Confidential), 17 August, 1815, in: *Supplementary Despatches* (Vol. XI) 127-128.

<sup>137</sup> *Ibidem*.

antithetical to that goal regardless. Nevertheless, it is illuminating to briefly dive into what the allies thought about French financial capabilities and what the situation was.

Nearly two months after Castlereagh made this remark, he elaborated upon his thoughts and calculations in a memorandum. In this memorandum, he made a calculation based on the worst case scenario for France: suppose the allies were to set the contributions at 800 million and the costs for the occupation army at 800 million francs, then the total amount would be 1600 million. Suppose, next, that France would take its ordinary revenue for one year (i.e. 600 million) and levy an extraordinary contribution on its existing taxes of 25% for five years. This would supplement the old revenue by a quarter of its total, making 750 million. As its ordinary yearly expenses are only 500 million, this would give France a yearly surplus of 250 million. It could pay 1250 million francs in five years out of this augmented budget, leaving a mere 350 million to be raised by other means. Raising such an amount was, according to Castlereagh, 'really nothing as an operation of finance'.<sup>138</sup> However, what was or was not a small operation of finance, by which he meant lending on a great scale, depended on various factors, which together determined whether a state could borrow enormous amounts of money against reasonable interest rates.

To understand why Castlereagh thought it was a small financial operation, it is necessary to briefly delve into the matter of public debt and credit. In 1815, France was lagging behind in the development of these financial tools, especially compared to Britain. A hundred years before, British and French capabilities had been roughly equivalent. Both states maintained a similar financial strategy in which taxation was left unaltered, instead turning to increased borrowing time and again. Debts incurred during wars would then be paid off in peacetime. This strategy, of course, was dependent for its long-term success upon the state's capability and willingness to honor its debts. If a government is known to default on its debts when the time comes to repay them, i.e. it habitually wipes its slate clean to the detriment of its creditors, these creditors (and potential others) will think twice before funding that government in the future. In other words, a state's capacity to raise enormous amounts of money through borrowing depends on its credibility.<sup>139</sup> This credibility consists of reducing the fear of default by having stable institutions which guarantee that an investor will receive his invested money plus interest by the time the bond is due (i.e. the deadline for the final repayment by the borrower).<sup>140</sup>

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<sup>138</sup> Memorandum from Lord Castlereagh on the Means of Increasing the French Revenue, 10 October, 1815, in: *Supplementary Despatches* (Vol. XI) 192.

<sup>139</sup> Michael D. Bordo and Eugene N. White, 'A Tale of Two Currencies: British and French Finance During the Napoleonic Wars', *The Journal of Economic History*, 51, 2 (1991) 303-304.

<sup>140</sup> Kenneth Dyson, *States, Debt, and Power: 'Saints' and 'Sinners' in European History and Integration* (Oxford 2014) 101.

The key to the difference between France and Britain lies in this. Various historians have pointed out Britain's capacity to raise huge public debts in the eighteenth century without defaulting or threatening default as crucial to its imperial growth *and* as an important factor in its ultimate victory over France on the world stage.<sup>141</sup> Contrary to France, Britain was able to rapidly increase its sovereign debt, while lowering its servicing costs and avoiding defaults.<sup>142</sup> Meanwhile, France defaulted five times in the eighteenth century, while several other European states did so during (and because of) the Napoleonic Wars, among them Austria and the German states.<sup>143</sup>

How was Britain able to incur massive debts without defaulting, where so many other states failed? French economic resources were superior to those of Britain, but it was financially outperformed by Britain.<sup>144</sup> This was because Britain made improvements to its institutions and fiscal management in the course of the eighteenth century that granted the British a decisive financial edge over all their competitors.<sup>145</sup> It was the first large state to adopt the financial innovations of smaller states such as the Dutch Republic and the city states of northern Italy.<sup>146</sup> With the introduction of double-entry bookkeeping (which made it easier to detect corruption) in the seventeenth century, the establishment of a central bank (which reduced the threat of rapid inflation) and the establishment of a representative government (which made budgets transparent and, moreover, enabled creditors to have a say on budgetary affairs as a parliamentarian), the threat of default by the British government was dramatically reduced.

