

Lesser-known Aspects of the Saint Germain Peace Treaty: Czechoslovak Land Reform on the Estates of Austrian Citizens in the Interwar Period¹

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This study explores a lesser-known aspect of the Saint Germain Peace Treaty – the impact of Czechoslovak land reform on estates owned by Austrian citizens in the interwar period. Following the collapse of the Austro-Hungarian Empire, property rights of Austrian landowners in Czechoslovakia became a contentious issue, especially as land reform targeted large estates, many of which belonged to Austrian aristocrats. Though the Treaty of Saint Germain appeared to offer some protections, Vienna ultimately chose not to internationalize the dispute via a mixed arbitral tribunal. Legal ambiguity, Austria's political and economic dependency on Czechoslovakia, and efforts to maintain diplomatic relations all influenced this decision. Despite some diplomatic efforts and partial settlements, Austrian landowners received significantly lower compensation compared to other foreign nationals. This case highlights the limits of international legal mechanisms when weighed against broader political and economic interests in post-war Central Europe, and sheds light on Austria's cautious approach to protecting its nationals abroad.

[Czechoslovak Land Reform; Austrian Landowners; Saint Germain Peace Treaty; Mixed Arbitral Tribunal; Interwar Diplomacy]

Czechoslovak-Austrian relations in the interwar period were not without conflicts and misunderstandings. Especially the early stages in 1918 and 1919 can by no means be described as harmonious. The very way in which the two republics came into being certainly contributed to this.

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While Czechoslovakia was the result of several years of persistent and deliberate efforts by foreign and domestic resistance, Austria achieved independence, to put it simply, as if by accident; it was essentially the result of the military, economic and political crisis of the autumn of 1918. In the first years of their independent existence, the two so-called successor states of the Habsburg Monarchy were burdened in particular by the dispute over the fate of the German minority in Czechoslovakia, whose representatives expressed their will to become part of German Austria at the end of October and beginning of November 1918.³ The uncertainty regarding the borders of both states was put to an end by the violent occupation of the border areas by Czechoslovak troops and finally by the Saint Germain Peace Treaty of 10 September 1919.⁴

Despite the normalization of economic relations between the two countries in 1921 (the so-called Treaty of Lana), other controversial issues remained that have been only marginally addressed in the literature. The consequences of the Czechoslovak land reform on the large estates owned by Austrians in Czechoslovakia was one of these issues. The Austrians were the most important ownership group alongside the Reich-German and Hungarian owners.⁵ There were more than five dozen individuals and legal entities whose land holdings amounted to almost 195,000 hectares of land. The majority of these were forests, with just under seventy-nine thousand hectares of arable land.⁶ The owners were mostly aristocrats (whose titles, despite the official abolition of the nobility, are listed here), but there were also persons of civic origin, church institutions or municipalities.

³ Autonomous provinces such as Deutschböhmen, Sudetenland, Böhmerwaldgau a Deutschsüdmähren were created. On the development in the border regions cf. e.g. M. F. LILL, *Die Tschechoslowakei in der österreichischen Aussenpolitik der Zwischenkriegszeit (1918–1938): Politische und wirtschaftliche Beziehungen*, in: *Sudetendeutsches Archiv* 2006, pp. 43–64.

⁴ On peace negotiations with Austria cf. O. KONRÁD, *Neuvyvážené vztahy: Československo a Rakousko 1918–1933*, Praha 2012, pp. 110–119.

⁵ E.g. Reich Germans owned almost 378,000 hectares of Czechoslovak land (Politisches Archiv des Auswärtigen Amts, Berlin, hereinafter as PAAA), f. *Gesandtschaft Prag*, karton (k.) 101, *Liste der durch die Bodenreform betroffenen reichsdeutschen Grossgrundbesitzer in der Tschechoslowakei*.

⁶ Österreichisches Staatsarchiv, Wien (hereinafter as ÖStA), *Archiv der Republik*, f. *Bundesministerium für Auswärtige Angelegenheiten* (hereinafter as AdR/Auswärtiges), f. *Gesandtschafts- und Konsulatsarchive, Gesandtschaft Prag* (hereinafter as *Gesandtschaft Prag*), k. 61, letter from Albrecht Prince Zedtwitz to the Austrian Minister in ČSR Ferdinand Marek from November 1924, *Grossgrundbesitzer österreichischer Staatsangehörigkeit in der Tschechoslowakei*.

