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UNDERMINING THE *CORDON SANITAIRE*: NAVAL ARMS SALES AND ANGLO-FRENCH COMPETITION IN LATVIA, 1924-1925

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In the aftermath of World War I, Britain, France, and the other Allied powers assisted the struggles for independence of the new nations of Central and Eastern Europe. In some respects Britain and France pursued this policy out of sympathy for the former subject peoples of the disintegrating Romanov, Hohenzollern, and Habsburg Empires. Self-interest though, soon proved a stronger driving force than any esoteric emotional attachment. Great Britain, but more particularly France, hoped to create among these new and reborn nations a group of states that would help offset any future resurgence of German military power. The French also hoped to forestall what they saw as growing British economic penetration in the region.¹

This policy continued to evolve in the period of instability immediately following World War I. There arose in France and Great Britain a desire to also establish a barrier against Bolshevism and keep it contained in Russia.² The combined fears of Germany and Lenin's Russia led both Britain and France to begin arming in at least some small fashion these new nations.

During the initial period of instability after World War I, Poland and the Baltic States of Latvia, Lithuania, and Estonia received small arms and other military equipment from Great Britain and France, sometimes without charge. When the immediate threat of Lenin's Russia and adventurers such as Colonel P. M. Bermond-Avalov and Count Rudiger von der Göltz passed, all of the nations of the Eastern Baltic began to reorganize their military forces and embark upon efforts to strengthen them. To fulfill this goal these states required modern military equipment, most of which could only come from foreign nations. Part of the armament programs of all the nations of the Eastern Baltic included some expenditure for the creation of naval forces. When it became known in industrial circles in Great Britain and France that Latvia intended to create a small, but modern naval force, the news did not provoke Anglo-French cooperation in an effort to strengthen the nations that Britain and France had helped create, but instead inspired intense competition between the

powers. The rivalry between Britain and France for such a small number of contracts provides insight into the manner in which the two powers conducted policy in the Eastern Baltic in the 1920s and 1930s. It is also clearly depicts the continuity in the economic concerns that strongly influenced the initial British and French involvement in the Baltic region after World War I.³ A hallmark of the competition between the two powers was the constant effort by both parties to undermine the influence of the other and to discredit their opponent in the eyes of the various small states. This served not to strengthen, but to undermine the very security system that Britain and France had constructed—the *Cordon Sanitaire*.

Sources

Much of the material for this essay comes from previously unutilized sources, the most important being the files of the Service Historique de la Marine, Vincennes, Paris. Studies of military and political affairs in the Baltic states have traditionally used Britain's Public Record Office, the National Archives of the United States, and various German archives, while ignoring the great volume of easily accessible source material held by similar institutions in France. It is hoped that this article will not only acquaint the reader with new sources, but also demonstrate the volume of information and weight of detail that the documents often present, as well as shed light on the manner in which Britain and France conducted business and foreign policy in the Baltic. Additionally, material from the Imperial War Museum, American microfilm publications, and Foreign Office and War Office files held by the Public Record Office proved valuable.

The Naval Law

On 10 April 1924, after months of debate and recrimination, the Saeima finally passed the Latvian Naval Defense Law. It provided for the expenditure over a four year period of 9,989,200 Lats, or about £440,000, and approved the purchase of two submarines, two mine sweepers, and 500 mines and a number of seaplanes. The Latvians did not issue a public call for the submission of bids for the contracts, but solicited prices from three British and one French firm.⁴

In the competition for the contracts, French officials and corporations began maneuvering for position as early as July 1923, shortly after the Latvian Minister of Defense made known his nation's intention to purchase the program's seaplanes. Capitaine de frégate Vennin, the French Naval Attaché for the Baltic States and Scandinavia, was one of the key figures involved in the battle waged for the contracts. He believed that a primary

part of his work in Latvia was to win for France the orders for the naval program. Vennin and many of the other parties involved in the sales, both British and French, used various and often questionable measures in their attempts to sway the Latvians' decisions, a point subsequently addressed in more detail. Vennin hoped such efforts would provide him with an advantage over his competitors.⁵

