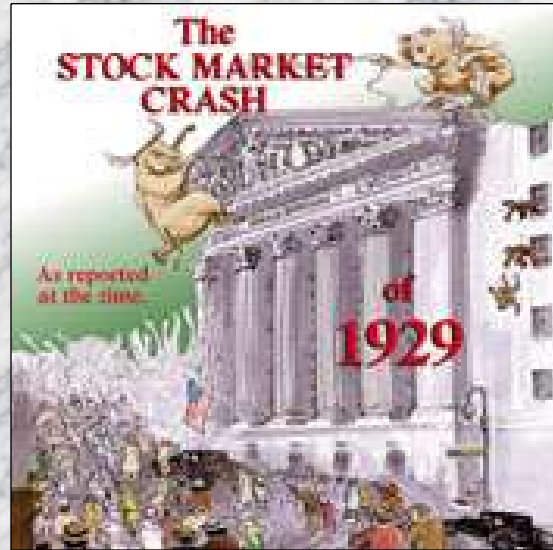
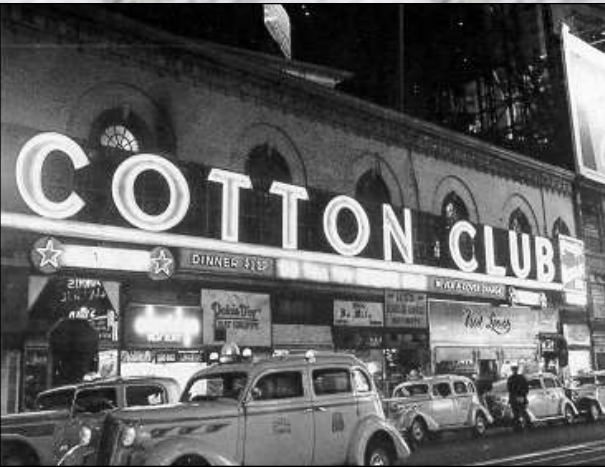


# Pre WWII - Years of Crisis



Main Idea: The postwar period was one of loss and uncertainty but also one of invention, creativity, and new ideas.

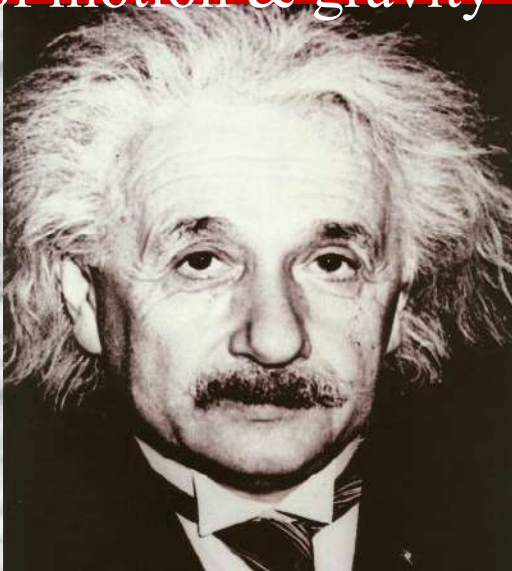
Why it Matters Now: Postwar trends in physics, psychiatry, art, literature, communication, music, and transportation still affect our lives.

15.1

# POSTWAR UNCERTAINTY

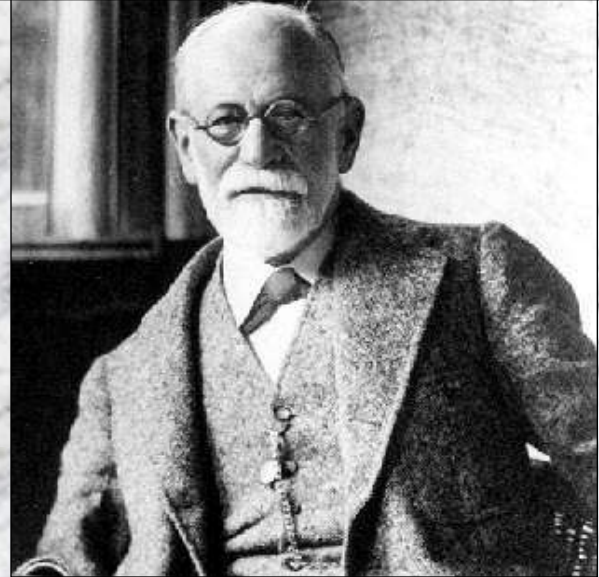
## Albert Einstein

- German-born physicist
- offered new ideas on space, time, energy & matter.
- 1905: “Theory of Relativity”
- uncertainty & relativity replaced Newton’s belief of a world operating according to absolute laws of motion & gravity