The largest landowners with Austrian citizenship were the former Cisleithanian prime minister and long-time speaker of the House of Lords Alfred Prince Windischgrätz with about twenty-three thousand hectares of land in western and southern Bohemia and partly also in Slovakia (mainly Kladruby, Tachov, Štěkeň and Jablonica-Trstín in Slovakia), Karl Josef, Prince Trauttmansdorff with less than eighteen thousand hectares in south-western and north-eastern Bohemia (mainly Horšovský Týn/Bischofteinitz and Jičín-Kumburk) and Johann Josef, Count Herberstein-Proskau with more than thirteen thousand hectares in northern and southern Bohemia and southern Moravia (Libochovice, Nepomyšl, Vlachovo Březí and Dolní Kounice).

Former nobles and other landowners with Austrian nationality expected the Austrian Republic to stand up for their rights. Prague's position in applying land reform to foreigners was not set in stone. The uncertainty of the Czechoslovak authorities as to whether the reform could be defended without fail abroad is evident from their internal documents in particular. Even the Ministry of Finance, controlled by the so-called agrarians, i.e. the political current supporting the reform, questioned the calculation of compensation according to land prices in 1913–1915 in autumn 1919 and pointed out that the property levy should be calculated based on current prices.⁷

Ministers of all interested states tried to influence the amount of compensation and potentially the scope of the land reform – with varying degrees of success. Austrian Minister Ferdinand Marek also made attempts to achieve this.⁸ He was, however, rather skeptical about the Austrian situation. He warned his superiors in the spring of 1922 that the victorious powers did not want to proceed together with the defeated states in Prague. But while “Reich German nationals can expect to receive the best treatment, Austrian and Hungarian nationals must

⁷ Archiv Ministerstva zahraničních věcí (hereinafter as AMZV), f. II. section – political, this is probably not the entire name of the fond, section ID is missing, k. 578, minutes from the 1st meeting of ministers on compensation, 4 November 1919.

⁸ Marek was the *chargé d'affaires* (*Geschäftsträger*) in Prague as of January 1919, and minister from 11 April 1922 until March 1938. Die Geschichte der österreichischen Botschaft in Prag und die Botschaftsgebäude, in: *Österreichische Botschaft Prag* [online], [cit. 2019–11–12.], <https://www.bmeia.gv.at/oeb-prag/ueber-uns/die-botschaftsgebäude>). For more information on Ferdinand Marek, see e.g. Z. KÁRNÍK, Fenomén Marek: Nad osudy rakouského diplomata úzce spojeného s životem první republiky, in: *Acta historica et museologica Universitatis Silesianae Opaviensis*, C, No. 7, 2007, pp. 425–434.

in any case expect to be dealt with in the worst possible way during the implementation of the land reform...”⁹

Czechoslovak landowners with Austrian citizenship wanted to defend themselves against the land reform in international courts as German landowners had done. The lawsuit filed in 1924 by Reich-German citizen Albert Maria Lamoral, Prince of Thurn-Taxis, at the German-Czechoslovak Mixed Arbitral Tribunal based in Geneva was particularly significant in this respect.¹⁰

The Austrian owners appealed to the Austrian government in their efforts to force the establishment of a Czechoslovak-Austrian mixed arbitral tribunal, arguing in particular the provisions of the Treaty of Saint Germain. Article 267 stated that the immovable property and other assets of Austrian citizens “shall be returned to the beneficiaries, being exempt from all measures of that kind or any other measure taken on disposal, imposed administration or sequestration from 3 November 1918 until the time when this Treaty shall come into force”. The sixth sub-section of section 10 (Articles 256 and 257) of the peace treaty then provided for the establishment of a mixed court of justice to settle disputes between the Allies and Associated Powers on the one hand and Austria on the other.¹¹ However, the question was whether it was beneficial for Austria to set up a tribunal and appeal to it in the matter of the Czechoslovak land reform.

