

A Worldwide Depression Activity

Part A: Build Vocabulary

Causes

- Overproduction
- unequal distribution of wealth
- stock market crash
- bank and business failures
- massive loss of jobs

New Deal

- created large public works that provided jobs
- gave financial help to businesses and farms
- dedicated large amounts of money to welfare and relief programs
- imposed regulations to reform the stock market and banking system.

Part B: Answer from presentation

What was the political situation in postwar Europe?

- Every major European country was nearly bankrupt.
- Most European nations had democratic governments for the first time, but the governments were often ineffective due to the large number of political parties.
- Coalitions did not last long, and frequent changes in government made it hard to deal with crises.

What was the political and economic situation of Germany after World War One?

- The Weimar Republic was Germany's new democratic government after World War I.
- It was weak because Germany did not have a strong democratic tradition, the country had many political parties,
- People blamed the Weimar Republic for the country's defeat and the postwar humiliation caused by the Versailles Treaty.

What were the effects of the Great Depression?

- Unemployment rose, wages declined, businesses failed, banks closed, people lost their savings, farmers lost their lands, and world trade dropped.
- The depression spread around the world.

How did various countries meet this crisis?

- Britain brought about a recovery by passing high protective tariffs, increasing taxes, regulating the currency, and lowering interest rates.
- France passed reforms to help workers but prices and unemployment remained high.
- In the United States, Franklin Roosevelt initiated the New Deal, government projects and reforms that led to recovery.

THE END