The Warships

Vennin and the French were thwarted in their efforts to obtain the initial contracts for seaplanes, as well as those for the sea mines, but they proved successful in the battle to obtain the orders for the more substantial portions of the Latvian naval program. The Latvian decision regarding who would eventually receive the contracts rested on one point more than any other: training. The Latvian government asked both the British and the French about the possibility of Latvian officers and men attending their respective naval training schools. They approached the British government in April 1924 and inquired about sending three officers to the Royal Navy submarine school to gain practical experience, as well as another officer to the torpedo school. The British Naval Attaché and other British representatives in the region warned that if the Admiralty did not agree to the request that the contract would go to the French because of their willingness to accede to the Latvians' wishes. The Admiralty replied that it would favorably consider any application for the torpedo school, but that it was against Admiralty policy to train foreign officers on British submarines. The Admiralty did state that they would give the Latvians instruction on their own boats—if they purchased the vessels in Great Britain.⁶

General Radzin, the Commander of the Latvian Army brought the question of training Latvian naval personnel to the attention of Captain de frégate Vennin. Vennin assured him that the French government would agree to the Latvian request, especially considering the past relations between the two states. Vennin encouraged his superiors to take positive action on this matter because he felt sure that it would aid French "political and moral" influence in Latvia. He also wrote that France had arrived at "an important point in the struggle against English influence in Latvia. Hopefully it will end to our advantage." The French agreed to open all of their naval schools to Latvian officers and also consented to their completing their training with a period of duty on ships in service with the French fleet. The French did not make the offer without attaching strings. The deal could only be struck if the orders for the items anticipated by the Coastal Defense Law found their way to French industrial concerns. The

instructions for this came from the hero of the battle for Riga, Contre-Admiral Brisson, now undersecretary of the French Admiralty Staff.⁷

The French also did not shy away from making promises that might prove difficult to keep. On 10 December 1923, Prime Minister S. Meierovics told Sir Tudor Vaughn, the British representative in Riga, that political considerations had a strong bearing on Latvia's decision regarding the awarding of the contracts. Vaughn reported that the French government had apparently intimated that if the order for the ships went to France the French would send warships to Latvia's coastline if it came under attack. Meierovics confessed that he did not put much faith in such a promise, but Vaughn feared that any remarks along this line might be enough to sway Latvia into the French industrial camp. Foreign Office officials inquired if the statement made by the French had included the term "weather permitting" and advised Vaughn to ask the Latvians to make a comparison between French and British naval presence in the Baltic and to point out that "French men-of-war depend more on 'weather' (political and meteorological) than British."⁸

The Latvians then began considering the plans and bids submitted by the various British and French firms such as Vickers, Hawthorne Leslie & Co., Chantiers de la Loire and Chantiers Normand. Captain (later Admiral) Archibald von Keyserling, the head of the Latvian Navy, proved his devotion to the French cause by delivering to Vennin the plans for submarines submitted by the British firms. Vennin made critical remarks about the validity of the British designs and particularly doubted the stated speed and battery capacity. He believed the plans a "bluff," the submarines impossible to produce, and that the British had simply found a way "to beat" the Latvians. Vennin also remarked that he had information from an unnamed "good source" on the inferiority of the British subs. Finally, he recorded his belief that the plans submitted by the British applied only to a vessel designed for export and it would be interesting to compare the designs submitted to the Latvians with those for a submarine constructed for the British Navy. Vennin believed that if he could prove these allegations he would have a powerful weapon in the fight for the contracts of the naval program. His charges remained unsubstantiated.⁹

The British did not remain inactive and Vaughn believed that he could influence the Latvian decision if a British squadron which included a submarine flotilla visited Latvia. Such visits are common and not a few of the government and military officials involved in the competition, Vennin for example, believed correctly that navies served a valuable role as tools of foreign policy. Vaughn requested from his superiors a definite date for the visit and suggested that if the contract went to the French the visit could be canceled as a protest. The Foreign Office did not appreciate his last

suggestion. One official commented that it “savours too much of French methods.”¹⁰

