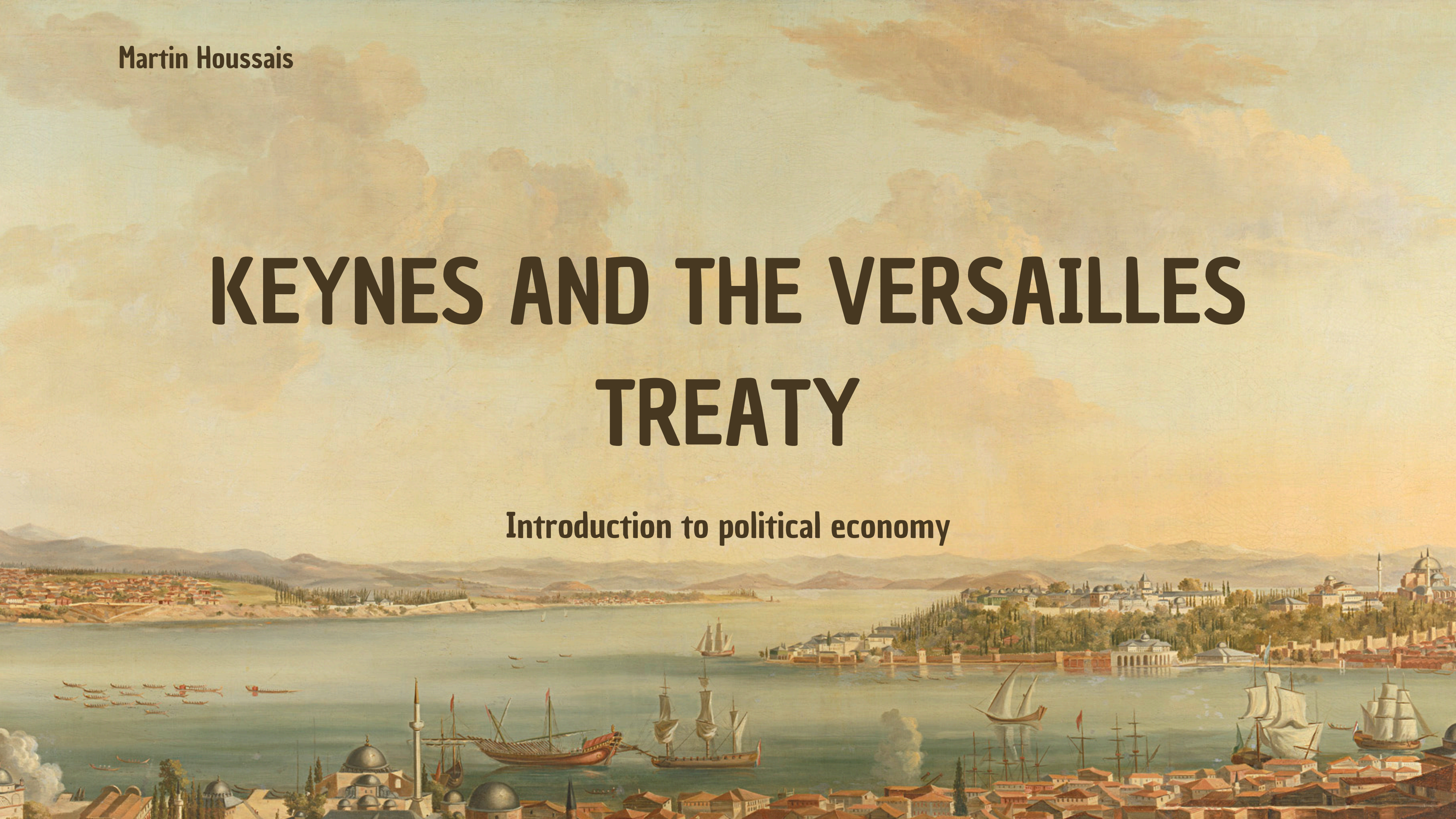


Martin Houssais

# KEYNES AND THE VERSAILLES TREATY

Introduction to political economy





# *Summary*

**I. Keynes' critique of the Versailles treaty**

**II. The Impact of the Sanctions on Germany and Europe**

**III. The Legacy of Keynes' Ideas and Their Influence on International Economic Policy**





# *1. Keynes' critique of the versailles treaty*



- 1. The reparations imposed on germany**
  - a. Big Amount
  - b. The reparations unrealistic and economically unsustainable.
  - c. Risk of destabilisation
- 2. A Punitive and Counterproductive Policy**
  - a. Punishment
  - b. Policy of cooperation and investment
  - c. A brake on Europe's economic recovery



## II. The Impact of the Sanctions on Germany and Europe

- **THE IMPACT ON GERMANY**

- **ECONOMIC WEIGHT**
- **WORLD OF INDUSTRY AND COMMERCE WEAKENED**
- **A SOCIAL AND POLITICAL CRISIS**

- **THE IMPACT ON EUROPE ECONOMY**

- **A SLOWDOWN IN INTERNATIONAL TRADE**
- **A CLIMATE OF FINANCIAL UNCERTAINTY**
- **ECONOMIC PEACE THREATENED**





# *III. Keynes's Proposition and Their Resonance in History*

## **1. THE ECONOMIC SOLUTIONS PROPOSED BY KEYNES**

- a. Reducing the weight of reparations**
- b. Implementing an investment plan for Europe**
- c. Encouraging economic cooperation between nations**

## **1. KEYNES' INFLUENCE ON TWENTIETH-CENTURY ECONOMIC POLICIES**

- a. An anticipation of future economic crises**
- b. The rise of Keynesianism after the Second World War**
- c. A legacy that is still relevant today**



Martin Houssais

# THANKS FOR LISTENING

Introduction to political economy







## *Sources*

Markwell, Donald. *John Maynard Keynes and International Relations: Economic Paths to War and Peace*, Oxford University Press, 2006.

Chapter 3 "the conference",  
Chapter 5 "Reparation", Chapter 6 " Europe after the treaty"

Skidelsky, Robert. *John Maynard Keynes: The Economist as Saviour 1920-1937*, Macmillan, 1992.

Boianovsky, Mauro & Marcuzzo, Maria Cristina. "The 'Keynes Plan' and the European Reconstruction after WWII", *History of Political Economy*, 2021.

[https://fr.wikipedia.org/wiki/Les\\_Conséquences\\_économiques\\_de\\_la\\_pa](https://fr.wikipedia.org/wiki/Les_Conséquences_économiques_de_la_pa)