PART SIX

The Most Recent Century

1914–2010

Contents

THE BIG PICTURE

The Twentieth Century: A New Period in World History?

Dividing up time into coherent segments—periods, eras, ages—is the way historians mark major changes in the lives of individuals, local communities, social groups, nations, and civilizations and also in the larger story of humankind as a whole. Because all such divisions are artificial, imposed by scholars on a continuously flowing stream of events, they are endlessly controversial and never more so than in the case of the twentieth century. To many historians, that century, and a new era in the human journey, began in 1914 with the outbreak of World War I. That terrible conflict, after all, represented a fratricidal civil war within Western civilization, triggered the Russian Revolution and the beginning of world communism, and stimulated many in the colonial world to work for their own independence. The way it ended set the stage for an even more terrible struggle in World War II.

But do the almost 100 years since 1914 represent a separate phase of world history? Granting them that status has become conventional in many world history textbooks, including this one, but there are reasons to wonder whether future generations will agree. One problem, of course, lies in the brevity of this period—less than 100 years, compared to the many centuries or millennia that comprise earlier eras. Furthermore, an immense overload of information about these decades makes it difficult to distinguish what will prove of lasting significance and what will later seem of only passing importance. Furthermore, because we are so close to the events we study and obviously ignorant of the future, we cannot know if or when this most recent period of world history will end. Or, as some have argued, has it ended already, perhaps with the collapse of the Soviet Union in 1991, with the attacks of September 11, 2001, or with the global economic crisis beginning in 2008? If so, are we now in yet another phase of historical development?

Old and New in the Twentieth Century

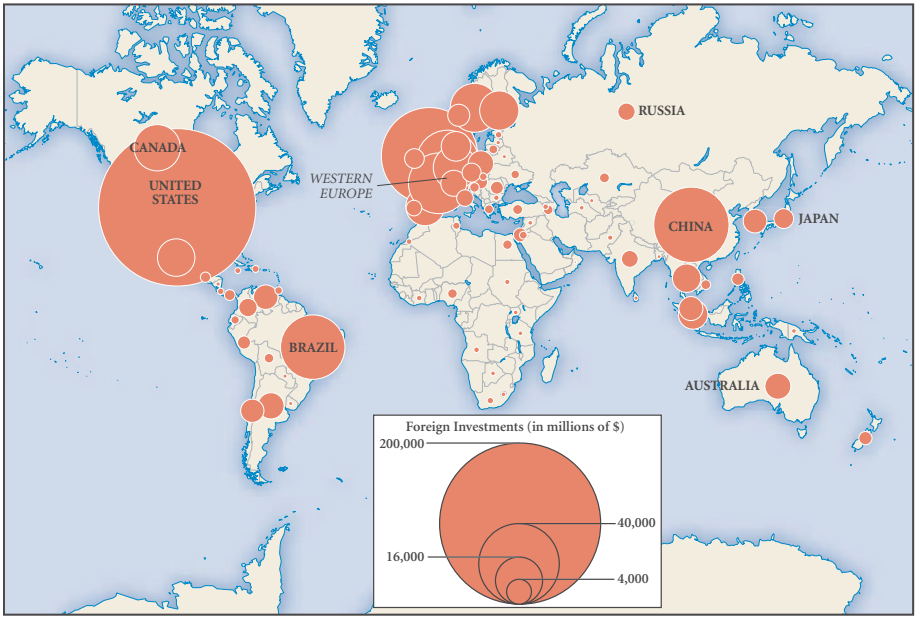
Like all other historical periods, this most recent century both carried on from the past and developed distinctive characteristics as well. Whether that combination of the old and new merits the designation of a separate era in world history will likely be debated for a long time to come. For our purposes, it will be enough to highlight both its continuities with the past and the sharp changes that the last 100 years have witnessed.

Consider, for example, the world wars that played such an important role in the first half of the century. They grew out of Europeans' persistent inability to embody their civilization within a single state or empire, as China had long done. They also represent a further stage of European rivalries around the globe that had been going on for four centuries. Nonetheless, the world wars of the twentieth century were also new in the extent to which whole populations were mobilized to fight them and in the enormity of the destruction that they caused. During World War II, for example, Hitler's attempted extermination of the Jews in the Holocaust and the United States' dropping of atomic bombs on Japanese cities marked something new in the history of human conflict.

The communist phenomenon provides another illustration of the blending of old and new. The Russian (1917) and Chinese (1949) revolutions, both of which were enormous social upheavals, brought to power regimes committed to remaking their societies from top to bottom along socialist lines. They were the first large-scale attempts in modern world history to undertake such a gigantic task, and in doing so they broke sharply with the capitalist democratic model of the West. They also created a new and global division of humankind, expressed most dramatically in the cold war between the communist East and the capitalist West. On the other hand, the communist experience also drew much from the past. The great revolutions of the twentieth century derived from long-standing conflicts within Russian and Chinese societies, particularly between impoverished and exploited peasants and dominant landlord classes. The ideology of those communist governments came from the thinking of the nineteenth-century German intellectual Karl Marx. Their intention, like that of their capitalist enemies, was modernization and industrialization. They simply claimed to do it better—more rapidly and more justly.

Another distinguishing feature of the twentieth century lay in the disintegration of its great empires—the Austro-Hungarian, Ottoman, Russian, British, French, Japanese, Soviet, and more—and in their wake the emergence of dozens of new nation-states. At one level, this is simply the latest turn of the wheel in the endless rise and fall of empires, dating back to the ancient Assyrians. But something new occurred this time, for the very idea of empire was rendered illegitimate in the twentieth century, much as slavery lost its international acceptance in the nineteenth century. The superpowers of the second half of the twentieth century—the Soviet Union and the United States—both claimed an anticolonial ideology, even as both of them constructed their own "empires" of a different kind. By the beginning of the twenty-first century, some 200 nation-states, each claiming sovereignty and legal equality with all the others, provided a distinctly new political order for the planet.