Eventually, the order for the Latvian submarines went to the French firm Chantiers de la Loire, while Chantiers Augustin Normand of Hâvre received the contract for the two minesweepers. Keyserling went to France to supervise the building of the vessels purchased by his government. The French won the contracts primarily because the British Admiralty would only provide theoretical instruction to Latvian officers, while the French promised training combined with shipboard service. Price apparently played a minor role. The French submitted a bid of 6,432,800 lats for the submarines and 1,556,900 lats for the minesweepers. The French offered the lowest price for the latter vessels, the bid being fifty-eight percent less than that offered by the association of Vickers and Hawthorne Leslie & Company. J. Samuel White, another British firm, submitted a lower bid for the submarines, 6,356,116 lats, but did not receive the order. A British diplomat in Riga commented that the “French appear to have held out many other inducements which we were precluded from doing,” a point addressed momentarily.¹¹

After striking the deal for the vessels, members of Prime Minister Meierovics’ government informed British officials that the order for the two minesweepers and the two submarines remained open and still might be awarded to a British firm. The British speculated that this was an attempt by the Latvians to play the French corporations off the British in order to get some concessions from the French. Another Foreign Office official expressed his belief that Meierovics’ statement came from the Prime Minister’s “desire to say pleasant things to English M.P.’s” then visiting Latvia. The Latvian Minister for Foreign Affairs remarked that the government had hesitated only about spending the money and not on where to spend it. The Minister of Finance had proved difficult because he insisted that Latvia’s financial position could not tolerate the amounts projected for defense. Despite the opposition, the purchases went through and the *Virsaitis* left for France on 9 August 1926 to escort the new vessels to Latvia. On board were the officers and men of the two new Latvian minesweepers, *Vesturs* and *Imanta*, as well as some of the crewmen for the new submarines, *Ronis* and *Spidola*. The minesweepers were scheduled to arrive in Riga in the middle of September, the submarines sometime later.¹²

As previously demonstrated, the contracts for the minesweepers and submarines went to the French because of their willingness to train Latvian officers. Other factors, some of which did not come to light until several years later also had a part. Corruption played a significant role. Major H. W. C. Lloyd, the British Military Attaché for the Baltic States and Finland observed that in Latvia and the other Baltic States the old Russian tradition

of bribery and corruption still existed in government circles. American officials noted that Latvians involved in the arrangement of government contracts expected “an indirect compensation usually in the neighborhood of 10% of the transaction.” The Latvians made an attempt to correct this by establishing a State Control Commission. Minor officials sat on the Commission and had the power to examine all questions of expenditure. As a result, when the Ministry of Defense compiled their military estimates these figures passed through the State Control Commission. If the measure managed to emerge from this process it was usually in an altered form. Purchases of war materials abroad went through a similar procedure and the expert advice of the military once again suffered from interference. In the end, the system failed to deal with the bribery issue because those who wished to insure that a proposal survived the Commission merely bribed its members.¹³

Both the French and the British made use of the tradition of corruption then in place in Latvia. In 1928, after the delivery of the submarines purchased in France, General Janis Baladois, the Latvian Minister for Foreign Affairs expressed to Joseph Addison, the British representative in Riga, his regrets that the order had not gone to a British firm. Baladois also appended his hope that any future orders for submarines would go to Britain and commented that Britain failed to receive the contract because they would not provide training for Latvian naval officers. Some British officials believed that other factors contributed to deciding the fate of the contracts. Addison wrote in his report to the Foreign Office on his conversation with the Latvian Minister that Baladois:

Naturally did not supplement this simple explanation by stating the other, and more cogent reason for our failure to secure this contract, namely that the Latvian Admiral [Keyserling] had become convinced of the superiority of the French submarines only after he had received the Legion of Honour, as well as the certainty of a reward of a more substantial nature.¹⁴

Addison went on to express his belief that as long as Keyserling remained head of the “Latvian ‘Navy’” the scales would remain “heavily weighted in the favour of France” and because of this any British bids would have little chance of succeeding. Addison divulged other reports of collusion between the French and Keyserling:

