The New Map of Europe

Following the end of World War I, known then as the Great War, the leaders of the nations which had participated in that massive conflict met to hammer out a peace settlement. The Peace Conference of Paris opened on January 18, 1919, just two months after the signing of the armistice (November 11, 1918), which ended hostilities.

The war resulted in the deaths of millions of people, both military and civilian. Twice as many men died in World War I than the number who died in all the major European wars from 1790 until the beginning of the Great War. At least ten million soldiers were killed and another twenty million suffered wounds. Approximately five million civilians lost their lives during the war, as well. Such numbers amounted to staggering losses.

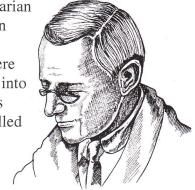
With the war having just ended weeks before the beginning of the peace conference, many of the allied world leaders went to the peace negotiations prepared to make the losing side pay. Others, however, went to the meetings ready to create a new world, one better than its predecessor.

One of the optimistic men who attended the conference was Woodrow Wilson, president of the United States from 1913 to 1921. Although the U.S. had entered the war late (the war began in 1914 and America did not join the Allies until the spring of 1917), Wilson traveled to the conference, held at the old French palace at Versailles, with a plan for Europe's future.

Known popularly as the Fourteen Points, Wilson envisioned a world different from the one which had gone to war in 1914. He first presented his ideas for a new Europe in a speech to Congress in January of 1918. In summary, his 14 points or proposals included all the following: (1) the making of open, not secret, treaties, (2) freedom of the seas, even during wartime, (3) removal of trade barriers between nations, and (4) reduction of military weapons. Points 5 through 13 were concerned with reestablishing order to Europe, as well as the establishing of independence for several European nations from imperial control, such as Poland, Romania, Serbia, Montenegro, and Turkey, as well as independence for Belgium. Such things had been promised to the people living under the rulers of

both the Austrian-Hungarian Empire and the Ottoman Empire. Hundreds of thousands of leaflets were dropped from airplanes into the hands of the peoples living in regions controlled by these empires.

But Wilson's final point—point 14—was the most important of them all. It called for



Woodrow Wilson

the establishment of a League of Nations, an international body whose main purpose would be to enforce the various treaties created at the Versailles Conference. The League was designed to help maintain peace in the future and to provide a forum where disputing nations could discuss their grievances.

Not all of Wilson's Fourteen Points were accepted by his fellow negotiators. The leaders of the victorious Allied powers of France (Georges Clemenceau), Great Britain (David Lloyd George), and Italy (Vittorio Orlando) blocked several of Wilson's ideas and did not cooperate with him on issues important to Wilson.

When the peace treaty was finally hammered out, the Versailles Treaty placed the responsibility for the war squarely on Germany's shoulders. As a result, Germany was punished severely under the treaty. Germany not only lost important territory, it was also saddled with high war damages amounting to 132 billion gold marks, including shipments of German coal and merchant ships to the Allied powers.

In addition, Germany was forced to disarm. The German army was reduced to 100,000 men. The German navy was limited to six primary warships, with no submarines. The defeated nation was denied any air force. Finally, Germany was forced to accept full responsibility for having caused the war.

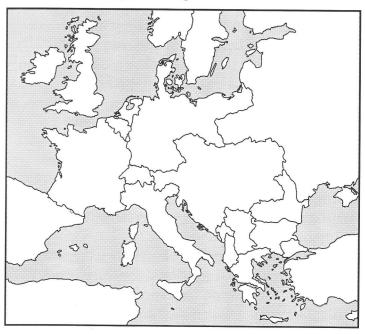
This treaty proved to be very unpopular with the German people at home. Such harsh conditions caused much suffering in Germany and helped to set the stage for later war.

Europe 1919: A Map Study

World War I pitted the nations of the Central Powers (Germany, Bulgaria, the Austrian-Hungarian Empire, and the Ottoman Empire) in a massive struggle against the armies of the Allied Powers (Great Britain, France, Russia, Italy, and, later, the United States).

When the war ended, the negotiations at Versailles brought about important changes in the political map of the European continent. In fact, five treaties were signed at Versailles, as the Allies negotiated separate treaties with Austria, Bulgaria, Germany, Hungary, and Turkey.

