**I. Years of Crisis**

Great Depression

* Every major European country was nearly bankrupt after WWI
* Europe’s domination of world affairs declined

A. Inflation in Germany

* Instead of increasing wartime taxes Germany printed more money
* **Inflation –**
* **1923 –**

B. Lasting Peace?

* **1925 -**
* **Kellogg-Braind (1929) –**

C. Global Depression

* American economic prosperity effected the world’s economic system
* American economy is the only one to come out of WW I stronger
* Flawed U.S. Economy
* 1 –
* 2 –
* 3 –

D. Stock Market Crashes

* **Wall Street –**
* **Margins –**
* When stocks crash people don’t have enough money
* **“Black Tuesday” –**
* Banks demand loans to be repaid that can’t be repaid
* Banks stop loaning money and people demand their money from banks – cause thousands of bank failures
* **1933 –**

E. Results of Depression

* **Franklin D. Roosevelt –**
* **New Deal –**

F. Can Democracy Survive?

* France, Great Britain, and the United States turn to democracy to cope with Great Depression
* Many other European and Asian countries turn to dictatorships