Acting on the French proverb that ‘les petits cadeaux entretiennent l’amitié’ Count Keyserling continues to enjoy little favours destined to keep alive his sentiments of gratitude. I have it for instance, on the best

of authorities, that he is able periodically to renew his cellar from the French Legation on most-favoured-nation terms, instead of having to pay the blackmailing charges of one of the local bootleggers. In the words of Figaro 'qui diable y résisterait'?¹⁵

Addison was not the only British official to report such irregularities. Vaughn also mentions the offer of "high French decorations" to Latvian officials if the orders for the naval program go to France. Count Keyserling received his Legion of Honor on 19 November 1924.¹⁶

Addison believed that another factor also contributed to the British failure to obtain the orders for the Latvian submarines. Vickers had been competing for the orders and Addison contended that the loss of the contract resulted partially from the actions of Vickers' special agent in Latvia, "an idiot of the name of Savitsky." Addison was also critical of Vickers' other agent, Sakovsky, and remarked that the Latvians liked neither of the men and refused to deal with them. He gathered that the Latvians disliked Sakovsky because he "chatters too much and does not keep such promises as he may have made to distribute certain sums of money to the persons interested." Addison also wrote that:

Sakovsky is such an ass in his own business that he actually went to somebody I know here and asked him whether he could introduce him to Admiral Keyserling and fix up the proper bribe. Anything more idioted [sic] I cannot imagine.¹⁷

Addison went on to recommend that Vickers send a special agent "who should be an intelligent person and not, as usual, a silly ass." Addison also commented that Vickers should not have expected to obtain a contract for submarines unless they expected to "pay a certain sum for services rendered," an obvious allusion to the necessity of bribing the proper people.¹⁸ It is likely that much of official Latvian hostility towards Sakovsky arose because he was Russian. The intensely nationalistic Latvians disliked doing business with ethnic Russians and British firms that employed Russians as their local representatives in Latvia, as well as Estonia, often did great damage to their chances of winning orders. Latvian governmental and business personnel often treated Jewish representatives in the same manner.¹⁹

Conclusion

In the end, the effort exerted by the French and British governments to establish influence in Latvia through the Navy netted both parties very little. The French secured the orders for a few vessels and the British scored some minor successes, but one wonders if the effort exerted by these powers and the friction that competition between rivals inevitably produces was worth the price of a few contracts. Fear and contempt for their competitor produced intense economic rivalry, and this at a time when the balance of power was slowly beginning to shift back to Germany's favor. It is obvious that some form of cooperation would have better served all parties involved, France, Britain, and especially Latvia. Britain and France could have cooperated economically and politically to insure that their respective industrial concerns benefitted while the Latvians received suitable naval armaments. Additionally, the constant conflict could do little to encourage Latvian faith in Britain or France, and especially not in the possibility of future Anglo-French cooperation in the event of a crisis in the area. French and British rivalry only made the position of the former Entente partners in Eastern Europe more untenable, undermined the *Cordon Sanitaire*, and by this, injured the strategic position of Latvia much more than any supply of arms could aid it.

Anglo-French competition in Latvia arose from the efforts of British and French diplomats to increase the political and economic influence of their respective nations. Arms sales were seen as a means of furthering both of these non-military goals.²⁰

Notes

1. Kalervo Hovi, *Cordon Sanitaire of Barriere de l'Est? The Emergence of the New French Eastern European Alliance Policy 1917-1919*, Annales Universitatis Turkuensis, Ser. B, Tom. 135 (Turku, 1975), 12; id, *Alliance de Revers. Stabilization of France's Alliance Policies in East Central Europe 1919-1921*, Annales Universitatis Turkuensis, Ser. B, Tom. 163 (Turku, 1984), 68-69.
2. Hovi, *Cordon Sanitaire*, 217.
3. Hovi, *Alliance de Revers*, 67-69.
4. Goodden (Riga) to War Office (hereafter cited as WO), "Reports and Letters to Director for Military Operations & Intelligence," 15 Apr. 1924, Imperial War Museum, Goodden Papers, PP/73/137/7; Lowdon (Riga) to Dept. of Overseas Trade, 11 Apr. 1924, Public Record Office, Foreign Office (hereafter cited as FO) 371/10369; Vennin (Riga) to Ministre de la Marine (Paris), 3 July 1923, Service Historique de la Marine, Vincennes, Paris (hereafter cited as SHM), carton 1BB⁷ 128 Lettonie; *Rigasche Rundschau*, Feb. 1924, cited in Vennin