The less visible underlying processes of the twentieth century, just like the more dramatic wars, revolutions, and political upheavals, also had roots in the past as well as new expressions in the new century. Perhaps the most fundamental process was explosive population growth, as human numbers more than quadrupled since 1900, leaving the planet with about 6.8 billion people by mid-2009. This was an absolutely unprecedented rate of growth that conditioned practically every other feature of



Globalization in Action: Trade and Investment in the Early Twenty-first Century (p. 1136)

the century's history. Still, this new element of twentieth-century world history built upon earlier achievements, most notably the increased food supply deriving from the global spread of American crops such as corn and potatoes. Improvements in medicine and sanitation, which grew out of the earlier Scientific and Industrial revolutions, likewise drove down death rates and thus spurred population growth.

While global population increased fourfold in the twentieth century, industrial output grew fortyfold. This unprecedented economic growth, despite large variations over time and place, was associated with a cascading rate of scientific and technological innovation as well as with the extension of industrial production to many regions of the world. This too was a wholly novel feature of twentieth-century world history and, combined with population growth, resulted in an extraordinary and mounting human impact on the environment. Historian J. R. McNeill wrote that "this is the first time in human history that we have altered ecosystems with such intensity, on such a scale, and with such speed. . . . The human race, without intending anything of the sort, has undertaken a gigantic uncontrolled experiment on the earth."[1] From a longer-term perspective, of course, these developments represent a continued unfolding of the Scientific and Industrial revolutions. Both began in Europe, but in the twentieth century they largely lost their unique association with the West as they took hold in many cultures. Furthermore, the human impact on the earth itself and other living creatures has a history dating back to the extinction of some large mammals at the hands of Paleolithic hunters.

Much the same might be said about that other grand process of twentieth-century world history—globalization. It too has a genealogy reaching deep into the past,

reflected in the Silk Road trading network; Indian Ocean and trans-Saharan commerce; the spread of Buddhism, Christianity, and Islam; and the Columbian exchange. But the twentieth century deepened and extended the connections among the distinct peoples, nations, and regions of the world in ways unparalleled in earlier centuries. A few strokes on a keyboard can send money racing around the planet; radio, television, and the Internet link the world in an unprecedented network of communication; the warming of the lower atmosphere due to the accumulation of greenhouse gases portends radical changes for the whole planet; far more people than ever before produce for and depend on the world market; and global inequalities increasingly surface as sources of international conflict. For good or ill, we live—all of us—in a new phase of an ancient process.

Three Regions—One World

The chapters that follow explore these themes of twentieth-century world history in a particular way. Chapters 21, 22, and 23 tell the separate stories of three major regions or groups of countries—the Western world; the communist world; and the third world, sometimes called the world of developing countries. Chapter 21, which focuses on the Western world of capitalist countries, highlights the dramatic changes that occurred at the center of the global network. The European heartland of the world system collapsed in war and economic depression during the first half of the century but recovered in the second half as leadership of the West passed to the United States.

Accompanying those changes was the emergence of world communism. Chapter 22 addresses four highly significant features of the communist phenomenon: the revolutionary origins of communism, especially in Russia and China; the efforts of those two communist giants to build new and socialist societies; the global conflict of the cold war, which arose from the expansion of communism; and the amazing abandonment of communism as the century ended.

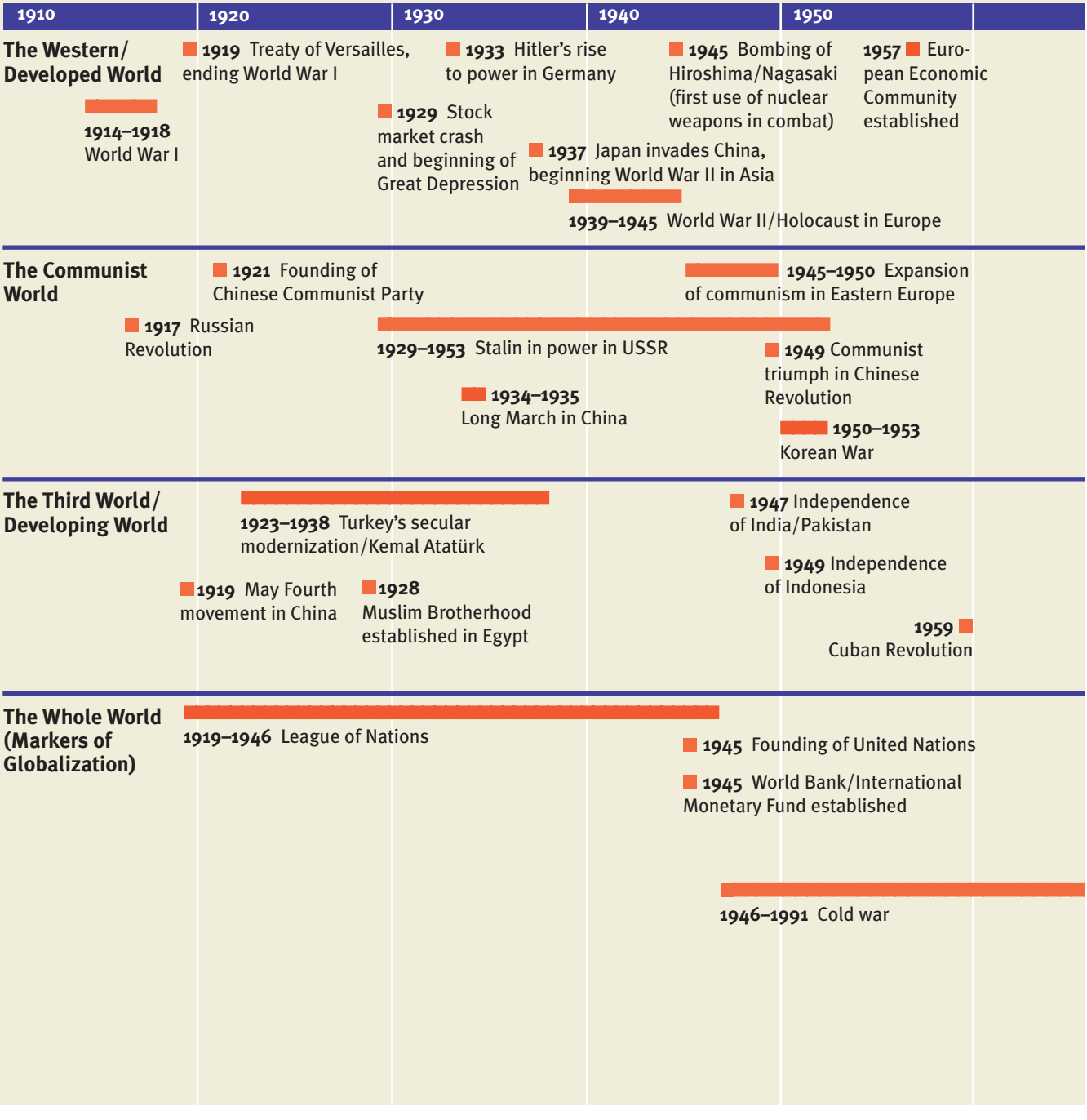
Chapter 23 turns the historical spotlight on the colonial world of Asia and Africa. Two major themes serve to structure the twentieth-century history of this vast region. The first focuses attention on the struggles for independence, the end of colonial empires, and the emergence of dozens of new nations. The second describes the increasingly important role on the global stage that these new states have played in the second half of the century. The assertion of African, Asian, and Middle Eastern peoples, joined by those of Latin America, made the world of the early twenty-first century a very different place from that of a hundred years earlier.