In addition, William Pitt established a sinking fund in 1786 in his role as chancellor of the Exchequer – a way of using budget surpluses to reduce outstanding debt. According to Bordo and White, this measure could be viewed as 'an investment in sovereign credibility and future buying power', as it was seen at the time as showing to the public that taxes would be reduced in the foreseeable future while, of course, faithfully servicing the state's debt.<sup>147</sup> As a result, Britain gained a great reputation with creditors, leading to a very low interest rate on public debt.<sup>148</sup>

To put all of the above in simple terms: British institutions made borrowing cheaper. Compared to Britain, France paid a substantial risk premium on her loans. Unable to modernize its institutions, the government faced a systemic inability to generate the needed tax revenue,

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<sup>141</sup> Niall Ferguson, *The Cash Nexus. Money and Power in the Modern World, 1700-2000* (Penguin 2001) 180; Dyson, *States, Debt, and Power*, 101.

<sup>142</sup> Dyson, *States, Debt, and Power*, 179.

<sup>143</sup> *Idem*, 141, 143.

<sup>144</sup> Ferguson, *The Cash Nexus*, 180.

<sup>145</sup> Bordo and White, 'A Tale of Two Currencies', 308.

<sup>146</sup> Control over fiscal policies was easier in smaller territories, for the simple reason that greater distance equals greater amounts of time and energy. This equation put larger territorial states like France, Britain and Russia at a disadvantage compared to Flanders and the Italian city states in financial respects.

<sup>147</sup> Bordo and White, 'A Tale of Two Currencies', 307.

<sup>148</sup> Ferguson, *The Cash Nexus*, 180.

making it a high-risk borrower. In the world of investment, higher risk translates into higher interest rates on loans, which was impossible for the French state. It was unable to mimic the British way of using peacetime surpluses to pay the debts of the previous war, instead having to resort to the 'strategy' of building up debt until default was necessary.<sup>149</sup> This, in turn, did little to lower interest rates on loans, making way for the next cycle of war, increasing debt and default. Several governments *did* make an attempt to reform French institutions, but they were invariably unable to overcome vested interests or to make improvements successful and lasting. The establishment of a sinking fund in 1786, similar to that of Britain, was such an attempt to improve French credit reputation, but it was quickly abandoned.<sup>150</sup>

By October 1815, when Castlereagh stated that 350 million was a small financial operation, French fiscal policies had undergone the successive turmoil of the Revolution and the system of war finance of Napoleon. Both episodes left considerable tracks. Initially, the revolutionaries had adopted the debts of the *ancien régime* as part of the public debt. They labelled it a 'sacred engagement' and were determined to honor those debts. It did not take long, however, for the revolution to spin out of control financially, and by 1797 hyperinflation had made the French currency worthless, forcing the Directory to cancel more than half of the national debt.<sup>151</sup> This default severely damaged French credibility. Consequently, when Napoleon came to power, he was forced to fall back on tax revenue to cover most of his expenses.<sup>152</sup> Of course, Napoleon famously made up for this weak spot by 'making war pay for itself', i.e. extracting money and resources from conquered territories.<sup>153</sup> Concurrently, though, he made serious efforts to improve the state's fiscal credibility by reintroducing indirect taxes and improving tax collection, by resuming payments on the debt, and by establishing two institutions – a sinking fund (1799) and the *Banque de France* (1800) – that, like in Britain, served to show a renewed commitment to creditworthiness.<sup>154</sup>

However, despite all of Napoleon's efforts to restore French credibility, the damage of the French Revolution was not easily undone. His government was able to borrow from the Banque de France in order to smooth tax payments (i.e. to cancel out bad years of tax revenue by paying the incurred debt in better years), but it was a minor contribution to his total finances, peaking at 10 percent with 80 million francs in 1805. Napoleon's empire inability to secure large loans was due to two crucial differences with the British system: first, there was no parliament in France

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<sup>149</sup> Eugene N. White, 'France and the Failure to Modernize Macroeconomic Institutions', *Departmental Working Papers. Rutgers University* (1999) 23, 28-29, 33.

<sup>150</sup> Bordo and White, 312.

<sup>151</sup> Dyson, 143.

<sup>152</sup> Bordo and White, 314.