- report (Riga), 1 Apr. 1924, SHM, carton 1BB⁷ 129 Lettonie. For the text of the Latvian Coast Defense Law see enclosure in 24 Apr. 1924, FO 371/10369. *Latvijas Kareivis* was a daily newspaper published with the assistance of the Latvian government. Its readers were primarily members of the military, Swett report (Riga), 15 Oct. 1922, United States, Military Intelligence Division, *Correspondence of the Military Intelligence Division Relating to General Political, Economic, and Military Conditions in Poland and the Baltic States, 1918-1941* (Washington, D.C., 1981), microfilm, roll 10, file MID 2621-58.
5. Vennin report (Riga), 3 July 1923, SHM, carton 1BB⁷ 128 Lettonie; Vennin (Riga) to Ministre de la Marine (Paris), 26 Dec. 1923, *ibid.*
 6. Naval Attaché (Riga) to Admiralty, 16 Apr. 1924, FO 371/10369; Vaughn (Kaunas), 18 Apr. 1924, *ibid.*; Admiralty to Naval Attaché (Riga), 16 Apr. 1924, *ibid.*; Jürg Meister, "Den Lettiska flottan 1918-1941," *Tidskrift i sjöväsendet* 136 (June 1974), 300-301.
 7. Vennin (Riga) to Ministre de la Marine (Paris), 8 Apr. 1924, SHM, carton 1BB⁷ 129 Lettonie; French Legation (Riga) to Keyserling (Riga), 23 Apr. 1924, *ibid.*; Vennin (Riga) to Keyserling (Riga), 23 Apr. 1924, *ibid.*; Vennin (Riga) to Ministre de la Marine (Paris), 12 Sept. 1924, *ibid.*
 8. Vaughn (Riga) to FO, 18 Dec. 1923, FO 371/9267; Mascré, FO minute, 1 Jan. 1924, *ibid.* A Foreign Office official made the following comment: "French naval support is a very flimsy safeguard beyond perhaps the mouth of the Seine," Ovey, FO minute, 1 Jan. 1924, *ibid.* The British made yearly cruises to the Baltic. After the dissolution of the French Baltic Division, they did not.
 9. Phipps (Paris) to MacDonald (FO), 15 July 1924, FO 371/10380; Vaughn (Riga) to FO, 15 July 1924, *ibid.*; Vennin (Riga) to Vice-Admiral, sous-chef de l'Etat Major de la Marine (Paris), 19 May 1924, SHM, carton 1BB⁷ 129 Lettonie; Vennin (Riga) to Ministre de la Marine (Paris), 12 Feb. 1924, *ibid.*
 10. Vaughn (Riga) to FO, 23 Apr. 1924, FO 371/10369; Carr, FO minute, 23 Apr. 1924, *ibid.*; Vennin (Riga) to Chef de 2^{ème} Bureau, EMG (Paris), 9 Apr. 1924, SHM, carton 1BB⁷ 129 Lettonie; Mounsey (FO) to Admiralty, 23 Apr. 1924, FO 371/10369; Merja Liisa Hinkkanen-Lievonen, *British Trade and Enterprise in the Baltic States, 1919-1925* (Helsinki, 1984), 211. The British Admiralty planned to send H.M.S. *Curacoa*, H.M.S. *Conquest*, and the 1st Submarine Flotilla to the Baltic. The ships visited the area from 13-18 June 1924, Admiralty to FO, 30 Apr. 1924, FO 371/10369. A squadron of French torpedo boats visited Latvia in May 1924.
 11. Vennin (Helsingfors) to Ministre de la Marine (Paris), 23 July 1924, SHM, carton 1BB⁷ 127 Finlande; "Count Keyserling," *Riga Times*, 4 Apr. 1925, 5; Lt. Colonel F. P. Nosworthy report, "Visit to the Baltic States. 9th May, 1924/2nd June, 1924," n.d., Public Record Office, War Office (hereafter cited as WO) 106/1573; Vaughn (Riga) to FO, 30 July 1924, FO 371/10380; Phipps (Paris) to MacDonald (FO), 15 July 1924, *ibid.*; Vaughn (Riga) to FO, 15 July 1924, *ibid.*; Lowdon (Riga) to FO, 11 July 1924, *ibid.*; Lowdon (Riga) to Dept. of Overseas Trade, 29 Oct. 1924, *ibid.*