Europe During World War I



Map Exercise II

The map at the right shows Europe following World War I. Locate each of the following states on the map: Great Britain, France, Italy, Germany, Russia, and Bulgaria.

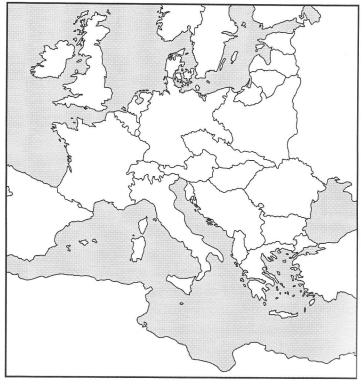
Then, identify each of the following newly created states: Yugoslavia, Austria, Hungary, Czechoslovakia, Romania, Poland, Estonia, Latvia, and Lithuania.

Among the casualties of the Great War were the empires of Austria-Hungary and of the Ottoman Turks. Both these imperial powers were dismantled and their former lands were divided into new nation-states to provide national homelands for several of the recognized ethnic groups of eastern Europe. (Strong nationalism among such peoples had helped to bring about World War I in the first place.) Another state to lose large amounts of territory was Russia, which had negotiated a separate peace with Germany before the end of the war.

Map Exercise I

The map at the left shows Europe before and during the Great War. Identify each of the following states: Great Britain, France, Italy, Germany, Austrian-Hungarian Empire, Ottoman Empire, Bulgaria, Russia, and Serbia. Also, locate the cities of Berlin and Sarajevo.

Europe Following World War I



Postwar Britain

World War I brought much destruction and death to the people of Europe. After the defeat of the Central Powers, led by Germany, the victorious nations tried to return to a normal way of life. But the war brought great change to some countries, and even created some new states. Nevertheless, Great Britain and France, two of Europe's leading

democratic states, attempted to maintain their democratic systems.

Britain, following the war, found itself in a state of psychic shock.

Nearly one million British troops had been killed during the war and twice as many wounded. Despite the war, much of British life continued on as it had before the great conflict. But there were differences. Taxes remained high, many of which had been created during the war. Nearly a generation of British youth had been destroyed through their service and

sacrifice. The decade following World War I was one of cynicism and frustration.

But democracy continued without serious

But democracy continued without serious question and was even expanded. In 1918, by an act of Parliament, British women over the age of 30 gained the right to vote (the voting age was lowered to 21 a decade later). Women had been campaigning for decades for voting privileges. In 1919, British voters elected the first woman member of the Parliamentary House of Commons, Viscountess Astor (1879–1964).

Economically, Britain struggled with postwar problems. The national debt mushroomed during the war to ten times its prewar level. British factories and mines awkwardly regeared to a peacetime level of production. Britain faced serious nationalist movements within its empire from Ireland, Egypt, and India. One of the most serious independence movements was centered in Ireland. The Irish nationalist movement, (known as *Sinn Fein*, which, in Irish, means "We Ourselves") campaigned and fought for separation from Great Britain. Led by Eamon de Valera (1882–1975), Sinn Fein supporters attempted to declare Ireland an independent republic in 1919.

Civil war soon broke out between members of the Irish Republican Army (IRA), led by an Irish radical named Michael Collins (1890–1922), and the Royal Irish Constabulary (RIC), the Irish police force. The British sent to Ireland additional police known as the Black and Tans (after the colors of their uniforms), which further clashed with the IRA.

A 1920 parliamentary act separated Northern Ireland (which was largely Protestant) from southern Ireland (largely Catholic), creating two Irelands. This Government of Ireland Act was accepted by the north, thus creating Northern Ireland. The south continued to fight for complete independence until 1923. (Collins was killed in 1922.) By 1949, through continuing political efforts, Ireland gained its complete independence from Great Britain.

Nationalist pressures elsewhere in the British Empire brought autonomy to Australia, Canada, and New Zealand. Such nations made their own laws and were only tied to Britain by allegiance.

Despite such political problems, it was the economy of postwar Britain which caused the greatest concerns at home. Strikes marred the workplace, especially in the coal industry. The government, led by Prime Minister David Lloyd George, tried to answer some of the economic problems by raising unemployment insurance benefits and establishing a higher postwar tariff on foreign imports.

