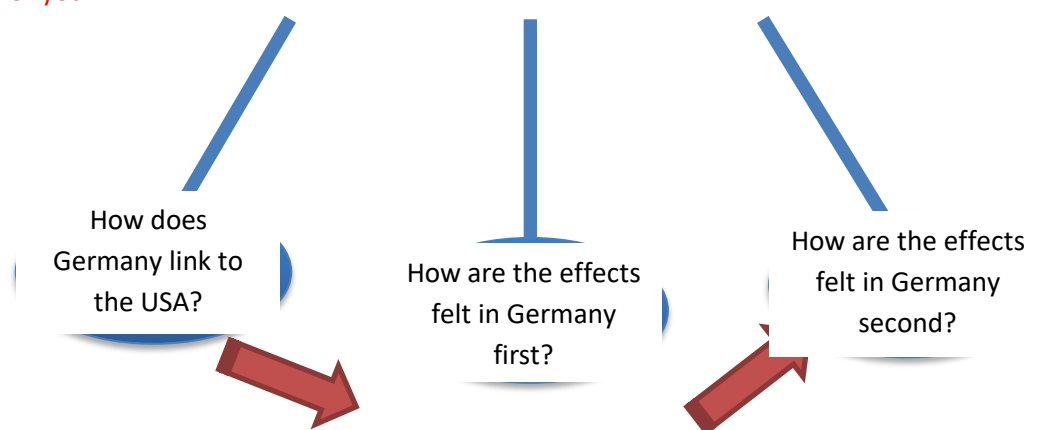


THE IMPACT OF THE WALL STREET CRASH ON GERMANY – 1929

In 1924 the Weimar Government, led by Gustav Stresemann, accepted enormous loans from the USA in order to keep the German economy going. This lifeline, known as the Dawes Plan, seemed like a good idea at the time; however, it meant that America could ask for its money back at any point, leaving Germany to fend for itself. This is what happened when the USA experienced the Wall Street Crash in October 1929, and a ‘Great Depression’ spread across the world.

Using the 9 boxed statements, read through each, placing them in the correct stage of the diagram below, showing the impact of the Wall Street Crash on Germany’s economy. Those in red have been done for you.



<p>Germany borrowed money from the USA in a deal known as the Dawes Plan. This would help them pay back the £6.6 billion in debts to Britain and France.</p> <p>When the Wall Street Crash happened in America, American banks called in loans (asked for their money back) from German banks.</p> <p>Because German banks had to pay loans back to the USA, they called in loans from businesses in Germany.</p>		
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<p>Germany borrowed money from the USA in a deal known as the Dawes Plan. This would help them pay back the £6.6 billion in debts to Britain and France.</p>	<p>People who had lost jobs couldn't find work. Welfare benefits (money from the government) stopped because the government couldn't afford it.</p>	<p>Because German banks had to pay loans back to the USA, they called in loans from businesses in Germany.</p>
<p>Businesses in Germany could no longer afford to employ people (give people jobs).</p>	<p>Soup kitchens, where free food could be found, appeared all over Germany.</p>	<p>When the Wall Street Crash happened in America, American banks called in loans (asked for their money back) from German banks.</p>
<p>People became more and more upset with the bad way the government was handling the situation.</p>	<p>Unemployment in Germany rose to 6 million people by 1933.</p>	<p>Many people lost their homes and lived in make-shift buildings.</p>

When people find themselves in desperate situations they often blame the government. 6 million Germans were unemployed by 1933 as a result of the Great Depression. Many millions were looking for an alternative to the present government, and many began to vote for the Nazis.

Using the election statistics and the Nazi propaganda posters below, answer each set of questions to understand how popular the Nazi Party was becoming.

DATE	Number of Nazi seats in Reichstag (German parliament)
June 1920	-
May 1924	-
Dec. 1924	-
May 1928	12
Sep. 1930	107
July 1932	230
Nov. 1932	196
March 1933	288



This poster, from 1929, reads 'Break the Dawes chains'

Why do the Nazis jump in support between 1928 and 1930?
Use the poster above to help explain your answer.

(Clue – consider people's opinions on the USA providing a loan to Germany and the results of the Wall St Crash in 1929.)



This poster, from 1928, reads 'Work, freedom and bread!'

The Reichstag had a total of 661 seats. What does this statistic suggest about how powerful the Nazis are?

(Clue – maths! Work out the percentage of seats that the Nazis now have! You can use a calculator)

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