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CRISIS & CONFLICT ON THE GLOBAL STAGE

Causes & Consequences of Two
World Wars and a Global Depression

790L



A HISTORIAN'S JOURNAL ENTRY / BY SAUL STRAUSSMAN

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BIG HISTORY PROJECT



CRISIS AND CONFLICT ON THE GLOBAL STAGE 790L

The first half of the twentieth century saw a number of catastrophic global events. Between 1914 and 1945 the world experienced two world wars. The global economy suffered as a depression spread from country to country. Imperial empires broke up. Independence movements arose in colonies to break free from those empires.

The events showed that the world had grown more integrated, or woven together. This wasn't so in the past. By the twentieth century, bad events in one country affected others far away. By the end of this period two countries had become world powers: the United States and the Soviet Union.

Even with such turmoil, the world's population continued to grow faster than ever. New technologies were changing how humans communicated. Global integration had happened with tremendous speed during the nineteenth century. The world became more and more connected and integrated. Interestingly, though, many countries tried to un-integrate themselves.

That is a lot to consider. As a historian, how do I go about making sense of this? And why was the first part of the twentieth century filled with these large catastrophic events?

There are three big themes that can help me make sense of these events. The first is the global political order. By this I mean how nations interacted with one another diplomatically and politically.

The second theme is economics. In the eighteenth and nineteenth centuries, the world saw the Industrial Revolution and imperialism. The two events caused the amount of goods produced in the world to grow tremendously and swiftly. This growth caused a lot of strain inside countries and between them. Some countries tried to protect their economies from other countries. They limited their trade with other nations.

The final theme is advances in technology. Again, the Industrial Revolution played an important role in advancing new technologies. Yet, so did the military industrial complex. This was the name for the relationship between governments and companies that made weapons. Countries began buying weapons to build larger military forces.

After considering these themes, I am then going to focus on the three biggest events of the early twentieth century. I want to see how the themes mentioned above shaped them. The events I have selected are the First World War, the Great Depression, and the Second World War.



Regions where fighting took place in World War I

- | | | |
|---------------------------|--------------------|-----------------------------|
| 1. Western European Front | 5. Palestine/Syria | 9. German Cameroon |
| 2. Eastern European Front | 6. Iraq | 10. German East Africa |
| 3. Italian Front | 7. Arabia | 11. German Southwest Africa |
| 4. Balkan Front | 8. German Togoland | 12. German Pacific Islands |

A NOT SO GREAT WAR: CAUSES AND CONSEQUENCES OF THE FIRST WORLD WAR

The First World War was the first major conflict in Europe for almost 100 years. It took place mostly in Europe. Yet it was also fought in Asia, Africa, and the Pacific Islands. It included troops from every region of the world. Many people in the colonies were made to fight. The map to the right shows where the fighting took place.

There were four main long-term causes of the First World War: militarism, alliances, imperialism, and nationalism. (I like to use the acronym MAIN to help me remember those long-term causes.) Each of these long-term causes was affected by at least one of the themes mentioned above. Let's break them down one at a time.

The first long-term cause was militarism. For this particular cause, the issue was an arms race between European countries. Specifically, Great Britain competed with Germany. Each was trying to build the more powerful military. Great Britain had the

largest navy in the world. It had to control colonies all over the globe, including far-off ones in Africa and South Asia. Great Britain felt it needed this large navy to protect its trade routes and its merchant ships traveling to and from those colonies.

Rivalries were heating up between the European powers. Germany announced in the early 1900s that it too would build a large navy to protect its colonies. Great Britain saw this as a challenge and a threat. It responded by building a powerful battleship called the *Dreadnought*. Of course the Germans then responded by building their own super battleships. New technologies in shipbuilding had come about as a result of industrialization. With these, larger and more powerful ships were now possible.

Our second long-term cause was alliances. During the late nineteenth and early twentieth centuries, the European powers negotiated several political and military alliances. Many were agreements between countries to protect one another. The idea behind these alliances was to discourage any one nation from attacking another nation. The hope was that countries would avoid starting wars out of fear. Because of the alliances, attacking one nation could cause several other countries to join in.

In the end, Europe was divided up into two major camps. One was the Triple Entente. It consisted of France, Great Britain, and Russia. The other was the Triple Alliance. It was made up of Germany, Austria-Hungary, and the Ottoman Empire. Some other countries in Europe joined one or the other of the alliances.