## Sigmund Freud

- Austrian physician
- treated patients with psychological problems
- constructed a theory about the human mind
- much of human behavior is irrational, or beyond reason





# Friedrich Nietzsche

- German philosopher
- Influenced Existentialists
- *there is no universal meaning to life*
- Each person gives own meaning to life through choices & actions
- 1920's & 1930's: ideas impacted politics in Italy & Germany
- western society put too much stress on reason, democracy, & progress
- stifled emotion & instinct
- individuality & creativity suffered
- urged a return to values of pride, assertiveness, & strength
- through willpower & courage, could rise above & control the common herd

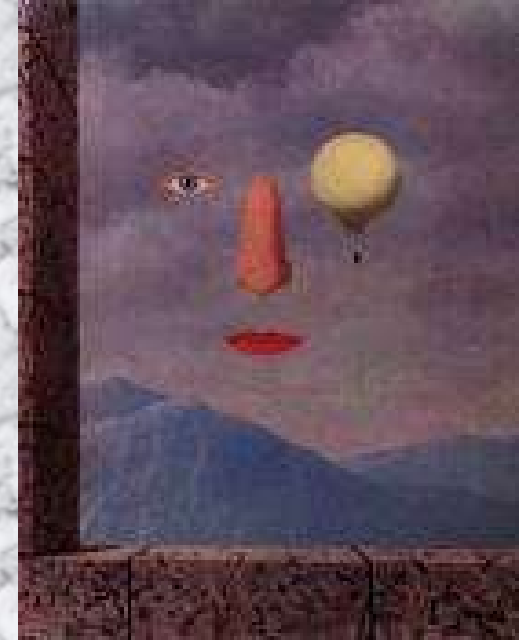


## Art

- rebelled against realistic styles of painting
- depicted emotion & imagination
- Expressionism
- bold colors
- exaggerated shapes
- Cubism
- Georges Braque
- Pablo Picasso
- transformed natural shapes into geometric forms
- Objects broken down into parts with sharp angles



- Surrealism
- Inspired by Freud
- *surreal* = “beyond or above reality”
- sought to link the world of dreams with real life
- dream-like quality & depicted objects in unrealistic ways.



## Architecture

- Old: highly ornamented structures
- New: functionalism
- *design reflected the building's function or use*
- Frank Lloyd Wright
- clean, low lines & open interiors that blended with the surrounding landscape



# Music

- jazz
- developed by African American musicians in New Orleans, Memphis, & Chicago
- lively loose beat
- seemed to capture the new freedom of the age



„Eine Idee zu anständig“, Black Bottom 1926

## Women

- After WWI:
- New roles
- education, medicine, journalism
- Women gain right to vote
- U.S., Britain, Germany, Sweden, & Austria
- flapper
- a young woman who rebelled against convention
- wore skirts above the knee
- cut their hair in a "bob"
- central to parties of the vibrant nightlife of the 1920's



"Like jazz music, the gangster, & the speakeasy, the rebellious & fun-loving flapper was a product of 1920's urban America."



# Technology Changes Life

## The Automobile

- wartime innovations & improvements
- electric starters, air filled tires
- more powerful engines
- sleek & polished
- Prices dropped & middle class could afford cars
- Increased auto use by the average family
- Could move to suburbs & drive to work
- More people traveled



## Airplane

- 1918: Planes could fly hundreds of miles
- 1919: British pilots made the first successful flight across the Atlantic
- 1920's: Major passenger airlines were established
- 1927: American pilot Charles Lindbergh made a 33 hour solo flight from N.Y. to Paris
- 1932: American Amelia Earhart first woman to fly solo across the Atlantic



Discuss  
p. 468-469

## Radio

- 1895: Guglielmo Marconi experiments with first successful radio
- advantages of wireless communication in battle made radio research a high priority
- Armies developed a wide range of radio equipment
- 1920: Pittsburgh, Pennsylvania, 1<sup>st</sup> radio station
- Radio mania swept the U.S.