<sup>153</sup> Charles J. Esdaile, *The Wars of Napoleon* (Longman 1995) 100-101.

<sup>154</sup> Bordo and White, 314;

that had the possibility to oversee Napoleon's plans; second, the budget remained secret.<sup>155</sup> That is to say, no one knew what the state was up to with its funds, and no one could stop it from doing whatever it wanted either. Not a pleasing thought for investors. What was worse for the French population in 1815, is that the Hundred Days were incredibly expensive. Napoleon had made dramatic efforts to secure the necessary funds, even turning to a forced loan, leading to an incredible fivefold increase in the French public debt in a short period of time. It destroyed French creditworthiness, right when it needed it the most in order to oblige the financial demands of the allies.<sup>156</sup>

#### *Contributions, French credit and the Prussian outlier*

With the terrible state of French credit in mind, Castlereagh's views of French financial capabilities seem overly optimistic. This is even more true in the context of the letters sent to him in September by Vansittart, the British minister of finance. In these letters, Vansittart proved to be more pessimistic about the French ability to pay, even while having a lower amount in mind than Castlereagh. Vansittart thought that a contribution of 600 million, with occupation payments on top, would already be a heavy burden for the French state. At least, unless her credit improved.<sup>157</sup> In a later letter, he added that the means of realizing the contributions had not even been considered up till that point. However, Vansittart did think that much may be done by means of credit. This possibility hinged on the preservation of internal tranquility, which would lead to the eventual revival of credit.<sup>158</sup>

If observers with a keen financial mind, like the British minister of finance presumably had, figured that France could probably not afford to pay the contributions out of its regular budget, even if extended with extraordinary contributions, and that doing it by means of credit was impossible at the moment due to France's terrible creditworthiness, then the demand for a large contribution was likely to cause trouble. If, furthermore, these contributions were to be part of a peace treaty that proclaimed to serve the goal of bringing peace and tranquility to France and Europe, then these contributions do indeed seem rather antithetical to the grand objective.

Why, then, was there no voice to be found speaking out against contributions as a whole? There are several points to be made about this. First, perhaps, because bringing peace and tranquility to Europe required that transgressors were punished to some extent. Napoleon was

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<sup>155</sup> Bordo and White, 315.

<sup>156</sup> Dyson, 103.

<sup>157</sup> Vansittart to Castlereagh, 4 September 1815, in: Charles William Vane-Tempest Stewart, second Marquess of Londonderry (ed.), *Memoirs and Correspondence of Viscount Castlereagh*, Vol. 11 (John Murray: London 1848-1853) 1-7.

<sup>158</sup> Vansittart to Castlereagh, 19 September, 1815, in: Vane-Tempest Stewart (ed.), *Memoirs and Correspondence of Viscount Castlereagh* (Vol. 11) 21.

banished to St. Helena, though some, including Lord Liverpool, would have liked to see him shot.<sup>159</sup> Marshall Ney, who joined Napoleon upon his return from Elba, was executed by the French government along with other traitors (who were bad enough to be exempted from amnesty).<sup>160</sup> And France itself, by the same logic, would have to pay for the war it caused.

Second, a demand for contributions was a well-established practice in nineteenth-century Europe, as we have seen in the first part of this paper. Indemnities had been swept off the table in 1814. It was back on the table now, not because of greed or revenge necessarily, but because it was custom. Third, the general public wanted France to pay for the army's costs and the necessary securities, because those costs would otherwise have to be defrayed by the general public of these powers itself. Indeed, the public in Britain could, according to Earl Bathurst, 'never be made to understand why we should be severely taxed, in order to preserve the integrity of France'.<sup>161</sup> Understandably, they would rather have the French suffer, than themselves. Fourth, even if a power, say Britain or Russia, would have wanted to minimize the demand for contributions for the sake of peace and calm, then to resist all contributions would have been a self-defeating route to take. It might soothe the French, but at the expense of aggravating others – especially, of course, the Prussians.

Taking these considerations together, it can be concluded that the call for contributions was neither unjust nor unconventional in itself, and that the size of the demand should be balanced with the capabilities of the French state if it was to serve the objective of peace and tranquility. However, the Prussian list of demands was such an outlier compared to the demands of the others, that it left the rest of the powers in a position where they had to balance French capabilities, their own interests and Prussian demands at the same time. This necessitated compromises on all sides in the last phase of the deliberations, which I will discuss in the next and last section.