Despite such moves by the government, postwar Britain still suffered with one million men unemployed. Manufacturing and mining did not expand their production bases during these years, due in part to foreign competition. As a result, such significant industries as iron, coal, shipbuilding, and textiles did not expand in scope.

Through these years—especially from 1921 until 1939—the British government did little to solve the basic economic problems which perplexed its leaders. In a country of 40 million people, these years witnessed between one and three million unemployed each year.

Eamon de Valera

Postwar France

While Britain suffered profound losses from World War I, France suffered even more. Most of the fighting on the western front took place on French soil, bringing destruction to the normally peaceful and scenic French landscape.

The numbers tell much of the story. Of France's eight-million-man army mobilized for service during the Great War, 1.3 million were killed and nearly 3 million wounded. Five million acres of French land lay in waste, destroyed and scarred by endless fighting.

France's infrastructure also suffered great losses. One million structures, nine thousand manufacturing plants, six thousand bridges, and one thousand miles of rail track were destroyed by the violence of war. Nearly all French coal and iron mines were destroyed or flooded. Farming was impossible in areas where fighting took place, due to the presence of unexploded artillery shells.

Such wholesale destruction of France caused serious postwar problems for its people. As in Britain, the primary problems after World War I were economic and social. The 1920s were years of poor French political leadership as the nation moved from year to year with a government which brought little significant change.

During the early 1920s, France was led by the National Bloc. This political group featured members who were conservative, coming from the center party and the right wing. One of the best French statesmen of the postwar period was Aristide Briand (1862–1932). He was a moderate who believed in the importance of the new League of Nations in providing security for Europe as a whole. But when Briand took a moderate position concerning Germany's requirement under the Versailles treaty to pay war reparations, he lost his position in 1922 to a political rival, Raymond Poincaré (1860–1934). Poincaré served as the French president from 1913 to 1920 and as the French prime minister from 1922 to 1924 and again from 1926 to 1929.

Poincaré did little to relieve the economic problems which postwar France was experiencing. However, he did take a firm hand in dealing with the Germans. Under the Versailles treaty, Germany was required to pay the Allies war damages. The amount established in 1921 by the Allied Reparations Commission was 132 billion marks (about 33 billion dollars), to be paid annually in installments of 2.5 billion (gold) marks. In 1923, the German government defaulted on its reparations payments.

When Germany announced its intention to violate the Versailles treaty by not paying its war reparations, France's Poincaré took serious steps. Both French and Belgian troops were ordered into Germany to occupy the Ruhr Valley later in 1923, a German region traditionally rich in agricultural produce, iron and coal mining, and other forms of manufacturing. France's plan was to run Germany's mines and factories, and collect reparations as profits.

The French occupation of the Ruhr did little to help either France or Germany. The ongoing French presence in Germany was not a popular one. The German economy, already in shambles from the war, could not recover from the loss of its factories and mines in the Ruhr. The result was economic devastation as the German mark lost more and more of its value.

This extraordinary move by France was part of an ongoing concern among French leaders and their people concerning their future security and protection from another war with Germany. The French gave their support to the League of Nations as a keeper of the peace during the 1920s. They also spent millions constructing a series of fortifications along the border between France and Germany. Known as the Maginot line, it was a beehive of concrete bunkers, heavy gun emplacements, and underground barracks designed to keep Germany from turning French territory into a future battleground.

Review and Write

Make a list of the problems which Britain and France faced following World War I.

The Rise of Fascist Italy

Italy, although one of the victors of World War I, emerged from the war seriously weakened. Despite having fought on the side of the victors, along with France, England, and the United States, the Italian military did not perform well, producing an undistinguished record.

At the peace conference at Versailles, Italy and its postwar expectations took a second seat to the aims of the leaders of France and Great Britain. The

Italians campaigned heavily to acquire land as a spoil of war, but most of the claims were ignored by the other Allied leaders.

(Italy had not been militarily allied with France, England, or Russia prior to the beginning of World War I. Instead, it was tied by treaty to the Central Powers—Germany and Austria-Hungary. Yet, when war broke out in the summer of 1914, Italy remained neutral for a year until finally deciding to join the Allies against its former treaty partners.)