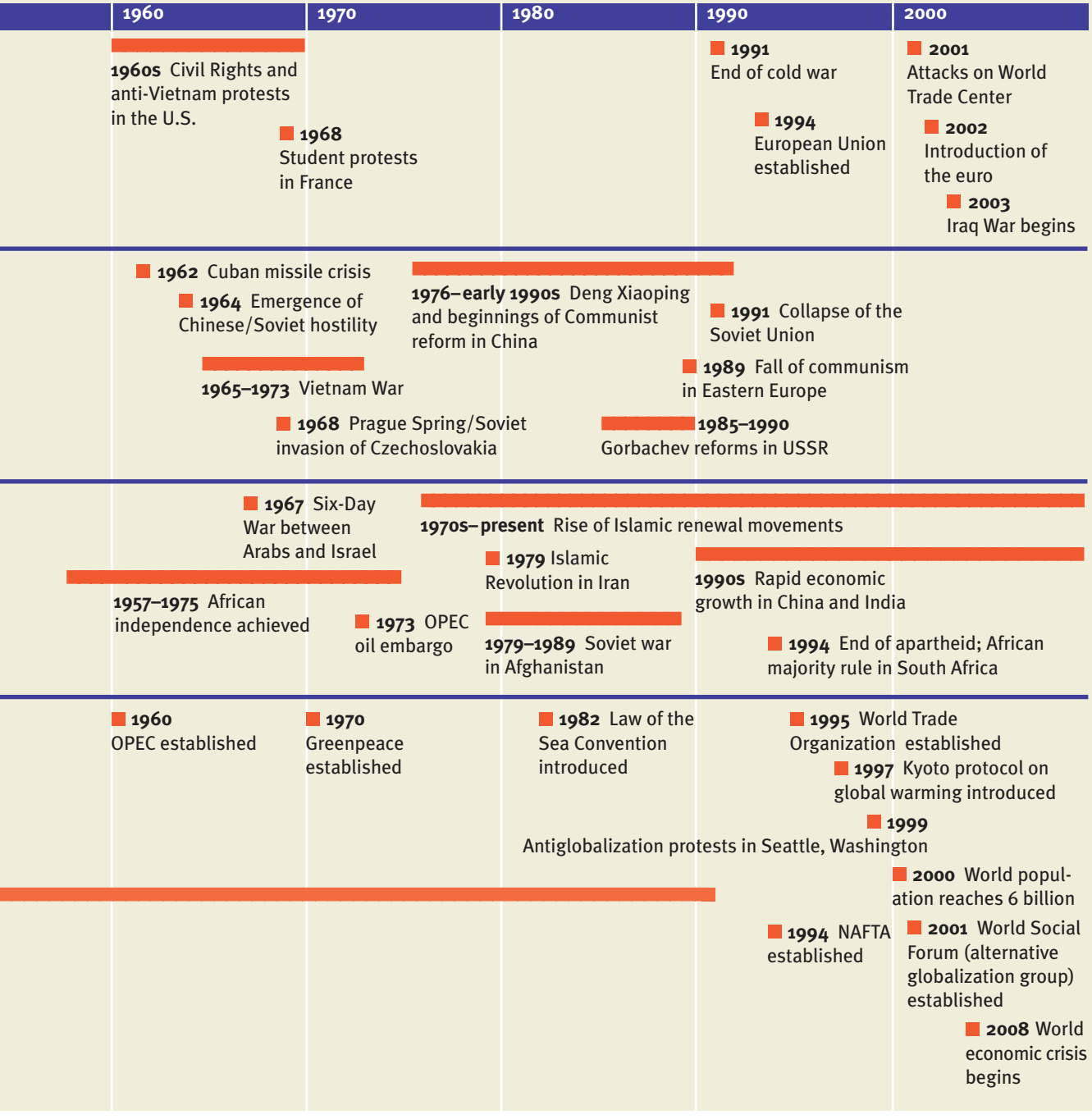
These histories of the Western world, the communist world, and the third world during the past century not only paralleled each other but also frequently intersected and overlapped, as Chapters 21, 22, and 23 repeatedly indicate. However, they were also part of an even larger story, known everywhere now as globalization. The post–World War II acceleration of this much older process is the "big picture" theme of Chapter 24, which examines both its economic and cultural dimensions. Thus it

focuses attention on the development of the world economy as well as on the global expressions of feminism, religious fundamentalism, and environmentalism.