Our third long-term cause is imperialism. It involves both political and economic themes. The historians Jerry H. Bentley and Herbert F. Ziegler discuss how European nations searched aggressively for new colonies to boost their economies. They sum up the issue nicely here:

....Virtually all the major powers engaged in the scramble for empire, but the competition between Britain and Germany and that between France and Germany were the most intense and dangerous.... German imperial efforts were frustrated.... by the simple fact that British and French imperialists had already carved up most of the world. (973 — 74)

Bentley and Zeigler confirm something I suspected: that the European countries wanted colonies to have a market for their goods. Germany was late to get colonies. Yet, it was also a huge producer of goods. Because of this, Germany's desire for colonies was seen as a threat by Great Britain. Great Britain had been the world's leading manufacturer. But by 1900, it was on the decline.

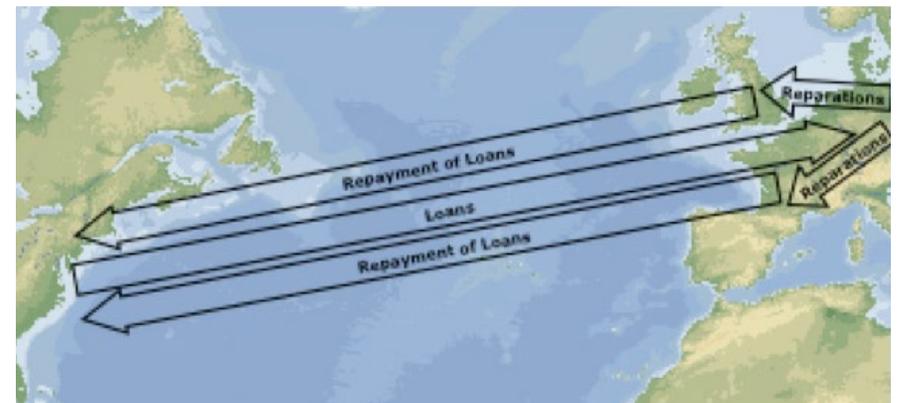
The last of our long-term causes was nationalism. It was an issue that had been building during the nineteenth century. This was particularly true in European countries with many minority groups. For example, the Austro-Hungarian Empire consisted of several ethnic groups. Just some of these included Slavs, Czechs, and Poles. Also, Arabs in the Middle East wanted to be free from the Ottoman Empire. It was ruled by the Turks. Nationalist groups within the Russian Empire wanted to separate into their own countries.

Now things get more complicated. We know the European empires competed because of nationalism. Now many people living in colonies ruled by Europeans used nationalism too. They rallied around nationalist ideas. They said the ideas of nationalism should allow them to be free. They used those ideas to force their European rulers out. One example of this was the efforts of Mohandas K. Gandhi and the Indian National Congress. They were working to free India from Great Britain's rule.

The First World War was sparked by one event. The heir to the Austro-Hungarian Empire, Archduke Franz Ferdinand, was assassinated. It happened on June 28, 1914. This single event quickly pushed Europe into World War I. It dragged other parts of the world in as well. At the time, it was the most destructive war the Earth had ever seen.

One of the reasons why this war was particularly horrific was because of the weapons used. Military technology had progressed quickly. The historians J. R. and William McNeill describe the role technology played in this conflict:

Consequences of the Dawes Plan



Military medicine had progressed to the point where doctors could keep gigantic armies free of epidemics long enough that they could engage in the prolonged slaughter of trench warfare. Heavy artillery and poison gas made life in the trenches living hell, while the machine gun made climbing out of them extremely lethal. (289)

As a result of the war, the old political and economic order of Europe was destroyed. In Russia, a revolution overthrew the czar. A communist government soon arose there. It created a command economy. But more on that later.

The Ottoman Empire was also overthrown by a revolution. Its Muslim empire was replaced with a non-religious government. The Austrians and Germans lost the war. Their land was redistributed. Some of it was used to create European states like Poland, Czechoslovakia, Lithuania, and Hungary. Even among the victorious allies of the Triple Entente, nations collapsed. Some couldn't survive the cost and strains of the war. A good example of this was Italy. Its weak constitutional monarchy ultimately fell. It was replaced by a fascist dictatorship led by Benito Mussolini.

Of all the nations involved in the war, the United States was economically in the best shape. It could afford to purchase military weapons and technology. Great Britain and France also purchased billions of dollars worth of goods from the U.S. Much of it was bought with loans given by U.S. banks. Europe now owed the U.S. money.