After the war, Italy found itself in a state similar to that of other participant nations of the Great War—exhausted, economically strained, and ripe for political discord. At home, Italians were plagued with unemployment, high national debts, and spiraling inflation.

The Italian king, Victor Emmanuel III [1900–1944] was not a powerful ruler. He had few advisors and ministers who could provide the proper answers for the problems plaguing his nation-state. People were disillusioned with their government and its leaders and opened themselves to the possibility of political change, especially by the socialists.

During the election of 1919, the Socialist Party gained twice the number of seats already held by the party. Major labor strikes, plus general unrest in the rural corners of the country set the stage for political overthrow. The man responsible for this change was Benito Mussolini (1883–1945).

Mussolini was the son of a blacksmith. He grew up believing in socialism. By age 30, he abandoned the Socialist Party, which had encouraged neutrality during the first year of World War I. He began campaigning for his country's involvement in the war and, when Italy joined the Allies, Mussolini enlisted and served in the Italian army from 1915 to February of 1917 when he was severely wounded.

In 1919, after the war, Mussolini founded a new political organization called the Fascists. (He took the name from an ancient Roman imperial symbol called a *fasces* that consisted of an axe surrounded

by a group of wooden rods wrapped around the axe handle. This had served as the symbol of power and authority in the Roman Empire.)

From their headquarters in the Italian city of Milan, Mussolini and his followers promoted a program of strong nationalism and fervent patriotism. Mussolini spoke loudly and dramatically about the need of the Italian people to restore the glory of the ancient Roman Empire. As the leader of the new Fascist Party, Mussolini and 34 of his associates were elected to the Italian parliament



Benito Mussolini

in 1921.

Members of the Fascist Party encouraged much violence to intimidate the members of any opposing political parties, including the socialists and especially the communists. Riots between fascists and communists broke out in 1922. As the party gained dominance and power, Mussolini ordered his followers, on October 28, 1922, to participate in a march on Rome, to intimidate the existing political leaders. When King Victor Emmanuel refused to send in the military to put down the march, his prime minister resigned. Unsure what steps to take, the king allowed Mussolini to form a Fascist cabinet, with himself as the head.

Systematically, Mussolini—known by his followers as *Il Duce*, meaning "the leader"—began expanding his control of the Italian government. He was granted dictatorial powers by the king, he gained the support of the army, and had his political opponents murdered. By 1925–1926, Mussolini found himself ruling over Italy.

The Early Years of Adolf Hitler

Just as postwar Italy found itself open to revolutionary political change, so did Germany. As we have seen, the Germany of the Weimar Republic suffered economically under the pressures of war reparations placed on it by the Versailles Treaty.

Politically, the Republic never experienced strong leadership. Many splinter and revolutionary political organizations, some of them little more than

violent gangs, attempted repeatedly to topple the democratic, yet lukewarm state of the German Weimar Republic.

Among those who were to challenge the government during the 1920s and early 1930s was an obscure Bavarian rabble-rouser named Adolf Hitler (1889–1945). As an eventual leader of a socialist organization known as the National Socialist German Workers' Party (which became known as the Nazi Party) Hitler rose to a position of absolute dictator over Germany within 15 years of the end of World War I. How he came to power is a fascinating and tragic story.

Hitler was born in Austria on April 20, 1889, the illegitimate son of a local customs official and a woman named Anna Schicklgruber. Adolf was a poor student in school, which constantly angered his father, who regularly beat the young boy. Adolf aspired to become an artist, a goal his father never accepted, wanting instead for his son to become a government worker.

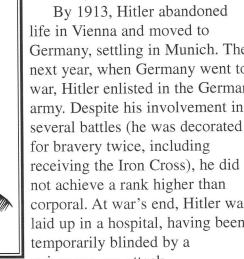
Two years after his father's death, sixteen-yearold Adolf dropped out of school, staying at home, drawing and reading, dreaming about his future. By 1907, he set out on his own, traveling to Vienna the Austrian capital. His plans to become an art student were dashed when he failed the entrance examination for the Academy of Fine Arts. A year later, he tried again and failed a second time. In the meantime, his mother died, leaving Adolf alone.