Perhaps there is enough that is new about the century following 1914 to treat it, tentatively, as a distinct era in human history, but only what happens next will determine how this period will be understood by later generations. Will it be regarded as the beginning of the end of the modern age, as human demands upon the earth prove unsustainable? Or will it be seen as the midpoint of an ongoing process that extends a full modernity to the entire planet? Like all of our ancestors, every one of them, we too live in a fog when contemplating our futures and see more clearly only in retrospect. In this strange way, our future will shape the telling of the past, even as the past shapes the living of the future.

Landmarks of the Most Recent Century, 1914–2010




1960
1970
1980
1990
2000
1960s Civil Rights and anti-Vietnam protests in the U.S.
1968 Student protests in France
1991 End of cold war
1994 European Union established
2001 Attacks on World Trade Center
2002 Introduction of the euro
2003 Iraq War begins
1962 Cuban missile crisis
1964 Emergence of Chinese/Soviet hostility
1965–1973 Vietnam War
1968 Prague Spring/Soviet invasion of Czechoslovakia
1976–early 1990s Deng Xiaoping and beginnings of Communist reform in China
1991 Collapse of the Soviet Union
1989 Fall of communism in Eastern Europe
1985–1990 Gorbachev reforms in USSR
1967 Six-Day War between Arabs and Israel
1957–1975 African independence achieved
1973 OPEC oil embargo
1970s–present Rise of Islamic renewal movements
1979 Islamic Revolution in Iran
1979–1989 Soviet war in Afghanistan
1990s Rapid economic growth in China and India
1994 End of apartheid; African majority rule in South Africa
1960 OPEC established
1970 Greenpeace established
1982 Law of the Sea Convention introduced
1995 World Trade Organization established
1997 Kyoto protocol on global warming introduced
1999 Antiglobalization protests in Seattle, Washington
2000 World population reaches 6 billion
1994 NAFTA established
2001 World Social Forum (alternative globalization group) established
2008 World economic crisis begins

AMERICANS

will always fight for liberty

CHAPTER TWENTY-ONE

The Collapse and Recovery of Europe

1914–1970s

"I was told that I was fighting a war that would end all wars, but that wasn't the case." Spoken a few years before his death, these were the thoughts of Alfred Anderson, a World War I veteran who died in Scotland in November 2005, at the age of 109. He was apparently the last survivor of the famous Christmas truce of 1914, when British and German soldiers, enemies on the battlefield of that war, briefly mingled, exchanged gifts, and played football in the no-man's land that lay between their entrenchments in Belgium. He had been especially dismayed when in 2003 his own unit, the famous Black Watch regiment, was ordered into Iraq along with other British forces.[1] Despite his disappointment at the many conflicts that followed World War I, Anderson's own lifetime had witnessed the fulfillment of the promise of the Christmas truce. By the time he died, the major European nations had put aside their centuries-long hostilities, and war between Britain and Germany, which had erupted twice in the twentieth century, seemed unthinkable. What happened to Europe, and to the larger civilization of which it was a part, during the life of this one man is the focus of this chapter.

THE "GREAT WAR," WHICH CAME TO BE CALLED THE FIRST WORLD WAR (1914–1918), effectively launched the twentieth century, considered as a new phase of world history. That bitter conflict—essentially a European civil war with a global reach—was followed by the economic meltdown of the Great Depression, by the rise of Nazi Germany and the horror of the Holocaust, and by

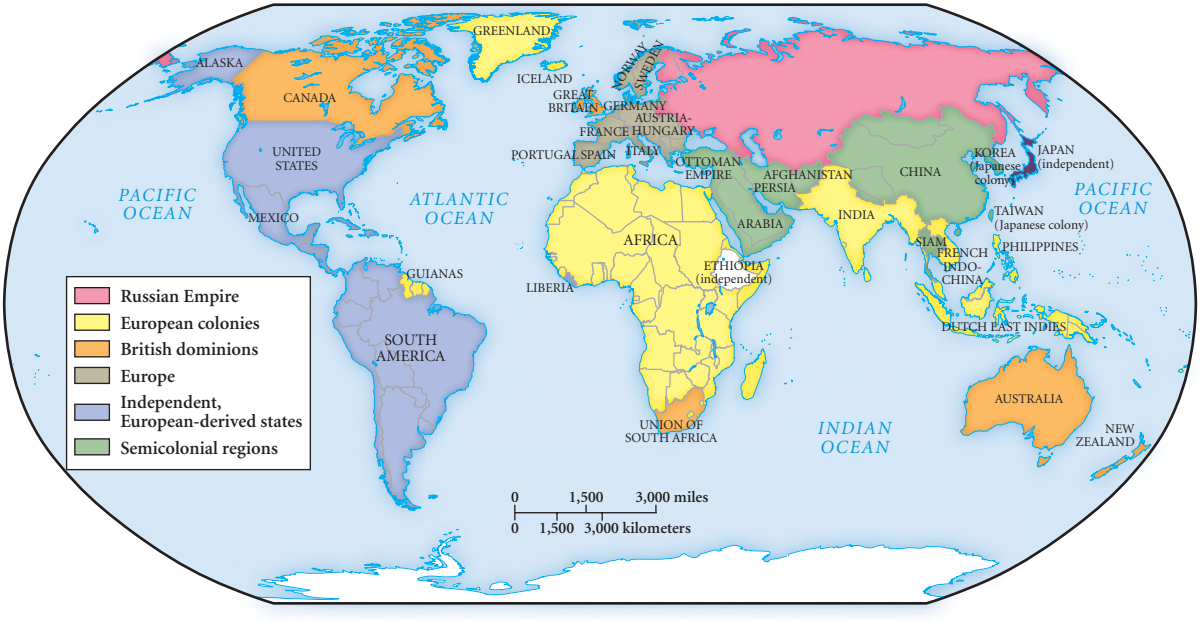
The United States and World War II: The Second World War and its aftermath marked the decisive emergence of the United States as a global superpower. In this official 1943 poster, U.S. soldiers march forward to "fight for liberty" against fascism while casting a sideways glance for inspiration at the ragged colonial militiamen of their Revolutionary War. (Library of Congress, LC-USZC4-2119)

an even bloodier and more destructive World War II. During those three decades, Western Europe, for more than a century the dominant and dominating center of the modern "world system," largely self-destructed, in a process with profound and long-term implications far beyond Europe itself. By 1945, an outside observer might well have thought that Western civilization, which for several centuries was in the ascendancy on the global stage, had damaged itself beyond repair.

