

Chapter 16 - Day 3

- Herbert Hoover, Sec of Commerce, promoted economic stability industries and sought out new foreign markets
- **Trade & Arms Control**—before WWI the U.S. owed more to foreign investors than they owed us, after war that was reversed
- Wartime allies owed more than \$10 billion to U.S.
- Allies had a hard time paying debt blamed it on our high tariffs
- Allied felt we should be willing to bear more of the financial burden
- Allied were getting war reparations from Germany (which was killing Germany's economy) they the paid us.
- Dawes Plan—American banks made loans to Germany who then paid Allies who then paid us. Europe was going deeper into debt with American banks and corporations.
- The Washington Conference—major powers involved in a naval arms race
- US invited 8 major countries to Washington Conference to discuss disarmament
- Sec of State Charles Evans Hughes proposed a 10 year moratorium on construction of new warships
- Conference produced 3 agreements
 - (1) Five Power Naval Limitation Treaty
 - (2) Four Power Treaty between US, Japan, France and Great Britain recognizing each other's possessions in the Pacific
 - (3) Nine Power Treaty guaranteeing China's independence
- Aug. 27, 1928 U.S. Sec of State Frank Kellogg and French Foreign minister Astride Briand proposed the Kellogg-Briand Pact outlawing war eventually 62 nations signed it.