As his dream of becoming a great artist began to die, Adolf Hitler's life became that of a shiftless street vagrant, moving from menial job to job, living in cheap boarding rooms. Adolf spent much of his time depressed and brooding. Like many of his fellow countrymen, Adolf grew up hating other nationalities and races. Considering himself and all German people supreme, he developed a strong dislike, even loathing, for non-Germans, especially people of Slavic and Jewish descent. (Although he was actually a German-speaking Austrian, Hitler

> always considered himself German.)

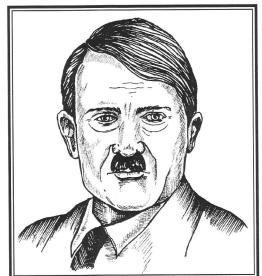
By 1913, Hitler abandoned life in Vienna and moved to Germany, settling in Munich. The next year, when Germany went to war, Hitler enlisted in the German army. Despite his involvement in several battles (he was decorated for bravery twice, including receiving the Iron Cross), he did not achieve a rank higher than corporal. At war's end, Hitler was laid up in a hospital, having been temporarily blinded by a poisonous gas attack.

In the aftermath of World War



I, Adolf Hitler became a bitter, frustrated, and angry man. As were most German citizens, he was shocked by the final defeat of Germany in 1918. The terrible conditions during the days following the warincluding an economy destroyed by the conflict caused many in Germany, including Hitler, to look for answers. Some blamed the communists and their supporters in Germany who campaigned for a state similar to Russia's. Others felt the government of the new Republic was too weak and directionless. And Hitler, like others, was angry with the Versailles treaty, which placed the blame for the war solely on Germany's shoulders.

Political extremists, including Hitler, began to campaign and speak against the political leaders of the newly defeated Germany. Such revolutionaries decried the Versailles treaty and the harsh, vindictive war reparations it placed on Germany, further wrecking its economy. Over the next several years, Hitler became more and more involved in revolutionary politics.



Adolf Hitler

The Great Depression

During the decade following the end of World War I and the signing of the Versailles treaty, the economies of the leading industrial powers of Europe struggled along, never fully recovering from the devastating effects of the war itself. By 1929, the economies of the world took a deeper plunge when the United States stock market crashed, leaving nations and their leaders to struggle against complete collapse.

The decade of the 1920s was a long, sad song for the economies of most of the powers of Europe, whether they had won or lost the Great War. In Britain, the problem of postwar unemployment was never solved. Never during the twenties did Great Britain have fewer than one million unemployed men. Despite England's leadership during the Industrial Revolution of the 1800s, by the 1920s much of its manufacturing machinery and production systems were out of date.

Other factors continuously hampered the British economic system: fierce competition from abroad—especially from the U.S. and Japan, the cost and losses connected with the Great War, and a decrease in trade between the nations of the British Empire.

Postwar France faced a continuous struggle with its economy. France never fully industrialized and even after World War I, many French businesses, shops, and production facilities were small, their customers limited to the region. The French only mass produced a few items, such as automobiles, paper, and rubber products, such as tires.

Worker wages in France during the 1920s were low. This was due, in part, to the large number of foreigners who lived throughout France and especially in Paris. It is estimated that nearly three million foreign workers—most from Spain, Belgium, and Italy—lived in France during the postwar years, and many of them were unskilled workers who willingly accepted low pay rather than unemployment.

Conversely, despite having lost World War I, and having been strapped with huge reparations, Germany actually entered a phase of economic recovery after the destructive hyper-inflation of 1924. German industry continued the long process of

regearing, designing more of its factories after the American mass production model.

During the final years of the decade, Germany enjoyed relative economic stability. By 1928, the German unemployment figure stood at about 650,000; retail sales were up twenty percent from three years earlier; and the value of real wages was up ten percent over the same time period. However, despite such growth and stability, the German economy remained in need of continuing infusions of American loans. Such loans helped keep Germany on its feet during the years from 1924 to 1929.

During the 1920s, the United States experienced a booming economy. The stock exchange index rose from 67 points in 1921 to nearly twice that level in 1929. It was a period of quick profits through investment in the stock market even for small-time investors.