Vienna now had to consider whether to internationalize the land reform disputes. The catalogue of complaints began to fill up as early as 1919, when the Czechoslovak state started to take action affecting the properties of Austrian citizens. Until the end of 1920, however, these concerned only individual cases. The case of the owner of the Pardubice estate, the industrialist Richard Freiherr Drasche von Wartinberg, attracted a great deal of attention in the initial phase of the reform. In December 1919, his large estate of some six and a half thousand hectares was placed under an imposed administration for alleged mismanagement.¹²

⁹ ÖstA, AdR/Auswärtiges, f. Gesandtschaft Prag, k. 61, No. Zl 16031, letter from Minister Ferdinand Marek to Austrian Federal Ministry of Foreign Affairs from 4 May 1922.

¹⁰ Ibid., k. 187, complaint of Albert Maria Lamoral Prince Thurn-Taxis from 28 May 1924.

¹¹ Treaty of St. Germain, in: *Wikisource.org* [online], [cit. 2019–11–12.], [https://cs.wikisource.org/wiki/Saintgermainská_mírová_smlouva_\(velká\)](https://cs.wikisource.org/wiki/Saintgermainská_mírová_smlouva_(velká)).

¹² Ibid., letter from Richard Freiherr Drasche von Wartinberg to Austrian Minister in Prague Ferdinand Marek from 29 December 1919.

The Austrian government clarified its position in a lengthy note sent to the Czechoslovak Ministry of Foreign Affairs in May 1921. Rather than addressing individual cases it launched a fundamental critique against the reform itself. Citing the Treaty of Saint-Germain, it claimed that “agricultural legislation has ceased to be a purely national matter” and argued that the Expropriation Act, which originally provided for the confiscation of the property belonging to “nationals of enemy states” without compensation in Article 9, was in direct contradiction to the peace treaty.¹³ Referring to Drasche and other similar cases, the Viennese government demanded that the Czechoslovak authorities halt the land reform on the estates of Austrian citizens and return the expropriated property to them. Otherwise, they insisted on full compensation.¹⁴

The Minister of Foreign Affairs, Edvard Beneš, was willing to make concessions but he did not intend to impose any significant restrictions on the reform of foreign-owned estates. In July 1921, he informed Minister Marek that Austrians would be treated similarly to British and French citizens. He suggested that Austrian citizens should seek an amicable settlement with the State Land Office.¹⁵ The State Land Office, in turn, argued that while the Expropriation Act permitted the expropriation of property of enemy state nationals without compensation, it did so only if it did not violate the peace treaties, thereby refuting the arguments of the Austrian government.¹⁶ Prague sent the Austrian Legation an official reply to its note to this effect.¹⁷

In the following months, Austrian diplomacy was limited to intervening in individual cases of land reform application.¹⁸ In the sensitive period before Chancellor Johann Schober’s trip to Czechoslovakia and

¹³ *Der Staatsvertrag von St. Germain samt Begleitnote vom 2. September 1919 und einem alphabetischen Nachschlageverzeichnis*, Wien, 1919.

¹⁴ Národní archiv Praha (hereinafter as NA), f. 705 (Státní pozemkový úřad – spisy všeobecné), k. 334, No. Zl 22413, note from Austrian legation in Prague sent to the Czechoslovak Ministry of Foreign Affairs on 31 May 1921.

¹⁵ ÖStA, AdR/Auswärtiges, f. Gesandtschaft Prag, k. 61, No. Zl. 24075, letter from Ferdinand Marek to Federal Ministry of Foreign Affairs from 5 July 1921.

¹⁶ AMZV ČR, VI. Legal section 1918–1945, k. 505, case No. 32824/21 Sec. VI, letter from State Land Office sent to the Ministry of Foreign Affairs from 31 August 1921.

¹⁷ ÖStA, AdR/Auswärtiges, f. Gesandtschaft Prag, k. 61, case No. 29124, letter from Minister Ferdinand Marek to Federal Ministry of Foreign Affairs from 19 September 1921.