The Treaty of Versailles ended the First World War. Yet, it also imposed harsh terms on Germany. It was forced to pay reparations. These were payments to Great Britain and France to cover the costs of the war. But the Germans couldn't even afford to pay their own war debts. Paying the winning countries of WWI as well was impossible. As a result, they stopped paying the reparations altogether.

There were worries this could threaten the world economy. To keep the economic system afloat, the United States created the Dawes Plan. The plan had the U.S. loan money to Germany. With that money, it could pay France and Great Britain. Then France and Great Britain would pay the United States. The graphic on the previous page shows how the plan worked.

GDP Per Capita in International Dollars

	France	India	Malaysia	Chile	Mexico	USSR	Germany	U.S.
1929	4,710	728	1,682	3,396	1,757	1,368	4,051	6,899
1930	4,532	726	1,636	3,143	1,618	1,448	3,973	6,213
1931	4,235	711	1,548	2,333	1,643	1,462	3,652	5,691
1932	3,959	709	1,397	2,274	1,373	1,439	3,362	4,908
1933	4,239	700	1,440	2,652	1,501	1,493	3,556	4,777
1934	4,192	697	1,478	3,056	1,660	1,864	4,120	5,467
1935	4,086	680	1,364	3,056	1,768	1,991	4,451	6,204
1936	4,244	697	1,478	3,056	1,768	1,991	4,451	6,204
1937	4,487	676	1,308	3,241	1,796	2,156	4,685	6,430
1938	4,466	668	1,361	3,139	1,794	2,150	4,994	6,126
1939	4,793	674	1,609	3,178	1,858	2,237	5,406	6,561

Source: Hollander, Taylor. "Landscape Teaching Unit 8.3 The Great Depression 1929 — 1939 CE." World History for Us All. PDF file, 14. See also the Organisation for Economic Co-Operation and Development (OECD) statistics.

I think we can all see the problem with this strategy! It couldn't last. By the late 1920s American loans to Germany dried up. Germany's payments to Great Britain and France stopped as well. All of this created a dangerous economic situation. European nations were particularly at risk of suffering an economic disaster.

THE GREAT DEPRESSION AS A GLOBAL EVENT

World War I had ended just more than a decade ago. Yet now the world faced another global crisis. The international economic system was shaky after the war. Then it completely collapsed in 1929. The collapse threw the world into a deep depression. Some countries had already been withdrawing from the global economic system before 1929. The Great Depression quickened that trend.

Historians have spent years studying the Great Depression. However, they still don't agree on its cause. Historian John A. Garraty called it, "a worldwide phenomenon composed of an infinite number of separate but related events." (2 — 3)

One of those events was the crushing reparations and war debt imposed by the Treaty of Versailles. The Great Depression began in the United States. We do know a few things that led to it. Too many goods were produced. Not enough people wanted to buy those goods. In addition, many people owed money. On top of that, the stock market kept going up and up and up. Eventually, it all came crashing down. The effects from the crash rippled through economies around the world.

While the causes may be difficult to pin down, we know how countries responded to it. Let's go back to our three themes. There were economic and political responses to the Great Depression. The one major economic response used by many countries was to retreat into autarky. It is the state of being economically self-sufficient and independent. It is the opposite of integration, or globalization.

Many countries in Europe, Asia, North Africa, and the Americas attempted to separate from the world economy. To do this, their governments put very high tariffs (taxes) on all imported goods. It made goods coming into their countries more expensive. By doing so, it protected their own industries. It made their own goods cheap in comparison. That way, their people would buy goods made in their own country.

Some governments also devalued their currency. They printed more money. With more money in circulation, it became worth less. It is a bit like with gold. If more gold was available, it wouldn't be worth so much.

These countries made their money worth less compared to the money of other countries. By devaluing their country's money, the goods they exported became cheaper.

Once they were cheaper, more people in other countries wanted to buy them.

Countries with colonies wanted only goods from their country to be bought and sold in their colonies. It was a closed economic loop. European countries took raw materials from colonies. Then they manufactured them in Europe. Then they sold them back to their colonies. As a result of European powers trying this strategy, many countries saw their Gross Domestic Product (GDP) drop during the Great Depression. The GDP is the total value of all goods produced by a country. The chart on the previous page demonstrates this trend.