In the second half of the century, however, that civilization proved quite resilient. Its Western European heartland recovered remarkably from the devastation of war, rebuilt its industrial economy, and set aside its war-prone nationalist passions in a loose European Union. But as Europe revived after 1945, it lost both its overseas colonial possessions and its position as the political, economic, and military core of Western civilization. That role now passed across the Atlantic to the United States, marking a major change in the historical development of the West. The offspring now overshadowed its parent.

The First World War: European Civilization in Crisis, 1914–1918

Since 1500, Europe had assumed an increasingly prominent position on the global stage, driven by its growing military capacity and the marvels of its Scientific and Industrial revolutions. By 1900, Europeans, or people with a European ancestry, largely controlled the world's other peoples through their formal empires, their informal influence, or the weight of their numbers (see Map 21.1). That unique situation pro-



Map 21.1 The World in 1914
A map of the world in 1914 shows an unprecedented situation in which one people—Europeans or those of European descent—exercised enormous control and influence over virtually the entire planet.

vided the foundation for Europeans' pride, self-confidence, and sense of superiority. Few could have imagined that this "proud tower" of European dominance would lie shattered less than a half century later. The starting point in that unraveling was the First World War.

An Accident Waiting to Happen

Europe's modern transformation and its global ascendancy were certainly not accompanied by a growing unity or stability among its own peoples—quite the opposite. The most obvious division was among its competing states, a long-standing feature of European political life. Those historical rivalries further sharpened as both Italy and Germany joined their fragmented territories into two major new powers around 1870. German unification had occurred in the context of a short war with France (the Franco-Prussian War of 1870–1871), which embittered relations between these two large countries for the next half century. More generally, the arrival on the international scene of a powerful and rapidly industrializing Germany, seeking its "place in the sun" as Kaiser Wilhelm put it, was a disruptive new element in European political life, especially for the more established powers, such as Britain, France, and Russia. Since the defeat of Napoleon in 1815, a fragile and fluctuating balance of power had generally maintained the peace among Europe's major countries. By the early twentieth century, that balance of power was expressed in two rival alliances, the Triple Alliance of Germany, Austria, and Italy and the Triple Entente of Russia, France, and Britain. It was those commitments, undertaken in the interests of national security, that transformed a minor incident in the Balkans into a conflagration that consumed all of Europe.

That incident occurred on June 28, 1914, when a Serbian nationalist assassinated the heir to the Austrian throne, Archduke Franz Ferdinand. To the rulers of Austria, the surging nationalism of Serbian Slavs was a mortal threat to the cohesion of their fragile multinational empire, which included other Slavic peoples as well, and they determined to crush it. But behind Austria lay its far more powerful ally, Germany; and behind tiny Serbia lay Russia, with its self-proclaimed mission of protecting other Slavic peoples; and allied to Russia were the French and the British. Thus a system of alliances intended to keep the peace created obligations that drew the Great Powers of Europe into a general war by early August 1914 (see Map 21.2).

■ **Explanation**
What aspects of Europe's nineteenth-century history contributed to the First World War?

The outbreak of that war was an accident, in that none of the major states planned or predicted the archduke's assassination or deliberately sought a prolonged conflict, but the system of rigid alliances made Europe prone to that kind of accident. Moreover, behind those alliances lay other factors that contributed to the eruption of war and shaped its character. One of them was a mounting popular nationalism (see pp. 796–800). Slavic nationalism and Austrian opposition to it certainly lay at the heart of the war's beginning. More important, the rulers of the major countries of Europe saw the world as an arena of conflict and competition among rival nation-states. The Great Powers of Europe competed intensely for colonies, spheres

Map 21.2 Europe on the Eve of World War I

Despite many elements of common culture, Europe in 1914 was a powder keg, with its major states armed to the teeth and divided into two rival alliances. In the early stages of the war, Italy changed sides to join the French, British, and Russians.

of influence, and superiority in armaments. Schools, mass media, and military service had convinced millions of ordinary Europeans that their national identities were profoundly and personally meaningful. The public pressure of these competing nationalisms allowed statesmen little room for compromise and ensured widespread popular support, at least initially, for the decision to go to war. Men rushed to recruiting offices,

fearing that the war might end before they could enlist. Celebratory parades sent them off to the front. For conservative governments, the prospect of war was a welcome occasion for national unity in the face of the mounting class- and gender-based conflicts of European society.

Also contributing to the war was an industrialized militarism. Europe's armed rivalries had long ensured that military men enjoyed great social prestige, and most heads of state wore uniforms in public. All of the Great Powers had substantial standing armies and, except for Britain, relied on conscription (compulsory military service) to staff them. One expression of the quickening rivalry among these states was a mounting arms race in naval warships, particularly between Germany and Britain. Furthermore, each of the major states had developed elaborate "war plans" spelling out in great detail the movement of men and materials that should occur immediately upon the outbreak of war. Such plans created a hair-trigger mentality, since each country had an incentive to strike first so that its particular strategy could be implemented on schedule and without interruption or surprise. The rapid industrialization of warfare had generated an array of novel weapons, including submarines, tanks, airplanes, poison gas, machines guns, and barbed wire. This new military technology contributed to the staggering casualties of the war, including some 10 million deaths; perhaps twice that number wounded, crippled, or disfigured; and countless women for whom there would be no husbands or children.

Europe's imperial reach around the world likewise shaped the scope and conduct of the war. It funneled colonial troops and laborers by the hundreds of thousands into the war effort, with men from Africa, India, China, Southeast Asia, Australia, New Zealand, Canada, and South Africa taking part in the conflict (see Visual Source 21.3, p. 1023). Battles raged in Africa and the South Pacific as British and French forces sought to seize German colonies abroad. Japan, allied with Britain, took various German possessions in China and the Pacific and made heavy demands on China itself. The Ottoman Empire, which entered the conflict on the side of Germany, became the site of intense military actions and witnessed an Arab revolt against Ottoman control. Finally, the United States, after initially seeking to avoid involvement in European quarrels, joined the war in 1917 when German submarines threatened American shipping. Some 2 million Americans took part in the first U.S. military action on European soil and helped turn the tide in favor of the British and French. Thus the war, though centered in Europe, had global dimensions and certainly merited its familiar title as a "world war."