But the U.S. economy was flawed during the 1920s. Farmers suffered throughout the decade, having overproduced agricultural goods for the war. Factories overproduced consumer goods, overestimating the ability of the average American worker to buy. By 1929, the American economy was becoming shaky.

Review and Write

From your reading of this page, describe a primary economic problem faced by each of the following nations during the 1920s:

Great Britain:	
France:	
Germany:	

United States:

The Great Depression

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United States:

The Depths of the Great Depression

NOT HIRING

THANK YOU

By October of 1929, the artificial bubble of economic growth in America burst. Much of the economic growth of the 1920s in the United States had been misleading. Stock prices were artificially high due to the ability of world-be investors to buy stock on credit.

Those willing to gamble on the market had been able to buy stock by paying only ten percent of the selling price with the broker (the stock selling agent), floating the difference out of his own pocket, while anticipating a growth in the stock. As long as the stock market remained a booming investment (with relatively sure profits), the system worked with everybody involved ending up richer.

But by 1929, the boom of the market was over, investors were becoming leery, and the market began to lose its value. Between June and October, the value of market stocks fell overall by approximately eight percent. During the same months, European farmers experienced abundant crop yields across the continent, lowering the demand for American agricultural products. This decreased the buying power of American farmers, which hurt manufacturers in the U.S.

As the year continued, the decade's over-consumption turned to underconsumption, while manufacturers continued to produce too many goods. All these factors, as well as others, came to a head on October 24, 1929. Called Black Tuesday, almost 13 million shares of stock were traded that day, mostly as sold stock. And the trend continued—within three weeks of Black Tuesday, the value of the stock market dropped from an estimated 87 billion to 30 billion—barely a third of the earlier figure. By March of 1929, the value of those stocks had dropped further to 19 billion dollars.

For the next several years, the economic disaster only worsened. By 1933, the gross national product (the value of all goods and services produced in the U.S.) had fallen to one-third its 1929 level. In the same year, 13 million Americans—one out of four—were without work.

It took approximately two years for the impact of the Great Depression to make its full impact on

Europe. With the collapse of American investment capital in Europe, the effects were disastrous. By 1931, Britain's unemployment had risen to three million people, nearly 25 percent of the total. The British government did little to help the plight of its citizens who were out of work, hungry, or in danger of losing their homes. The Labor Party-controlled government felt it was better to balance the national budget rather

than to practice deficit spending. By September 1931, the value of the pound had dropped from \$4.86 to \$3.49.

France's economy spiraled down, hitting bottom in 1935. By that year, manufacturing in France hit a level of production lower than it had been prior to World War I. Unemployment was severe, causing approximately 500,000 foreigners to leave the country. The government tried to deal with the economic problems by raising taxes, cutting governmental budgets, and devaluing the franc.

Of the leading nations of Europe, perhaps Germany was hit the hardest. Its economy had recovered somewhat from its earlier depths since 1923, but with the collapse of American loans in 1928–29, the bottom fell out of the German economy. Foreign trade with Germany plummeted to a quarter of its former level. Six million Germans were unemployed.

For several years throughout the 1930s, the nations of the world struggled with their poor economies and the misery of depression. In some nations, these economic challenges encouraged power hungry individuals, such as Adolf Hitler in Germany, who promised to lead the German people out of the depths of economic despair.

The Rise of Adolph Hitler

The rise of Adolf Hitler to power over Germany and its people occurred through a systematic series of events—some legal, some not so. That such a man—a bitter, frustrated artist with a passionate patriotism for Germany and an equally fervent hatred for other races and nationalities—could come

to power by 1933 speaks to the desperation of the German people seeking answers to their economic problems.

By 1923, Hitler's National Socialist German Workers' Party had a membership of 15,000 men, known as storm troopers. Many of them were out-of-work hoodlums and street-types. Armed with hate—as well as machine guns and other weapons—Hitler's Nazis often took to the streets, wearing brownshirted uniforms bearing an armband of the swastika

emblem, a symbol of party unity, to intimidate Jews, communists, and supporters of western-style democracy.

