

When did the Wall Street Crash happen and what was the impact on the USA?

How did Britain suffer in comparison?

What happened as Germany's foreign trade collapsed?

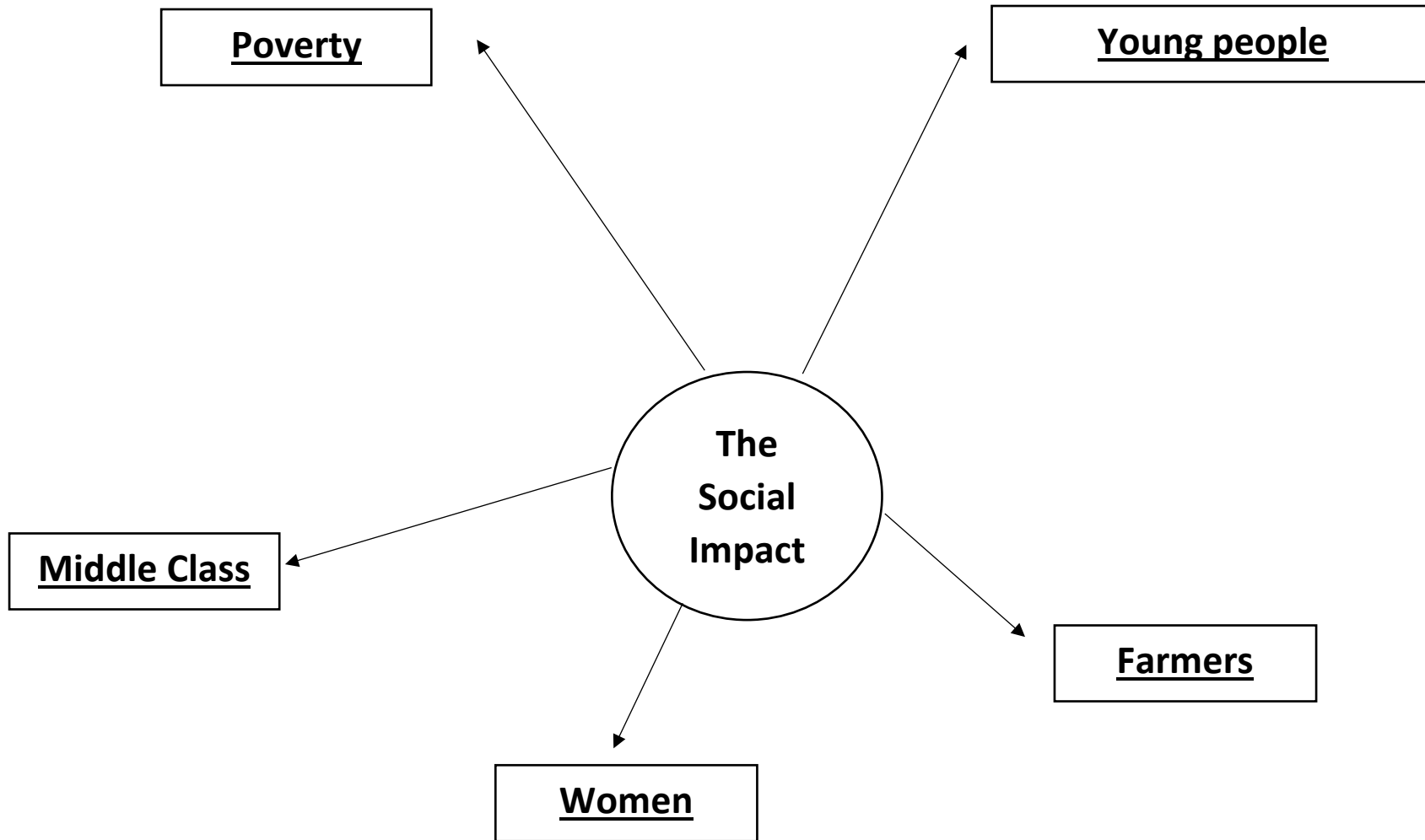
What was the impact on the German economy?
Write as many bullet points as you can find.

The Wall Street Crash & Great Depression



How did the depression affect unemployment figures?

How was farming affected by the Great Depression?



Was Germany's economic crisis solely down to the Wall Street Crash?

Table 5.1 Economic effects of the world economic crisis on Germany

| Economic effects | Key features |
|--|---|
| <i>Trade</i> | |
| Slump in world trade. Demand for German exports fell rapidly, for example steel, machinery and chemicals | Exports value fell by 55% 1929 = £630 million 1932 = £280 million |
| <i>Employment</i> | |
| Workers laid off – mass unemployment | Number of registered unemployed (annual averages) 1929 = 1.8 million 1932 = 5.6 million |
| <i>Industry</i> | |
| Industrial production declined sharply | Production (1928 = 100%) 1929 = 100% 1932 = 58% |
| <i>Agriculture</i> | |
| Wages and incomes fell sharply. Many farms sold off | Agricultural prices (1913 = 100%) 1927 = 138% 1932 = 77% |
| <i>Finance</i> | |
| Banking sector dislocated by loss of confidence | Five major banks collapsed in 1931; 50,000 businesses bankrupted |

The human effects of the Great Depression

During the winter of 1929–30 unemployment rose above 2 million and only twelve months after the crash it had reached 3 million. By January 1932 it stood at 6.1 million, which did not substantially fall until the spring of 1933. On their own, such figures can provide only a limited understanding of the effects of a depression of this magnitude. Unemployment figures, for example, do not take into account those who did not register. Nor do they record the extent of part-time working throughout German industry.

Most significantly, statistics fail to convey the extent of the human suffering that was the consequence of this disaster because the depression in Germany affected virtually everyone; few families escaped its effects.

Many manual industrial workers, both skilled and unskilled, faced the prospect of long-term unemployment. For women, there was the impossible task of trying to feed families and keep homes warm on the money provided by limited social security benefits.

Such problems were not to be limited to the working classes. This depression dragged down the middle classes. From the small shopkeepers to the professionals in law and medicine, people struggled to survive in a world where there was little demand for their goods and services. For such people, the decline in their economic position and the onset of poverty were made more difficult by the loss of pride and respectability.

The situation in the countryside was no better than in the towns. As world demand fell further, the agricultural depression deepened, leading to widespread rural poverty. For some **tenant farmers** there was even the ultimate humiliation of being evicted from their homes, which had often been in their families for generations.