Legacies of the Great War

■ Change
In what ways did World War I mark new departures in the history of the twentieth century?

The Great War was a conflict that shattered almost every expectation. Most Europeans believed in the late summer of 1914 that "the boys will be home by Christmas," but instead the war ground relentlessly on for more than four years before ending in a German defeat in November 1918. (See Visual Sources: Propaganda and Critique in World War I, pp. 1019–27, for various representations of the war.) At

Women and the Great War World War I temporarily brought a halt to the women's suffrage movement as well as to women's activities on behalf of international peace. Most women on both sides actively supported their countries' war efforts, as suggested by this British wartime poster, inviting women to work in the munitions industry. (Eileen Tweedy/The Art Archive)

the beginning, most military experts expected a war of movement and attack, but it soon bogged down on the western front into a war of attrition, in which trench warfare resulted in enormous casualties while gaining or losing only a few yards of muddy, blood-soaked ground (see Visual Source 21.4, p. 1025). Extended battles lasting months—such as those at Verdun and the Somme—generated casualties of a million or more each, as the destructive potential of industrialized warfare made itself tragically felt. Moreover, everywhere it became a "total war," requiring the mobilization of each country's entire population. Thus the authority of governments expanded greatly. The German state, for example, assumed such control over the economy that its policies became known as "war socialism." Vast propaganda campaigns sought to arouse citizens by depicting a cruel and inhuman enemy who killed innocent children and violated women. In factories, women replaced the men who had left for the battlefront, while labor unions agreed to suspend strikes and accept sacrifices for the common good.

No less surprising were the outcomes of the war. In the European cockpit of that conflict, unprecedented casualties, particularly among elite and well-educated groups, and physical destruction, especially in France, led to a widespread disillusionment among intellectuals with their own civilization (see Visual Source 21.5, p. 1026). The war seemed to mock the Enlightenment values of progress, tolerance, and rationality. Who could believe any longer that the West was superior or that its vaunted science and technology were unquestionably good things? In the most famous novel to emerge from the war, the German veteran Erich Remarque's *All Quiet on the Western Front*, one soldier expressed what many no doubt felt: "It must all be lies and of no account when the culture of a thousand years could not prevent this stream of blood being poured out."

Furthermore, from the collapse of the German, Russian, and Austrian empires emerged a new map of Central Europe with an independent Poland, Czechoslovakia, Yugoslavia, and other nations (see Map 21.3). Such new states were based on the principle of "national self-determination," a concept championed by the U.S. president Woodrow Wilson, but each of them also contained dissatisfied ethnic minorities, who claimed the same principle. In Russia, the strains of war triggered a vast revolutionary upheaval that brought the radical Bolsheviks to power in 1917 and took Russia out of the war. Thus was launched world communism, which was to play such a prominent role in the history of the twentieth century (see Chapter 22).

Map 21.3 Europe and the Middle East after World War I

The Great War brought into existence a number of new states that were carved out of the old German, Austro-Hungarian, Russian, and Ottoman empires. Turkey and the new states in Europe were independent, but those in the Middle East—Syria, Palestine, Iraq, and Transjordan—were administered by Britain or France as mandates of the League of Nations.

The Treaty of Versailles, which formally concluded the war in 1919, proved in retrospect to have established conditions that generated a second world war only twenty years later. In that treaty, Germany lost its colonial empire and 15 percent of its European territory, was required to pay heavy reparations to the winners, had its military forces severely restricted, and had to accept sole responsibility for the outbreak

of the war. All of this created immense resentment in Germany. One of the country's many demobilized and disillusioned soldiers declared in 1922: "It cannot be that two million Germans should have fallen in vain. . . . No, we do not pardon, we demand—vengeance."[2] His name was Adolf Hitler, and within two decades he had begun to exact that vengeance.

The Great War generated profound changes in the world beyond Europe as well. During the war itself, Ottoman authorities, suspecting that some of their Armenian population were collaborating with the Russian enemy, massacred or deported an estimated 1 million Armenians. Although the term had not yet been invented, those atrocities merit the label of "genocide" and established a precedent on which the Nazis later built. The war also brought a final end to a declining Ottoman Empire, creating the modern map of the Middle East, with the new states of Turkey, Syria, Iraq, Jordan, and Palestine. Thus Arabs emerged from Turkish rule, but many of them were governed for a time by the British or French, as "mandates" of the League of Nations (see Map 21.3). Conflicting British promises to both Arabs and Jews regarding Palestine set the stage for an enduring struggle over that ancient and holy land.

In the world of European colonies, the war echoed loudly. Millions of Asian and African men had watched Europeans butcher one another without mercy, had gained new military skills and political awareness, and returned home with less respect for their rulers and with expectations for better treatment as a reward for their service. To gain Indian support for the war, the British had publicly promised to put that colony on the road to self-government, an announcement that set the stage for the independence struggle that followed. In East Asia, Japan emerged strengthened from the war, with European support for its claim to take over German territory and privileges in China. That news enraged Chinese nationalists and among a few sparked an interest in Soviet-style communism, for only the new communist rulers of Russia seemed willing to end the imperialist penetration of China.

Finally, the First World War brought the United States to center stage as a global power. Its manpower had contributed much to the defeat of Germany, and its financial resources turned the United States from a debtor nation into Europe's creditor. When the American president Woodrow Wilson arrived in Paris for the peace conference in 1919, he was greeted with an almost religious enthusiasm. His famous Fourteen Points seemed to herald a new kind of international life, one based on moral principles rather than secret deals and imperialist machinations. Particularly appealing to many was his idea for the League of Nations, a new international peacekeeping organization based on the principle of "collective security" and intended to avoid any repetition of the horrors that had just ended. Wilson's idealistic vision largely failed, however. Germany was treated more harshly than he had wished. And in his own country, the U.S. Senate refused to join the League, on which he had pinned his hopes for a lasting peace. Its opponents feared that Americans would be forced to bow to "the will of other nations." That refusal seriously weakened the League of Nations as a vehicle for a new international order.