In November of 1923, Hitler attempted to take over the government of Bavaria. His Beer Hall Putsch (*putsch* is German for "revolution") was an abject failure, with 16 of his storm troopers killed by Bavarian police. Hitler himself was arrested and sentenced to five years for treason.

During his incarceration, Hitler brooded and wrote his life's story, titled *Mein Kampf* ("My Struggle"). In the book, in which Hitler frequently rambled in almost incoherent fashion, he laid out a blueprint of his political goals and aspirations for the future. Among them was his plan for German domination of Europe, including the recovery of territory lost by Germany under the Versailles treaty following World War I.

In his book, Hitler also expressed his hatred for what he considered to be inferior races, including the Jews. He condemned Jewish people as the cause of Germany's problems: political, social, and economic. Hitler also belittled the democracy of the Weimar

Republic, claiming that such an open society eventually led to an open door for communism. Hitler served less than a year of his sentence before being released from prison. Already he was gaining the support of the German people.

By 1924, the German economy was on its way to

recovery. For a while, the government outlawed the Nazi Party until Hitler convinced German officials that he and his followers would never foment revolution again. Hitler then began a campaign to gain support for his party from the business community, labor unions, industrial leaders, and the rural interests. He often lied, telling each interest what they wanted to hear. By 1929, the Nazi Party was the most significant minority political group in Germany.

At the same time, Hitler was further organizing his followers

into military units designed to terrorize their enemies. He formed a private army of elite followers, known as the *Schutzstaffe*l, commonly known as the SS. Such troops were not just street rowdies—they were a well-trained, well-disciplined political force.

When the collapse of the German economy came in 1930, Hitler was ready to point the finger of blame at Jewish bankers, American capitalists, and Russian communists. He spoke out, as he had for years, against the harshness of the Versailles treaty. His voice became the voice of the German people and his popularity grew with each passing crisis.

By 1932, Hitler's National Socialists had become the most powerful political party in Germany. With the German government in disarray, five elections were held that year. By the July election, the Nazi Party held the most seats in the German government. Hitler then offered to form a Nazi-controlled cabinet. By January 30, 1933, the aging German president, Paul von Hindenburg, named Hitler chancellor (prime minister) of Germany. At last, Hitler's dream of ultimate power had become reality.

Stalin's Soviet Union

Even before Hitler consolidated his control over Germany in the early 1930s, another European dictator had already come to power in Russia. His name was Joseph V. Djugashvili, who became popularly known as Joseph Stalin (1879–1953), a name which translates as

"made of steel."

Having worked his way to the top through the early years of the Communist Revolution of 1917, Stalin fought for control of the revolution after Lenin's death in 1924. His main rival was another high Communist Party official, Leon Trotsky. By 1926, Stalin had driven Trotsky from his position as a Communist Party official. In 1929, Stalin ordered Trotsky to leave Russia altogether.

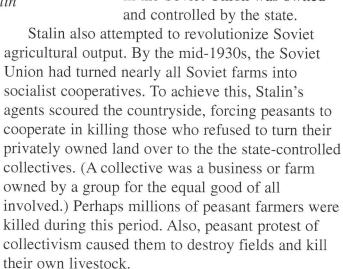
As Stalin prepared to take complete control of the further direction of the Russian Revolution, he moved the Soviet people into an era noted for abuse, absolute government control, and political murder.

To an extent, Joseph Stalin began what might be called the Second Russian Revolution. It was much more extremist and reactionary than the phase from 1917 to the late 1920s. Stalin was a man of caution, cunning, and calculation. He was cruel and heartless, murdering anyone who appeared to stand in his way or might prove a later threat. (Stalin's agents probably arranged Trotsky's murder in Mexico City in 1940.)

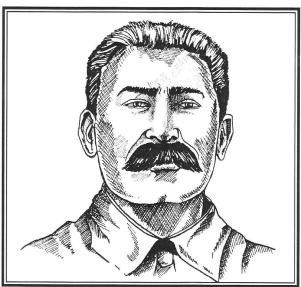
Not only did he order the deaths of those outside the Communist Party, but occasionally purged, or ordered the removal and deaths, of party officials whom he no longer trusted. During the 1930s alone, Stalin's secret police killed hundreds of thousands of Communist Party members. His dictatorship throughout the 1930s, 40s, until the 50s, helped to create—in Russia and the Soviet republics—a state in which Stalin embodied all power.