¹⁸ *Ibid.*, case No. Zl. 21.427/Res., letter from Minister Ferdinand Marek to Federal Ministry of Foreign Affairs from 6 September 1922.

the signing of the Treaty of Lana, it was not appropriate to aggravate mutual relations with polemic about the international legal aspects of the land reform. Austria's desire not to escalate the land reform dispute had its reasons. In the early 1920s, the government in Vienna was trying to establish good relations with Prague, which had an interest in the existence of Austria as a state and was strongly opposed to its possible annexation to Germany. In October 1922, Prague was therefore instrumental in the approval of the so-called Geneva Protocols, which provided Austria with significant foreign financial aid that prevented the state from going bankrupt.¹⁹ Vienna's ability to intervene effectively on behalf of the Austrian landlords was inversely proportional to the degree of its dependence on Czechoslovakia and the victorious powers.

Another route through the Czechoslovak-Austrian Arbitral Tribunal did not seem promising.²⁰ In July 1922, this possibility was raised before Minister Marek by judicial counselor Wilhelm Löwenfeld, who associated with some of the Reich German owners and played an important role in the subsequent lawsuit filed by Prince Thurn-Taxis to the Czechoslovak-German Arbitral Tribunal. He also tried to convince Marek with the unsubstantiated claim that the Reich government considered the prospects

¹⁹ See P. BERGER – J. NOVOTNÝ – J. ŠOUŠA, *Der Beitrag der Tschechoslowakischen Republik zur Sanierung der österreichischen Finanzen 1919–1938*, in: A. TEICHOVÁ – H. MATIS (eds.), *Österreich und die Tschechoslowakei 1918–1938: Die wirtschaftliche Neuordnung in Zentraleuropa in der Zwischenkriegszeit*, Wien, Köln/R., Weimar, Böhlau 1996, pp. 169–210. Czechoslovakia contributed one-fifth of the 520 million gold crowns of the so-called rehabilitation loan granted to Austria to cover budget deficits that would arise from the negotiation of the protocols until 1924, and one-third of the 130 million gold crowns allowed to Austria to repay advances on loans previously granted to it by the governments of Great Britain, France, Italy, and Czechoslovakia. (Print 3939: Chamber of Deputies of the National Assembly of the Czechoslovak Republic, Report of the Budget Committee on the Government Bill (Print 3921) authorizing the Minister of Finance to take over the guarantees for the Austrian rehabilitation loans under the Geneva Protocols of 4 October 1922. In: Joint Czech-Slovak Digital Parliamentary Library [online]. National Assembly of the Czechoslovak Republic 1920–1925, Prints, 13 December 1922 [cit. 2019–11–12], http://www.psp.cz/eknih/1920ns/ps/tisky/T3939_00.htm; see also J. NOVOTNÝ – J. ŠOUŠA, *K účasti československých bank na půjčkách Rakouské republiky v meziválečném období*, in: *Slezský sborník*, 91, 1–2, 1993, pp. 24–29.

²⁰ Marek to Wien-Claudim, 4 April 1923, No. Zl. 3967/res., ÖStA, AdR/Auswärtiges, f. Gesandtschaft Prag, kt. 61.

of the German landowners to be good.²¹ Marek was right to have considerable doubts about his conclusions. In his opinion, the cases of the Austrian owners should have been submitted to the (as yet unconstituted) mixed arbitral tribunal only if the objectivity of the president of the court was guaranteed. Even if this condition was met, however, the Minister was not sure that the mixed arbitral tribunal would rule in favor of the claimants. He warned that if this did not happen, it would reduce the hopes of all the Austrian landowners for an agreement with the Czechoslovak authorities.²²

The meeting between a delegation of Austrian landowners and the Austrian Federal Chancellor Ignaz Seipel in May 1923 did not alter the Austrian government's position. The discussion, however, contributed substantially to clarifying mutual positions. Seipel explained the reasons why Austria was opposed to the establishment of a mixed arbitral tribunal. He even admitted that Czechoslovakia had proposed the establishment of the tribunal but Vienna had refused. There were several reasons. Austria did not want Czechoslovakia to be seen as an enemy state. In addition, Austria was convinced that since both states were part of the Austro-Hungarian Empire during the war, no measures were taken against enemy property in Czechoslovakia. The delegation was informed that, in the opinion of the Austrian Government, the land reform was also not a war measure under Article 267 of the Peace Treaty and that any potential action raised before a mixed arbitral tribunal could therefore not be expected to succeed. However, Austrian legal experts acknowledged that the landlords were entitled to full compensation for expropriation under international law. It was therefore agreed with Seipel that Vienna would wait to see if the Czechoslovak-Hungarian arbitral tribunal – as the cases of the foreign owners were related and the Hungarian case in particular was significant – would declare itself incompetent in the matter of reform. Seipel promised that he would then again consider raising the issue of land reform with international courts.²³