Capitalism Unraveling: The Great Depression

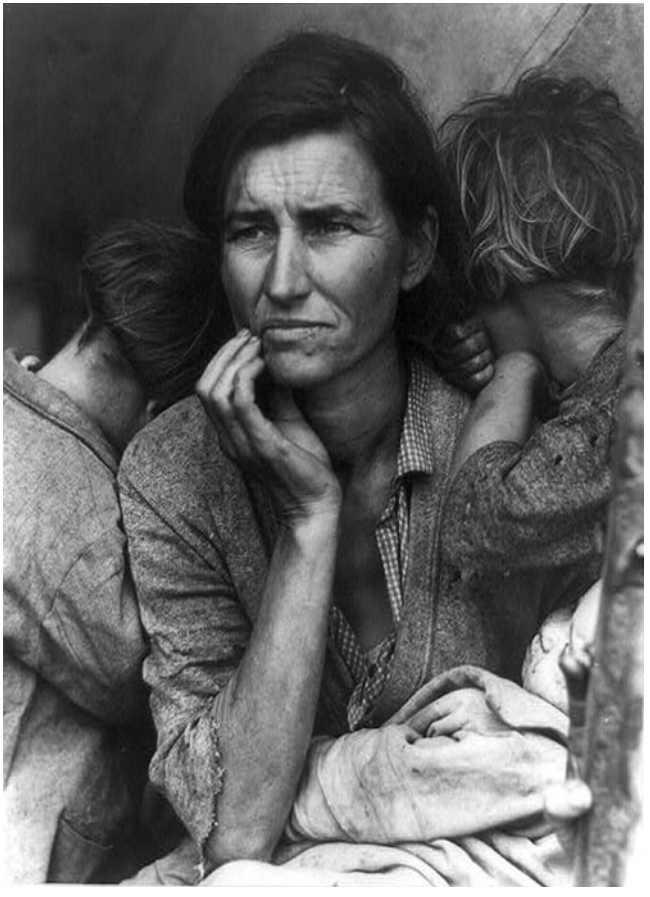
The aftermath of war brought substantial social and cultural changes to the European and American victors in that conflict. Integrating millions of returning veterans into ordinary civilian life was no easy task, for they had experienced horrors almost beyond imagination. Governments sought to accommodate them—for example, with housing programs called "homes for heroes" and with an emphasis on traditional family values. French authorities proclaimed Mother's Day as a new holiday designed to encourage childbearing and thus replace the millions lost in the war.

Nonetheless, the war had loosened the hold of tradition in many ways. Enormous casualties promoted social mobility, allowing commoners to move into positions previously dominated by aristocrats. Women increasingly gained the right to vote. Young middle-class women, sometimes known as "flappers," began to flout convention by appearing at nightclubs, smoking, dancing, drinking hard liquor, cutting their hair short, wearing revealing clothing, and generally expressing a more open sexuality. A new consumerism encouraged those who could to acquire cars, washing machines, vacuum cleaners, electric irons, gas ovens, and other newly available products. Radio and the movies now became vehicles of popular culture, transmitting American jazz to Europe and turning Hollywood stars into international celebrities.

■ Connection
In what ways was the Great Depression a global phenomenon?

Far and away the most influential change of the postwar decades lay in the Great Depression. If World War I represented the political collapse of Europe, this catastrophic downturn suggested that its economic system was likewise failing. During the nineteenth century, European industrial capitalism had spurred the most substantial economic growth in world history and had raised the living standards of millions, but to many people it was a troubling system. Its very success generated an individualistic materialism that seemed to conflict with older values of community and spiritual life. To socialists and many others, its immense social inequalities were unacceptable. Furthermore, its evident instability—with cycles of boom and bust, expansion and recession—generated profound anxiety and threatened the livelihood of both industrial workers and those who had gained a modest toehold in the middle class.

Never had the flaws of capitalism been so evident or so devastating as during the decade that followed the outbreak of the Great Depression in 1929. All across the Euro-American heartland of the capitalist world, this vaunted economic system seemed to unravel. For the rich, it meant contracting stock prices that wiped out paper fortunes almost overnight. On the day that the American stock market initially crashed (October 24, 1929), eleven Wall Street financiers committed suicide, some by jumping out of skyscrapers. Banks closed, and many people lost their life savings. Investment dried up, world trade dropped by 62 percent within a few years, and businesses contracted when they were unable to sell their products. For ordinary people, the worst feature of the Great Depression was the loss of work. Unemployment soared everywhere, and in both Germany and the United States it



The Great Depression
This famous photograph of an impoverished American mother of three children, which was taken in 1936, came to symbolize the agonies of the Depression and the apparent breakdown of capitalism in the United States. (Library of Congress)

reached 30 percent or more by 1932 (see the Snapshot on p. 987). Vacant factories, soup kitchens, bread lines, shantytowns, and beggars came to symbolize the human reality of this economic disaster.

Explaining its onset, its spread from America to Europe and beyond, and its continuation for a decade has been a complicated task for historians. Part of the story lies in the United States' booming economy during the 1920s. In a country physically untouched by the war, wartime demand had greatly stimulated agricultural and industrial capacity. By the end of the 1920s, its farms and factories were producing more goods than could be sold because a highly unequal distribution of income meant that many people could not afford to buy the products that American factories were churning out. Nor were major European countries able to purchase those goods. Germany and Austria had to make huge reparation payments and were able to do so only with extensive U.S. loans. Britain and France, which were much indebted to the United States, depended on those reparations to repay their loans. Furthermore, Europeans generally had recovered enough to begin producing some of their own goods, and their expanding production further reduced the demand for American products. Meanwhile, a speculative stock market frenzy had driven up stock prices to an unsustainable level. When that bubble burst in late 1929, this intricately connected and fragile economic network across the Atlantic collapsed like a house of cards.