12. Leigh-Smith (Riga) to MacDonald (FO), 18 Sept. 1924, FO 371/10380; Carr, FO minute, 6 Oct. 1924, *ibid.*; Leigh-Smith (Riga) to MacDonald (FO), 2 Nov. 1924, *ibid.*; Vaughn (Riga) to MacDonald (FO), 23 Aug. 1924, *ibid.*; "Naval Officers," *Riga Times*, 14 Aug. 1926, 3. When the submarine *Ronis* was launched at Nantes on 1 July 1926, the ceremony marking the event was hailed as "one of the most stirring manifestations of Franco-Latvian amity." Keyserling, other Latvian officials, as well as important members of the French government and military attended the event. See "Franco-Latvian Amity," *Riga Times*, 10 July 1926, 1.
13. Lloyd (Riga) to Vaughn (Riga), "Report of H.W. Lloyd, Military Attaché, Baltic States and Finland," 26 Apr. 1926, FO 371/11735; Harrison (Riga) to Secretary of State (Washington), 10 June 1929, United States, Department of State, *Records Relating to the Internal Affairs of Latvia, 1910-1944* (Washington, D.C., 1981), Roll 5, File 868p.248/1, no. 374.
14. Addison (Riga) to Chamberlain (FO), 5 Dec. 1928, FO 371/13271.
15. *Ibid.* Addison's reports are always interesting to read and include comments ranging from allusions to classical history to multi-page diatribes leveled at incompetent British industrial representatives. A Foreign Office official commented on the above report that it was "interesting and typical both of Latvia and Mr. Addison," Collier, FO minute, 14 Dec. [1928], *ibid.*
16. Nosworthy, 1924, WO 106/1573; *Annuaire Officiel de la Légion D'Honneur* (Paris, 1929), 2376. G. Zemgals, a member of the Latvian parliament and an ex-Minister of Defense received the Legion of Honor in March 1925. See "French Recognition of Latvian Soldier," *Riga Times*, 28 Mar. 1925, 2.
17. Addison (Riga) to Villiers (FO), 4 Mar. 1929, FO 371/13982.
18. *Ibid.* Addison, in another dispatch written in an attempt to "correct the impression which I may have conveyed, in my despatch above-mentioned," wrote "that the failure of Messrs. Vickers to supply submarines was almost entirely due to their failure to make such arrangements," meaning bribery. He went on to reiterate that he still believed that the main reason that a British company did not receive the contracts was the refusal of the British Admiralty to provide training for Latvian officers and that other events were only contributing factors. He also remarked that the Vickers' agent "gave to the proper person the usual 2 1/2% commission" that was expected for the awarding of contracts. Addison does not reveal the identity of the "proper person," Addison (Riga) to Chamberlain (FO), 2 Jan. 1929, *ibid.*
19. Hinkkanen-Lievonen, *British Trade and Enterprise in the Baltic States, 1919-1925*, 220-221.
20. The material for this article is excerpted from the author's doctoral dissertation, "Undermining the Cordon Sanitaire: Naval Arms Sales, Naval Building, and Anglo-French Competition in the Baltic, 1918-194: Poland - Finland - The Baltic States," (Florida State University, 1997).