## Movies

- 1920's: Motion pictures a major industry
- Europe: serious art form
- Hollywood: entertainment
- Charlie Chaplin: king of the silent screen
- Late 1920's: addition of sound
- 1930's: 90 million attended movies each week



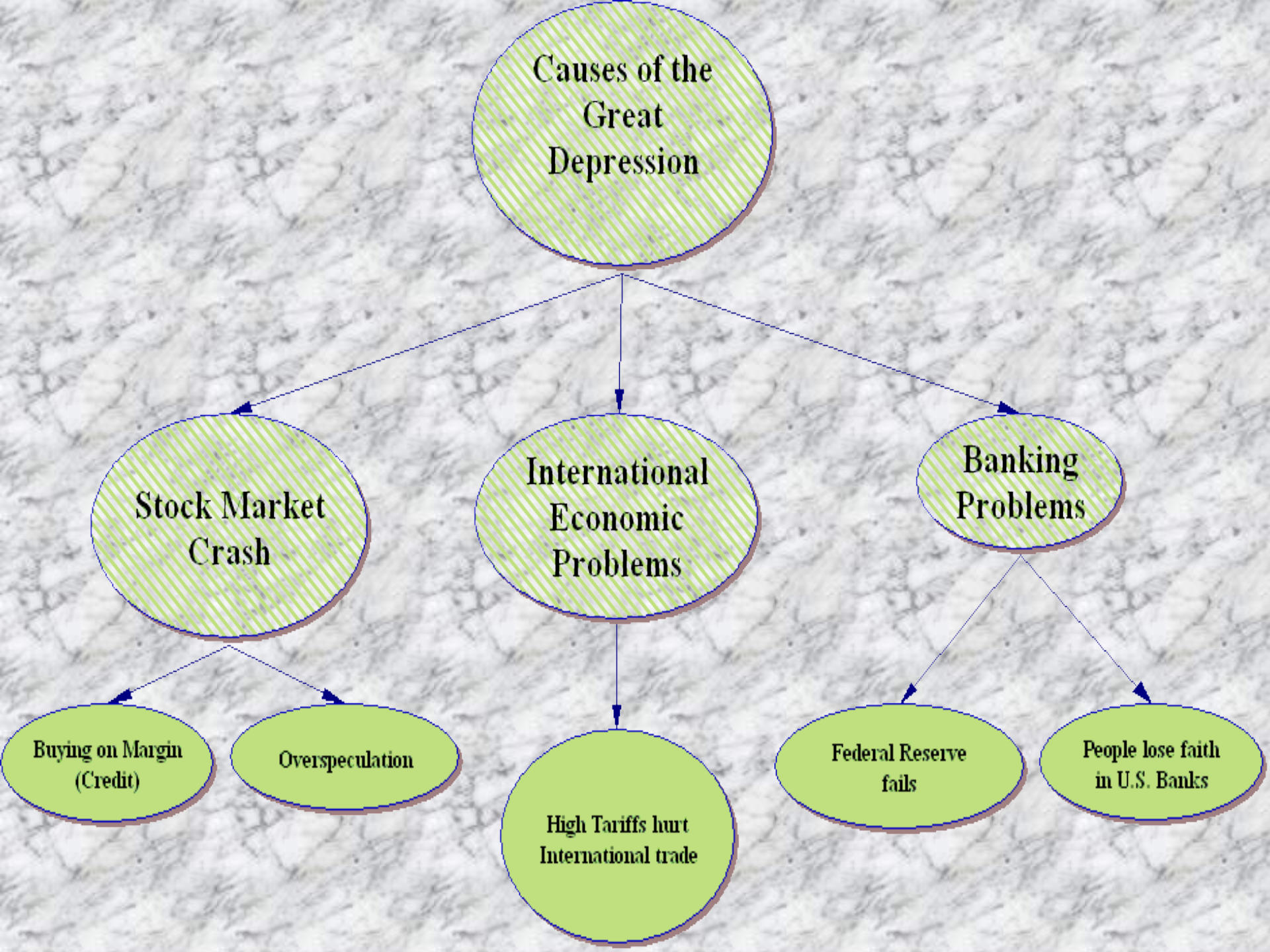
Main Idea: An economic depression in the U.S. spread throughout the world and lasted for a decade.