### 3.3 Towards a treaty

It was clear to Castlereagh that not all claims and demands made by the allied powers could be met by France, that the charge had to be limited in amount, and that it ultimately came down to which pretension was to give way.<sup>162</sup> Concerning the size of the indemnity, the lay of the land in late August/early September was as follows: Prussia remained committed to its claim of 1200

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<sup>159</sup> Liverpool to Castlereagh, 21 July, 1815, in: *Supplementary Despatches* (Vol. XI) 47.

<sup>160</sup> Jarrett, *The Congress of Vienna and its Legacy*, 170.

<sup>161</sup> Earl Bathurst to Wellington, 10 July, 1815, in: *Supplementary Despatches*, 23; Bathurst to Castlereagh, 4 September, 1815, in: *Correspondence of Castlereagh* (Vol. 10) 501; 'The public could never be made to understand why we should be severely taxed, in order to preserve the integrity of France'.

<sup>162</sup> Castlereagh to Liverpool (précis, private and confidential), 17 August, 1815, in: *Supplementary Despatches* (Vol XI) 127-128.

million francs to be paid in two years, while Britain stayed on the opposite side of the spectrum with a demand of 600 million francs. Russia asked everyone to stay true to the principles of magnanimity and moderation, and without specifically opposing Prussian or Austrian designs, declared to agree with the British. Lastly, Austria declared that it would vote for a middle way between the Prussian demands and those of the others. Concerning the shape of the indemnity, Britain stuck to its proposal to create a fund for fortifications, despite Prussian and Austrian opposition. Moreover, Russia now supported this. The financial part of their proposal thus came down to a 400 million war contribution and 200 million francs for the construction of a fortress barrier.<sup>163</sup>

September turned out to be the month of concessions. In a letter dated September 21<sup>st</sup>, Castlereagh informed Lord Liverpool of the progress made in the negotiations. After much discussion, the ‘importance of preserving harmony amongst the Four Powers’, and a desire to make their propositions before the newly-elected French assemblies met, made all powers ‘desirous of sacrificing somewhat to procure unanimity’.<sup>164</sup> It was then agreed that Prussia would lower her pecuniary demands to those of the other powers, and that they, in turn, would press for the cession of Saarlouis. In another letter, written on the same day, Castlereagh reflected on this reciprocal concession, not seeming very content: ‘I certainly made a considerable sacrifice of my own judgment to Prussia, in which decision, however, Russia entirely concurred’.<sup>165</sup>

It seems, thus, that both Russia and Britain agreed to concede to a Prussian territorial demand – Saarlouis – in exchange for a substantial pecuniary concession by Prussia. The latter power lowered its pecuniary demands from 1200 to 800 million in exchange for a fortress valued at 50 million francs. The Prussian move seems to have come as a surprise, at least to Lord Liverpool, who only two days earlier had expressed his hope in a letter to Castlereagh that ‘the objections of the Prussians will be speedily overcome, and that you will be able without further loss of time to bring your propositions before the French government’.<sup>166</sup> Considering the fact that Prussia’s demand for 1200 million in addition to territorial cessions was so much more radical than the demands of the others, and that it would never have been able to push such an amount through, the deal was excellent for Prussia. It conceded a point that stood no chance anyway, and acceded to the idea of a fortification fund, in exchange for a fortress Prussia could very well use for the security of its western border. Austria’s exact position in this is not stated, but as it had

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<sup>163</sup> Gentz to Carabja, 5 September, 1815, in: *Oesterreichs Teilnahme an den Befreiungskriegen*, 717-719.

<sup>164</sup> Viscount Castlereagh to the Earl of Liverpool, 21 September, 1815, in: *Supplementary Despatches* (Vol. XI) 165-166; The elections were held in August 1815 and the first assembly of what would be the infamous *Chambre Introuvable* would be on 7 October 1815.

<sup>165</sup> Viscount Castlereagh to the Earl of Liverpool, 21 September, 1815, in: *Supplementary Despatches* (Vol. XI) 166-167.