The reasons for the reticence of Austrian diplomacy were both legal and political. For example, the so-called Resettlement Act (*Wiederbesiedlungsgesetz*), approved by the Austrian National Council on 31 May 1919, did

²¹ Marek to BMA, 13 July 1922, No. missing, ÖStA, AdR/Auswärtiges, f. Gesandtschaft Prag, kt. 61.

²² Marek to BMA, 6 June 1922, No. Zl. 21.427/Res., ÖStA, AdR/Auswärtiges, f. Gesandtschaft Prag, kt. 61.

²³ ÖStA, AdR/Auswärtiges, f. Gesandtschaft Prag, k. 61, Gedächtnis-Skizze, 7 May 1923.

not go unnoticed by Prague.²⁴ The law allowed for the expropriation of land in order to revive peasant farms, which had ceased to exist after 1 January 1870. The scope of the measures taken was considerably smaller than in the case of the Czechoslovak land reform. In the whole of Austria, less than 14 000 hectares of land were expropriated under the law.²⁵ But this was much less important than other facts. In particular, it had to be taken into account that the law was also applied to estates owned by foreigners. Among the few Czechoslovak citizens impacted by the reform, Prince Jan Nepomuk Schwarzenberg was the most significantly affected, losing about 175 hectares of land to expropriation in Styria.²⁶ Similarly to the Czechoslovak land reform, the amount of compensation was also very problematic. It was “significantly below” the market price.²⁷

In the following few years, the issue of land reform was again dealt with on an individual basis. From time to time the Austrian legation intervened in favor of a particular owner, while the Czechoslovak side made minor concessions. It was not until the second half of the 1920s that Vienna started to rethink the principles of the procedure for defending the interests of Austrian landowners in Czechoslovakia. At that time, the legal counsels of the affected owners insisted on the activation of the mixed arbitral tribunal. An example could be taken here from the lawsuits brought by the Reich-German owners. However, Felix Orsini-Rosenberg, the legal secretary of the Austrian legation in Prague, who was in charge of the land reform, was skeptical about this possibility. He said that the lawsuits did not bring any practical result until the summer of 1926. He advised his superiors not to wait for the decisions of the international courts. He was convinced that it would be more advantageous for the owners to reach an amicable settlement with the State Land Office.²⁸ He did not, however, indicate how they were to reach a favorable agreement

²⁴ Gesetz vom 31. Mai 1919 über die Wiederbesiedlung gelegter Bauerngüter und Häusleranwesen (Wiederbesiedlungsgesetz), in: *ALEX: Historische Rechts- und Gesetzestexte* [online], © 2011 Österreichische Nationalbibliothek [cit. 2019–11–12], <http://alex.onb.ac.at/cgi-content/alex?aid=sgb&datum=1919&page=815&size=45>.

²⁵ Stand der Wiederbesiedlung, 30 June 1927, No. missing, ÖStA, AdR, Bundesministerium für Land- und Forstwirtschaft (hereinafter as BMfLuF), Allgemein, Kt. 1913.

²⁶ List of Foreign Owners, 24 March 1928, No. missing, ÖStA, AdR, BMfLuF, Allgemein, Kt. 1913.

²⁷ Antrag an den Ministerialrat, no date (1925, No. z. Z. 142.970-14a/1925, ÖStA, AdR, BMfLuF, Allgemein, Kt. 1913.

²⁸ Rosenberg, Pro domo, ÖStA, AdR/Auswärtiges, f. Gesandtschaft Prag, kt. 65.

without the threat of activating the mixed arbitral tribunal. If we were to view the situation purely in terms of the interests of the landlords, the activation of the mixed arbitral tribunal would have been appropriate. It will become apparent that other interests carried more weight in Vienna and that skepticism prevailed regarding the legal situation of the owners.