What I notice from this chart is that almost all of the countries saw their GDP drop between 1929 and 1932. The one exception is the USSR. The chart shows the value of all goods manufactured. Looking at that, the likely conclusion is that fewer goods were being produced. I also notice that the USSR does not have a drop in its GDP during this same time period. There are a couple of reasons for this. One is that the total value of goods produced by the USSR is not that much to begin with. It just does not have far to drop. Yet that is also true for India, and its GDP dropped.

Another explanation is that the economy of the USSR was a command economy. It was not a marketplace economy like in the U.S. In a command economy, the government decides what and how much will be produced. It also sets the price for those items.

In a market economy, the government usually stays out of such decisions. Supply and demand determine prices in a market economy. If people don't want to buy a product, it isn't produced. Interestingly, Germany's GDP grew very quickly after 1933. That is the year Adolf Hitler became chancellor of Germany. One way Hitler ended the Great Depression in Germany was through a lot of government spending on military goods.

The political responses to the Great Depression were much more complicated. Yet many of the responses were "populist." Populism is not a liberal or conservative issue. In fact, parties representing different political views have successfully used populism. Populists usually strongly denounce the ruling parties. They claim to represent ordinary citizens. They also tend to favor government intervention in the economy and even in society.

One populist path taken was to create welfare states. This is additional money and government programs to support people. In this case, it was to help people deal with the loss of money and jobs caused by the Great Depression. One example was in New Zealand. There, the government expanded programs for education, housing, health care, and social security (retirement pay). Another was in Mexico. The government

there redistributed land, changed public education, and took over oil businesses. Before that, foreign companies had mostly produced Mexico's oil.

Within many of the colonies, a second populist path was taken. In this case, grass roots protest movements pushed for independence. The Great Depression hurt the colonies' economies tremendously. People suffering under colonialism were already feeling like they didn't own their own lands. Then the colonial powers demanded even more from them. They wanted more money to make up for what they lost in the Depression.

This meant that the government increased taxes, confiscated land, and forced people to do labor. The people responded by organizing freedom movements. These gained popularity in places like Burma, Vietnam, and Kenya. Often these movements were brutally put down by the colonial power. In India, Mohandas K. Gandhi and the Indian National Congress started the cause of Indian independence. It started as an issue concerning elites. Gandhi made it a mass movement.

The fascist governments in Europe took a third populist path. This is best shown by the Nazis in Germany. Adolph Hitler called for national unity and an end to reparation payments. He also wanted to return to the mythic glory days of the German Volk (or people). Hitler also blamed outsiders for the problems of the German people. He specifically blamed Jews.

The German people responded to Hitler's message. They pushed for him to be made chancellor in 1933. As historians J. R. and William H. McNeill noted, he "soon put an end to voting." (292-93) In fact, populist dictatorships were created in several European and Latin American countries. In large part, the conditions imposed on Germany by the Treaty of Versailles and the financial crisis of the Great Depression led to the Second World War. They created the conditions that enabled someone like Hitler to gain power.

THE SECOND WORLD WAR: CAUSES AND CONSEQUENCES

Many economies suffered between WWI and WWII. The losers of the war were forced to pay the winners. Added to that, many countries retreated from globalization. That is, they turned away from trading with other countries. The combination of the two events damaged world economies. The collapse of the global economic system in 1929 created new political upheavals.

In turn, these resulted in new forms of governments. Many of these new governments were different forms of dictatorships; however, all nations, whether democratic or dictatorial, were looking for ways to fix the desperate conditions of the Great Depression.

Technology also made the Second World War possible. One technology in particular: the radio. It made it easy for an individual to reach millions of people. Two leaders really understood how to take advantage of people's anger and suffering during this period: Adolf Hitler in Germany and Franklin Delano Roosevelt in the United States. They were complete opposites when it came to politics. Yet both men used the power of broadcast radio to reach millions of citizens. They each used it to communicate their very different solutions to the problems facing their societies. Both men were effective communicators. Both were able to mobilize people to support their plans.

One method used to end the Great Depression was military spending. Nations spent billions of dollars on weapons. In doing so, these nations created a lot of jobs for people in the arms business. By building up weapons they also prepared for the next conflict.

Percent of National Income Spent on Defense, 1937

United States	1.5%
British Empire	5.7%
France	9.1%
Germany	23.5%
Japan	28.2%
USSR	26.4%

Source: Cohen, Sharon. "Landscape Teaching Unit 8.5 The Causes and Consequences of World War II 1939 – 1945 CE." World History for Us All. PDF file, 9.

Look back at the chart above. It tells me that Germany, Japan, and the USSR put a lot more money into building arms. I also know that in 1937 those three governments were operating under a command economy.