<sup>166</sup> Liverpool to Castlereagh, 19 September, 1815, *Supplementary Despatches* (Vol. XI) 163.

earlier declared to take a middle position between Prussia's demands and those of the others, it is reasonable to assume that it accepted the compromise.<sup>167</sup>

The compromise was brokered after a military commission, composed of Wellington, Gneisenau and two other officers, had at Prussia's request considered whether Saarlouis should be ceded from a military standpoint.<sup>168</sup> Their conclusion was that it should, because no other place could be found for the construction of a new fortress that could serve a defensive purpose against France as well as Saarlouis.<sup>169</sup> The commission looked into a second question as well, namely what the pecuniary value of various fortresses (not only Saarlouis, but also some other fortresses) was. The commission answered that 'it attach[ed] so much importance to the possession of these places by the allied powers', that they could not be valued in money, although France could be offered a deduction of its pecuniary contribution to the amount of 50,000,000 francs for Saarlouis, Givet and Charlemont 50,000,000 francs together and for Condé 12,000,000 francs.<sup>170</sup> Initially, the idea based on this report was to offer France the choice whether to pay the full price or to cede (some of) the fortresses. However, the Prussian suggestion to remove this option, to simply demand the fortresses while slightly lowering the demanded sum was accepted by the others.<sup>171</sup>

The set of demands that resulted from these negotiations was submitted to the French government on 20 September. Talleyrand refused all cessions on the basis that Louis XVIII and France as a whole could not be punished for the actions of a usurper, which was exactly the weak point in the allied argument pointed out by Wellington and Gentz as well. However, the allies were not impressed – they simply responded that their conditions were reasonable. Talleyrand, meanwhile, had become increasingly unpopular in France and only days later submitted his resignation. He was replaced by the Duc de Richelieu, who had served in the Russian army and as a Russian governor in Crimea; an appointment Louis XVIII hoped would help ameliorate Franco-Russian relations.<sup>172</sup> The allies had several confidential meetings with Richelieu in the last days of September and quickly agreed on some principles: to restore the borders of 1790; to hand back Savoy to the King of Sardinia, as well as Belgium to the Netherlands; the cession of various places;

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<sup>167</sup> Friedenspräliminarien. Denkschrift von Gentz an Carabja, End of August, in: *Oesterreichs Teilnahme an den Befreiungskriegen*, 707; 'Oesterreich spricht sich für einen Mittelweg zwischen diesen zwei Extremen aus'.

<sup>168</sup> 'Conférence militaire le 16. Septembre', GStA PK 1465.

<sup>169</sup> Count Hardenberg to the Prince Regent, 18 September, 1815, in: *Supplementary Despatches*, vol. 11, 162.

<sup>170</sup> 'Conférence militaire le 16. Septembre', GStA PK 1465; '...la conférence attache tant d'importance à la possession par les Puissances alliées des places de Saarlouis et Givet et Charlemont qu'elle est d'opinion, qu'elles ne sauraient être évaluées en argent...'

<sup>171</sup> *Idem*, 163.

<sup>172</sup> Jarrett, *The Congress of Vienna and its Legacy*, 172-173.

a military occupation for several years; and, finally, the payment of a contribution between 600 and 800 million francs.<sup>173</sup>

While Louis XVIII complained to the Russian emperor about the heavy burden of the stipulations, 'which combine ruin with dishonour', Richelieu negotiated further.<sup>174</sup> In the end, he managed to bring the demands down to 700 million francs. This was agreed upon by October 1<sup>st</sup>, as evidenced by a letter Richelieu received from Wellington to let him know that he had conferred with his allies on the discussions he and Richelieu had conducted. The allies had agreed to the following principles: Fixation of the borders -----, cession of Saarlouis, occupation by 150,000 men for five years with a possible reduction to three years, France would pay for the upkeep of the army, and the contribution would be set at 700 million.<sup>175</sup> While this could be called a small victory for France, Richelieu was not exactly jubilant. In a letter to the Russian emperor, he informed him of his gratitude for the support he had received from Capo D'Istria, one of the Russian diplomats, while also saying that 'it was impossible to prolong the desolated state France [found] itself in' and that he simply had to consent to everything to make it stop.<sup>176</sup>

### 3.4 The distribution of the indemnity: who benefited?

By early October, then, the amount of 700 million had been agreed upon, and the protocol on its partition was signed between the allies on November 6<sup>th</sup>.<sup>177</sup> By taking a closer look at its stipulations, it is possible to illuminate the proceedings of the deliberations described above, and the way the interests of the allies were represented in the final protocol, ultimately allowing us to see which power made the most out of the pecuniary negotiations.