Much as Europe's worldwide empires had globalized the war, so too its economic linkages globalized the Great Depression. Countries or colonies tied to exporting one or two products were especially hard-hit. Chile, which was dependent on copper mining, found the value of its exports cut by 80 percent. In an effort to maintain the price of coffee, Brazil destroyed enough of its coffee crop to have supplied the world for a year. Colonial Southeast Asia, the world's major rubber-producing region, saw the demand for its primary export drop dramatically as automobile sales in Europe and the United States were cut in half. In Britain's West African colony of the Gold Coast (present-day Ghana), farmers who had staked their economic lives on producing cocoa for the world market were badly hurt by the collapse of commodity prices. Depending on a single crop or product rendered these societies extraordinarily vulnerable to changes in the world market.

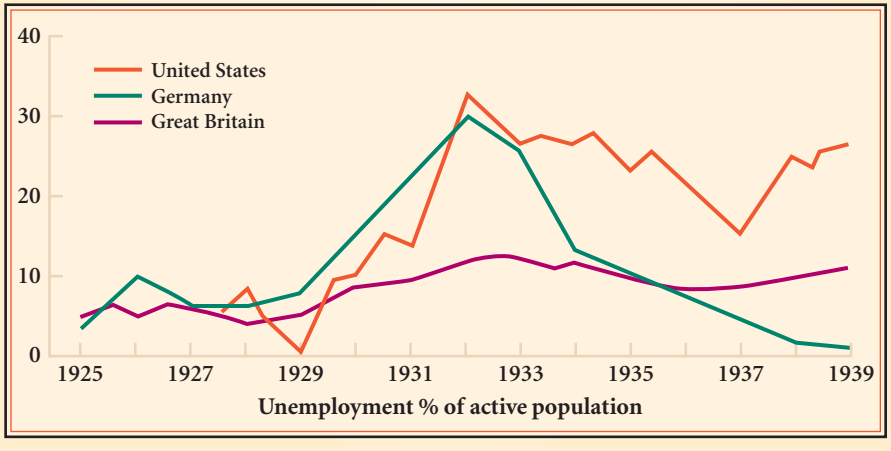
The Great Depression sharply challenged the governments of capitalist countries, which generally had believed that the economy would regulate itself through the market. The market's apparent failure to self-correct led many people to look twice at the Soviet Union, a communist state whose more equal distribution of income and state-controlled economy had generated an impressive growth with no unemployment in the 1930s, even as the capitalist world was reeling. No Western country opted for the dictatorial and draconian socialism of the USSR, but in Britain, France, and Scandinavia, the Depression energized a "democratic socialism" that sought greater regulation of the economy and a more equal distribution of wealth through peaceful means and electoral politics.

The United States' response to the Great Depression came in the form of President Franklin Roosevelt's New Deal (1933–1942), an experimental combination of reforms seeking to restart economic growth and to prevent similar calamities in the future. These measures reflected the thinking of John Maynard Keynes, a prominent British economist who argued that government actions and spending programs could moderate the recessions and depressions to which capitalist economies were prone. Although this represented a departure from standard economic thinking, none of it was really "socialist," even if some of the New Deal's opponents labeled it as such.

Nonetheless, Roosevelt's efforts permanently altered the relationship among government, the private economy, and individual citizens. Through immediate programs

Snapshot Comparing the Impact of the Depression[3]

As industrial production dropped during the Depression, unemployment soared. Yet the larger Western capitalist countries differed considerably in the duration and extent of this unemployment. Note especially the differences between Germany and the United States. How might you account for this difference?



of public spending (for dams, highways, bridges, and parks), the New Deal sought to prime the pump of the economy and thus reduce unemployment. The New Deal's longer-term reforms, such as the Social Security system, the minimum wage, and various relief and welfare programs, attempted to create a modest economic safety net to sustain the poor, the unemployed, and the elderly. By supporting labor unions, the New Deal strengthened workers in their struggles with business owners or managers. Subsidies for farmers gave rise to a permanent agribusiness that encouraged continued production even as prices fell. Finally, a mounting number of government agencies marked a new degree of federal regulation and supervision of the economy.

Ultimately, none of the New Deal's programs worked very well to end the Great Depression. Not until the massive government spending required by World War II kicked in did that economic disaster abate in the United States. The most successful efforts to cope with the Depression came from unlikely places—Nazi Germany and an increasingly militaristic Japan.

Democracy Denied: Comparing Italy, Germany, and Japan

Despite the victory of the democratic powers in World War I—Britain, France, and the United States—their democratic political ideals and their cultural values celebrating individual freedom came under sharp attack in the aftermath of that bloody conflict. One challenge derived from communism, which was initiated in the Russian Revolution of 1917 and expressed most fully in the cold war during the second half of the twentieth century (see Chapter 22). In the 1920s and 1930s, however, the more immediate challenge to the victors in the Great War came from highly authoritarian, intensely nationalistic, territorially aggressive, and ferociously anticommunist regimes, particularly those that took shape in Italy, Germany, and Japan. (See Documents: Ideologies of the Axis Powers, pp. 1010–18, for the ideas underlying these regimes.) The common features of these three countries drew them together by 1936–1937 in a political alliance directed against the Soviet Union and international communism. In 1940, they solidified their relationship in a formal military alliance, creating the so-called Axis powers. Within this alliance, Germany and Japan clearly stand out, though in quite different ways, in terms of their impact on the larger patterns of world history, for it was their efforts to "establish and maintain a new order of things," as the Axis Pact put it, that generated the Second World War both in East Asia and in Europe.

The Fascist Alternative in Europe

■ Change
In what ways did fascism challenge the ideas and practices of European liberalism and democracy?

Between 1919 and 1945, a new political ideology, known as fascism, found expression across much of Europe. At the level of ideas, fascism was intensely nationalistic, seeking to revitalize and purify the nation and to mobilize its people for some grand task. Its spokesmen praised violence against enemies as a renewing force in society, celebrated action rather than reflection, and placed their faith in a charismatic leader.