Politically, it is clear to see that specific actions resulted in global conflict. For example, Hitler demanded to expand Germany's economy and culture. Of course this expansion hurt other people and nations. Jews and Roma (also called gypsies) were the groups specifically targeted by the Nazi regime. They suffered most. Even before taking power, Hitler pushed his ideas of expanding Germany. In a 1930 speech, Hitler declared:

If the German people does not solve the problem of its lack of space, and if it does not open up the domestic market for its industry...Germany will then make its exit from the world stage...Space must be fought for and maintained. People who are lazy have no right to the soil. Soil is for him who tills it and protects it... If a nation loses in the defense of its soil, then the individual loses.... There is only power, which creates justice...force also creates rights. (qtd. in Cohen 11)

After reading this excerpt, I can see how Hitler used populism in his speeches. He stirred up emotions of nationalism. He used patriotism to convince the German people that he should become chancellor of Germany. This speech also outlines his justification for claiming new lands. When he gained control of the government, he was basically a dictator. He used his powers to increase Germany's military. Ultimately, military manufacturing helped end the Great Depression in Germany.

General Tanaka Giichi was the Japanese prime minister right before the Great Depression hit. He used a similar reason in 1927. Yet he sought economic security for Japan even before the Depression:

Our best policy [to ensure Japanese economic prosperity] lies in...taking positive steps to secure rights and privileges in Manchuria and Mongolia... The way to gain actual rights in Manchuria and Mongolia is to use this region as a base and under the pretense of trade and commerce penetrate the rest of China. Armed by the rights already secured we shall seize the resources all over the country. (qtd. in Cohen 10)

The historians J. R. and William H. McNeill have analyzed WWII's many conflicts. They noted that the Second World War was actually several separate conflicts. The first began with Japan invading China in the 1930s. This followed through on General Tanaka's ideas noted above. Japan has very few natural resources. It desperately needed oil to pursue its war goals. Yet its access to oil was severely restricted by the United States.

In response, Japan bombed the U.S. naval base at Pearl Harbor in December 1941. That was another conflict in the war. Another was Germany's invasion of Poland in September 1939. That invasion resulted in France and Great Britain declaring war on Germany. This came after Germany's "peaceful" annexation of Austria and Czechoslovakia in 1937 and 1938. Hitler acquired the lands through threats.

Japan and Germany both invaded their neighbor's land. It was to help fulfill their vision for economic independence (autarky). One of the last conflicts began in June 1941. This time Germany invaded the Soviet Union. As the McNeills note, "Hitler harbored a deep hatred of Slavs and Jews, and by attacking the USSR he intended to obliterate them."

In addition, by taking land from the USSR he could create "empty lands in the east for German settlement." Hitler hoped that his plan "would make an autarkic Germany possible." (296)

By the war's end, the United States had become world's first superpower. In four years time, the economy of the United States had become the world's largest. It had the largest navy in the world, and it was the only country to have a nuclear weapon.

Apart from the attack on Pearl Harbor, none of its civilians were harmed on American soil by foreign attacks; no U.S. city was leveled during the war; and practically every nation owed its banks money. (McNeill 298) Of course all of these advantages were temporary. Soon other countries rebuilt their economies and political systems. By 1949, the USSR would also have a nuclear weapon.

Interestingly, the major nations stopped retreating from the global economic system. Instead, they created new economic and political institutions to create greater cooperation. For example, the United Nations was created. It replaced the League of Nations. The UN's role is to promote world peace and communication among nations. The International Monetary Fund was also formed. Its mission is to provide money and economic assistance to struggling countries.

CONCLUSION

All told, the instability of the political and economic systems in the early twentieth century had disastrous results. It created the conditions for two world wars. It also led to an economic depression that affected almost every nation across the globe.

New military technologies introduced during the First World War made these two wars the most destructive ever. At the same time, communications technology changed. It made it possible for populist leaders to reach millions of citizens through radio. They also used radio to push for changes within their governments. By the end of this era, the old world order had been replaced. Now, European political ambitions and economic policies no longer determined world events.

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Cover image: World War I ANZAC (Australia and New Zealand Army Corps) troops arrive in France, 1916. Courtesy of Underwood and Underwood/National Geographic/Corbis.

This short journal entry is an example of how historians go about exploring important questions and looking at new information. They use a mixture of historical documents and the writings of other historians to inform their thinking. All sources are listed in the working bibliography.