Let us first simply take a look at how the protocol on the repartition of the 700 million divided the sums, not between the powers, but in which categories. The first article of the protocol immediately deals with fortifications. This is the category the British pushed for from July onwards (and which Russia supported by late August) hoping to provide a liberal provision of approximately 200 million for the construction and the maintenance of fortresses. The final treaty came close enough to this goal. A quarter of the total sum was dedicated to fortresses, but the calculation was made in a peculiar way. As the fortress of Sarrelouis, valued at 50 million by the military conference, was ceded to Prussia by France, its value was virtually added to the 700 million to be divided. A quarter of this total sum of 750 is 187.5. However, Sarrelouis was

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<sup>173</sup> Gentz to Carabja, 29 September, 1815, in: *Oesterreichs Teilnahme an den Befreiungskriegen*, 731.

<sup>174</sup> Louis XVIII to the Russian emperor, 11/23 September, 1815, in: *Correspondance de Pozzo di Borgo*, 209-210.

<sup>175</sup> Wellington to the Duc de Richelieu, *Dispatches* (Vol. XII) 652-653.

<sup>176</sup> Duke of Richelieu to Emperor of Russia, 5/17 October, 1815, in: A. Polovtsoff, *Le Duc de Richelieu: Correspondance et Documents, 1766-1823* (1887) 451.

<sup>177</sup> 'Protocole de la conférence de Paris, du 6 Novembre 1815 sur la répartition des 700 millions payables par la France aux Puissances Alliées', in: A. Durand and Pedone-Lauriel (eds.), *Recueil des traités de la France. Tome Deuxième, 1803-1815* (Paris 1815) 637-642.

categorized as part of the fund for fortresses, so the financial pay-out for this category was 137.5 million francs.

That leaves the total sum to be divided at 562.5 million francs. Out of this sum, a small portion was allotted to the countries that showed their zeal and commitment to the common cause, but were unable to truly be of aid due to the rapid unfolding of events. Therefore, by the fourth article of the protocol, Spain, Portugal, Denmark and Switzerland were allowed to share 12.5 million between them. A further 50 million was what the Duke of Wellington called 'prize money' for the armies that won the final battle against Napoleon. As such, a sum of 25 million francs was granted to Prussia and Great Britain each, which left a round sum of 500 million francs to be repartitioned.<sup>178</sup> The notion of prize money was first suggested by Hardenberg in his memorandum from July 22<sup>nd</sup>, where it was to be 100 million each out of a total 1200 million. So, although the sum was smaller both absolutely and relatively, his proposal had stuck.<sup>179</sup> The 500 million francs that remain after the deduction of the preceding funds was partitioned into five equal shares of 100 million. All the great allied powers – Russia, Great Britain, Prussia, and Austria – each received one share. The rest was to be divided between the so-called acceding powers, i.e. those states that had furnished a small amount of troops and were therefore entitled to a proportional share of the sum as well.<sup>180</sup>

This closer look at the articles of the protocol of the 6<sup>th</sup> of November shows that the 700 million sum that is commonly referred to as 'indemnity' actually comprised two separate categories of goals. As we have seen, compensation, reparation or indemnification simply means that one party compensates another party, pecuniary or in kind, for damages suffered. In this case, the 562,5 million remaining after deducing the fund dedicated to fortifications is a sum that can be categorized as having only that function: compensation. The 'fortification fund' is closer in spirit to the main overarching allied goal of securing Europe, and the countries bordering on France in particular, against new French aggression.

Nevertheless, if we take the newly established Kingdom of the Netherlands as an example, we see that it received 60 million francs for the fortresses, and was *entitled* to roughly another 21 million francs as indemnity.<sup>181</sup> These sums were not mutually exclusive, i.e. the Netherlands had a right to both these sums, because the fortification fund and the indemnity were seen as serving separate goals. Therefore, the fact that the distribution of this 700 million was dealt with in one separate treaty is misleading in a sense, as it suggests that the objective of this sum was uniform.