In the end, the Austrian government did not decide to go into open conflict with Prague over the land reform. The reasons were explained by Franz Peter, Secretary General for Foreign Affairs at the Federal Chancellor's Office²⁹ to minister Marek. He reiterated that the convening of a mixed arbitral tribunal under the Treaty of Saint Germain was not appropriate because "in our view, the reasoning of Article 267 of the Peace Treaty in relation to the implementation of the land reform on the estates of Austrian nationals is not ironclad". He reasoned, *inter alia*, that the laws on the implementation of the land reform applied to foreigners as well as to Czechoslovak citizens. Peter did not mention the application of the 1926 Arbitration Treaty, and it was thus apparently out of the question.³⁰

Among the foreigners, the Austrian landlords were among those who were most damaged by the land reform. The issue was not primarily the extent of the land surrendered (its share of the original land ownership), but the financial arrangement of the expropriation. According to the records of the Czechoslovak authorities, by the end of 1929 sixteen cases had been settled by agreement (often under pressure) between the State Land Office and the Austrian landowners, representing about forty percent of the land ownership of Austrian landowners in Czechoslovakia. The average compensation for expropriated land amounted to eighteen hundred crowns per hectare, which was about half the market price at

²⁹ Franz Peter (held the title of Knight von Thyllnreuth until 1919) was a very successful Austro-Hungarian consular officer until 1918 and was head of the 7th Department (International and State Law) of the Ministry of Foreign Affairs before the dissolution of the monarchy. After the establishment of the Austrian Republic, his career continued: in 1923 he moved from the Legal Department of the Federal Foreign Office to its Political Section, and from 1926 until his retirement in 1936 he was Secretary-General for Foreign Affairs and head of the 3rd (later 4th) Section. J. ŽUPANIČ – V. HORČIČKA – H. KRÁLOVÁ, *Na rozcestí: Rakousko-uherská zahraniční služba v posledních letech existence monarchie*, Praha 2009, pp. 163 n.

³⁰ ÖStA, AdR/Auswärtiges, f. Gesandtschaft Prag, k. 63, case No. Zl. 188.035-14a, Letter from Franz Peter, Secretary General of the Office of the Federal Chancellor, to Minister Ferdinand Marek from 9 December 1929.

the time.³¹ The Czechoslovak landlords affected by the reform received roughly the same amount of compensation.³²

The attempts of the Austrian landlords in Czechoslovakia to achieve the internationalization of the case, i.e. its transfer to a mixed arbitral tribunal, following the example of the Reich-German owners, were not successful in the end. The issue of land reform was, despite its undeniable importance, a minor matter. The focus of interest of the governments in Vienna and Prague was primarily the enormous economic, commercial and financial problems of Austria, which was dependent on the help of the victorious powers. Czechoslovakia played a significant role in the rehabilitation of the Austrian economy and was a key trading partner for the Austrians. Moreover, Vienna itself acknowledged that the objections raised by the Austrian landowners to the reform were not legally indisputable. Austrian diplomacy thus avoided a clash with Prague over the land reform and tried to influence its course by amicable means. However, as this study has shown, Vienna's accommodating attitude did not bring tangible benefits to the affected landowners. In particular, compared to other foreign landlords in interwar Czechoslovakia, the compensation and tax relief granted to Austrian citizens for expropriated property was lower than that granted to nationals of the other states involved.

³¹ However, large estate owners often claimed that market prices were even higher. AMZV ČR, VI. Legal section 1918–1945, k. 507, case No. 166445/29 – Z, Official Record from the Ministry of Finance from 21 December 1929.

³² The largest Czechoslovak landowner, Prince Jan Nepomuk Schwarzenberg, received an average of 1600 crowns per hectare. SOA Třeboň, oddělení Český Krumlov, f. Imposed administration of the Schwarzenberg property, k. 1, Bodenreform auf dem Fürst zu Schwarzenberg'schen Besitz: Verstaatlichung – Flächen und Übernahmeprese, 14 December 1940.