Why it Matters Now: Many social and economic programs introduced worldwide to combat the Great Depression are still operating.

15.2

# **A WORLDWIDE DEPRESSION**





- WWI left every major European country nearly bankrupt
  - Only the U.S. & Japan came out of the war with better finances
  - Europe's domination had declined
- 1914 to 1918: Europe's last absolute rulers had been overthrown
  - Germany, Austria-Hungary, Russia, & Ottoman empires ended
  - Problems forming new democracies
    - Too many political groups
      - impossible for one party to win enough support
      - coalition government was needed for parliamentary majority
        - temporary alliance of several parties
        - Didn't last long
          - parties disagreed on many policies
      - Lack of strong leadership
        - voters became willing to sacrifice democracy for totalitarian leadership

# Germany

- 1919: Weimar Republic
- new democratic government
- Millions of Germans blamed the Weimar government for the country's defeat & postwar humiliation
- Economic problems
- did not increase taxes during the war
- simply printed money
- To pay reparations, printed more money
- Steadily lost its value
- Severe inflation
- needed more & more \$ to buy goods
- people saw their life savings become worthless

Date: German Marks needed to buy one ounce of gold

Jan 1919.....	170.00
Sept 1919.....	499.00
Jan 1920.....	1,340.00
Sept 1920.....	1,201.00
Jan 1921.....	1,349.00
Sept 1921.....	2,175.00
Jan 1922.....	3,976.00
Sept 1922.....	30,381.00
Jan 1923.....	372,477.00
Sept 1923.....	269,439,000.00
Oct 2, 1923.....	6,631,749,000.00
Oct 9, 1923.....	24,868,950,000.00
Oct 16, 1923.....	84,969,072,000.00
Oct 23, 1923.....	1,160,552,882,000.00
Oct 30, 1923.....	1,347,070,000,000.00
Nov 5, 1923.....	8,700,000,000,000.00
Nov 30, 1923.....	87,000,000,000,000.00



Note: It was the Weimar government that signed the Treaty of Versailles





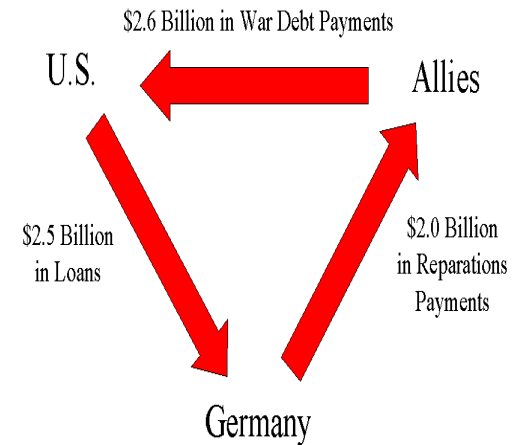
**In 1923, a German housewife burned mark notes in her kitchen stove, since it was cheaper to burn marks than to use them to buy firewood.**



## Germany's Recovery

- 1924: Dawes Plan
- headed by American banker, Charles Dawes
- \$200 million loan from American banks
- Stabilized German currency and economy
- 1925: Treaty of Locarno
- France & Germany would never again make war against each other
- Germany agreed to respect borders of France & Belgium
- Germany admitted to the League of Nations
- 1928: Kellogg-Briand peace pact
- Almost every country in the world signed
- pledged to renounce war as an instrument of national policy
- had no means to enforce its provisions
- League of Nations had no armed forces
- Refusal of the U.S. to join weakened it

## The International Financial System Under the Dawes Plan and Young Plan 1924-30



# The Stock Market

- Stocks - shares of ownership in a company
- Businesses get money to operate by selling “shares” of stock to investors, or buyers
- Companies pay interest on the invested money in the form of dividends to the shareholders
- 1929, about 4 million Americans (3% of the population) owned stocks
- investors began buying on margin
- paying a small % of the stock’s price as a down payment & borrowing the rest
- Stockbrokers willing to lend up to 75% of a stock’s purchase price
- System worked as long as prices continued to rise, because
- investors could sell their inflated stocks to make a profit & then pay off their debt to the stockbroker
- if stocks declined, there was no way to pay off the loan



# Stock Market Crash



10/24/1929 New York. Thousands mill around the New York Stock Exchange after the worst break in the history of the exchange occurring on Oct. 24th.