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<sup>178</sup> *Idem*, 639.

<sup>179</sup> 'Mémoire de son altesse monseigneur le Comte d'Hardenberg', 22 July, 1815, GStA PK 1465, 27.

<sup>180</sup> 'Protocole de la conférence de Paris, du 6 Novembre 1815', in: *Recueil des traités de la France*, 639-640.

<sup>181</sup> I say 'entitled', because the 21 million was in fact shared between Austria and Prussia, as the share of the Netherlands was satisfied with territorial acquisitions instead.

Evidently, it was not. The fortification fund served the goal of security, in the same way that the occupation army and the sums defrayed for its maintenance did; the indemnity, on the other hand, was nothing more than compensation. Deconstructing the 700 million contribution in this manner shows that the actual indemnity for the sake of compensation is smaller than commonly reported, which supports the idea that this peace treaty was moderate, not vengeful, and was more dedicated to the security of Europe than the plain notion of a 700 million indemnity would suggest.

Lastly, having established this, another step towards clarification of the 700 million sum is to deconstruct which state benefited the most. First, all principal powers received 100 million as part of the 500 million indemnity. The fifth share of 100 million was divided between the acceding powers, in proportion to their military support. However, both the Netherlands and Sardinia yielded their share to Austria and Prussia, as they were 'satisfied' by their territorial acquisitions. This amounted to roughly 27 million, so 13.5 million for Austria and Prussia each. Second, as stated above, Prussia and Great Britain each received 25 million for their war efforts in 'prize money'. Third and last, Prussia received 20 million from the fortification fund, while, alongside Austria, indirectly being the beneficiary of another 25 million from the same fund as well, which was allotted to fortresses in Mainz and the *Haut-Rhin* as a member of the German Confederation. Added up, this means that in descending order, Prussia was set to gain approximately 158.8 million, Great Britain 125, Austria 113.8, and Russia a mere 100 million.

This goes to show that Prussia, despite seeing its high demands of 1200 million and huge territorial cessions frustrated, was the party that gained the most from the treaty in financial terms. Moreover, the disparity in direct gains from this protocol is even starker when the value of the Sarrelouis fortress (50 million) is taken into account. This means Prussia received 208.8 million out of the total (virtual) 750 million, which is over a quarter of the total amount. In contrast, Russia, at 100 million, received less than a seventh – a surprisingly accurate representation of the respectively harsh and lenient positions taken consistently by these powers throughout the negotiations.

## Conclusion

Forging a treaty that is agreeable to all parties is a difficult task, especially when the treaty is supposed to end a series of wars that has lasted over two decades. As we have seen, the details of such a treaty are subject to the most meticulous arguments and can take months to be agreed upon. This thesis had the intention of illuminating one particular part of such deliberations by providing a genealogy, as it were, of the idea of a 700 million francs indemnity imposed on France. Its purpose was to trace the evolution of this sum and to couch it in its historical context, i.e. the history of tribute, pillage and contributions, the Revolutionary and Napoleonic Wars, the indemnities Napoleon imposed on Austria and Prussia, the emergence and status of public credit in France, and the general interests of the allied powers. Taken together, these elements shaped the historical situation in which the allies set out to deliberate on the contribution to be demanded from France.

The relevance of this research lies in the fact that there is a gap on three levels in the historiography: the literature on the post-war settlements in 1814 and 1815 is almost exclusively concerned with the political and geographical sides of the treaties, not with the financial parts; further, those articles that are concerned with the financial aspects of the Second Peace of Paris, are exclusively concerned with the consequences, not with the deliberations leading to the stipulations; lastly, the literature on reparations, as far as it exists, is almost exclusively concerned with the Treaty of Versailles. To fill these lacunas, I have made extensive use of primary sources relating to the discussions, including unprinted sources from the former Prussian archives.