One of Stalin's great struggles during his years as Soviet premier was the state's economy. He organized a series of Five Year Plans to help create a productive communist state. During his first such plan, Stalin hoped to increase the Soviets' base of industrialization. This first Five

Year Plan did manage to double the level of Russian manufacturing. A second plan focused on increasing the Soviet Union's level of technology. Stalin's involvement in World War II interrupted his third plan. Such plans, however, were pursued with such vigor and forcefulness that Stalin's Soviet Union managed, by 1940, to rise to a position of third largest industrial producer in the world, behind the United States and Germany. By 1939, all industrial manufacturing in the Soviet Union was owned



By 1933, the Soviet Union had lost half of its livestock at the hands of uncooperative peasants. Yet collective farming survived. The Soviet Union, under Stalin's control, became a harsh regime which controlled the lives of its citizens on every level. Many of the average peasants were convinced of the necessity of the on-going revolution through continuous propaganda campaigns.



Joseph Stalin

Germany's Weimar Republic

Like every other nation involved in World War I, the defeated state of Germany emerged from the conflict destroyed, humiliated, and exhausted. Throughout the entire war, the German people had been led to believe that the ultimate victory would be theirs, and many were shocked when the Allies defeated them in 1918.

Another shock came when their leader, William II, known as Kaiser Wilhelm, abdicated his imperial throne on November 9, 1918. In place of the emperor came a form of government new to the Germans—a republic. In January 1919, the German people went to the polls and elected their representatives to the National Assembly. A new constitution was written, and the basis of the new government of Germany was to be democracy.

This newly elected National Assembly first met in February at Weimar and elected their first president, a socialist named Friedrich Ebert (1871-1925). The new constitution was voted on and approved by the summer of 1919.

The constitution called for the election of a president who was to serve a seven-year term. It also established a two-house legislature. The Reichstag was the lower and more-powerful body, made up of members who were elected by the people. A chancellor was appointed by the president and was to preside over the Reichstag.

The other body, known as the Reichsrat, included delegates elected from the 18 German states. It did not have veto power over decisions of the Reichstag, but could delay legislation.

These political institutions and the democracy of the Weimar Republic would be challenged constantly by extremist political parties during the 1920s. Some of these groups even attempted to overthrow the government. German Communists, called Spartacists, tried to take power in Berlin in 1919. Republican troops put down the attempted coup. Other groups, especially communist organizations, attempted other revolts, causing constant political instability for the Weimar Republic.

Postwar Germany also faced other serious challenges and problems. The greatest was the devaluation of its currency, the German mark. Inflation plagued the German people even before the end of World War I. The initial cause of the dramatic devaluing of the German mark during this period was the forced demands by the Allies for Germany to pay war damages or reparations. The German government continued to print more paper marks until the currency was worthless.

This downward spiral is told in the numbers. In 1914, at the beginning of World War I, the German mark held a value of four to one U.S. dollar. (In simple terms, a mark was similar in value to an American quarter.) By 1919, at the end of the war, the German currency had fallen to a value of nine marks to the dollar, less than half its prewar value. By 1922, the mark had dropped dramatically to a ratio of 500 to one.

But the worse was yet ahead. The bottom began to fall completely out for the German mark within a matter of months. By January of 1923, it took 18,000 marks to equal one U.S. dollar. Within the next six months, the ratio stood at 350,000 to one! Two months later, it stood at five million to one. This great plunge in the value of the mark meant that by November 1923, a newspaper sold on the streets of Berlin cost the equivalent of one billion marks!

Although some people—speculators, real-estate dealers, debtors, and industrialists—actually profited from such inflation, many more were destroyed by the trend. Germany's middle-class wage earners reeled under the economic pressures of their paychecks having no value. At the height of inflation, an average wage earner had to work a full day to earn enough to buy a pound of butter!

Despite this inflationary shock, the German economy recovered by 1924 (receiving a large foreign loan under the Dawes Plan of 1924—an international financial rescue program for Germany), and even experienced prosperity for the next five years.