- Sept. 1929: stock prices peaked & began to decline
- Some investors sold stocks
- Oct. 24, 1929: "Black Tuesday"
- Investors panicked
- Stocks bought at high prices began to drop
- Sold their stocks at whatever price they could get
- Over two days, values fell about 25 %
- Stock market crashed
- Downturn continued for 3 years
- average value of companies in the Dow Jones Industrials Average dropped 90%
- high of 381 to a low of 41
- produced an economic slowdown that lasted over 10 years

# Bank Failure

- After the crash, Americans panicked & withdrew their money from banks
- could not cover their customers' withdrawals
- had invested & lost money in the stock market
- By 1933, around 6,000 banks (25% of the nations total) had failed
- Over decade: 9,000 banks failed
- 1933: \$140 billion disappeared through bank failures
- no federal insurance to protect the bank accounts
- around 9 million individual savings accounts wiped out
- 85,000 businesses went bankrupt
- millions of workers to lose their jobs



People milling about outside of a bank that closed, ca. 1933.  
National Archives photo.

# Worldwide Depression

- 1930: Congress passed the Hawley-Smoot Tariff Act
- designed to help American farmers and manufacturers
- protected products from foreign competition
- Results:
- Reduced the flow of goods into the U.S.
- Prevented other countries from earning American currency to buy American exports
- Worsened unemployment in industries that could no longer export goods to Europe
- Many countries raised their own tariffs
- Within a few years, world trade had fallen 65%
- Germany & Austria were particularly hard hit
- war debts & dependence on U.S. loans & investments
- 1931: Austria's largest bank failed
- started a financial panic in Central European countries & sent their economies plunging

# Worldwide Depression

- 1932: Unemployment rates in Germany & Great Britain reached 25%
- over 5.5 million unemployed in Germany
- one of the reasons democracy broke down & Adolph Hitler gained dictatorial power
- Industrial production worldwide 38% less than it had been in 1929
- What caused the Great Depression to become a worldwide event?
- international monetary system tied to the price of gold made the different economies closely related.
- Problems in one large economy passed on to others and eventually back to the country where the problems began



The Depression in Germany helped bring Adolph Hitler to power.



## U.S.

- 1933: President Franklin Roosevelt began the New Deal
- started large public works projects
- helped to provide jobs for the unemployed
- New government agencies gave financial help to businesses & farms
- Large amounts of public \$ were spent on welfare & relief programs



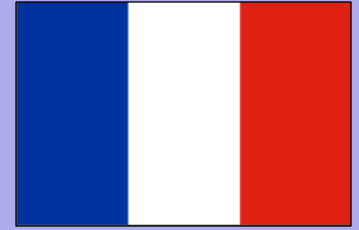
## Britain

- voted for the National Government
- multi-party coalition
- passed high protective tariffs
- increased taxes
- regulated the currency
- lowered interest rates to encourage industrial growth



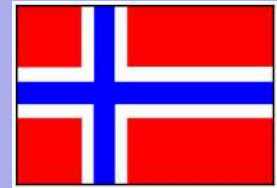
## France

- not as hard hit
- didn't rely as much on foreign trade as other countries
- 1935: one million French workers were unemployed
- 1936: moderates, Socialists & Communists formed The Popular Front
- a coalition
- passed a series of reforms
- pay increases, holidays with pay, & a 40 hour work week.



## Scandinavia

- Denmark, Sweden & Norway
- built recovery programs on cooperative community action
- raised pensions for the elderly
- increased unemployment insurance
- subsidies for housing & other welfare benefits
- Governments taxed all citizens
- Businesses prospered and democracies remained intact



# Assignment

Discuss chart p. 474

- p. 475 #2-6