However, there were a few limitations to this research. First, the sources I have been able to access and actually read were not equally informative for all four principal powers. While a considerable array of sources on Prussia, Britain and the Allied Council were available to me, this was less so the case for Austria and least of all for Russia. I have tried to work around this limitation by resorting to the printed correspondence of various relevant historical figures, such as the Russian ambassador to France, Pozzo di Borgo, who regularly communicated with Count Nesselrode, and the letters the Austrian-employed diplomat Friedrich von Gentz sent to the Hospodars (rulers) of Wallachia.

A second limitation was that the financial question was often discussed indirectly. An example of this is the memorandum by Prince Metternich, who leaves the subject of the indemnity open for a separate discussion, but whose memorandum then so fully explicates his position on the situation as a whole that it is possible to derive his position on the indemnity from it. By combining this with descriptions of the Austrian viewpoints and conduct found in other sources, it is possible to reconstruct the Austrian position in the deliberations reasonably well, although the fact remains that this reconstruction is not directly based on a document straightforwardly

stating the Austrian position. The same applies, by and large, to the Russian case, with the further limitation that I have not been able to find any Russian memorandum in the archives whatsoever. The saving grace in this case is that one Russian memorandum was quoted rather extensively by Viscount Castlereagh in a letter to Lord Liverpool and as such found its way into a volume of the printed 'supplementary despatches' of the Duke of Wellington.<sup>182</sup>

Despite these limitations, however, this research still provides a fuller overview of the deliberations concerning the 700 million francs indemnity than can be found anywhere else. Combined with the articles written by, for example, Eugene White, Kim Oosterlinck and Jerome Greenfield, this could therefore form the basis for a more thorough and comprehensive exploration and analysis of the financial aspects of the Second Treaty of Paris. On another level, it might provide the basis for a comparative research between these deliberations and those of the Treaty of Versailles, a century later, which has been studied far more extensively. The added value would be to illuminate the value of the restraint and the attention given to the bigger picture by the negotiators in 1815.

As we have seen, there was a lot of restraint involved in the deliberations, except on the Prussian side. From the moment Blücher imposed a 100 million francs contribution on the city of Paris, the Prussian diplomats were incessantly pleading for higher demands. However, whether France would be able to afford the demands for payment even on the lower end of the scale without going bankrupt and destabilizing was far from a certainty. Moreover, it was the first thing the allies wanted to prevent from happening. It was not an easy task, especially with a massive occupation army on French territory while deliberating on the final settlement. To ease the pressure on France, the allied ministers specifically introduced the principle that no one should act in isolation to prevent further requisitions that could destabilize France, and they eventually agreed to leave the requisitions needed by the military to France entirely. That France had trouble providing even this amount, demonstrates the difficulty it could potentially have in defraying the costs of a larger contribution.

However, the Prussians were unfazed. In a sense, therefore, they are the main actors of this story, as they were the relentless force behind the demand for a contribution. If the Prussians would have had their way, the imposition would have amounted to 1200 million francs. Although, perhaps, this is too simply put. In early-nineteenth century Europe, it was impossible to 'have your way'. None of the interests described in the first part of this paper were fully satisfied by the final treaty. Not because all the diplomats were poor negotiators, on the contrary: they understood that no power, ultimately, would be able to see its plans materialize completely. At the end of the

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<sup>182</sup> 'Résultat de l'Opinion de S.M.I. l'Empereur de Russie', 24 August, 1815, in: *Correspondence of Castlereagh* (Vol. 10) 497-498.

negotiations, there would always be compromise – compromise between the interests of different powers, but also between the objectives these powers held themselves, most importantly, direct gains and a sustainable peace.

That, I think, is the way the sum of 700 million francs should be seen. It was a compromise between interests, revenge, greed, the higher objective of sustainable peace and, of course, the financial capabilities of France. The powers could all agree on the fact that they had the right to an indemnity, but it was the Prussian thrust for a higher amount to indemnify the costs of the past wars, that pushed the sum above a year's worth of revenue. In the end, however, even the at times seemingly *rücksichtlose* Prussians appreciated the need for compromise, and while the final sum was a far cry from what they set out to gain, their concession was nevertheless reflected in their substantive share of the earnings. Thanks to that compromise, and thanks to the moderation of the other powers, the final sum was not merely a huge indemnity, but a sum that fitted in with the higher objective of a durable peace, and as such became part of a treaty that was ultimately relatively agreeable to all parties to it.

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