

TREATY OF VERSAILLES

Versailles is a grand palace outside the city of Paris, France. At the end of World War I, leaders from the countries involved in the war met there to write a treaty. The Treaty of Versailles explained what the winners would gain and what the losers would lose.

Many of the leaders of the winning countries blamed Germany for the war. They wanted the Germans punished severely. Germany lost important territory, including lands rich in natural resources. It also lost all of its colonies. German Emperor Wilhelm II was to be put on trial for war crimes. France and Great Britain wanted to make sure that Germany could not attack them again. Their goal was to make Germany a weak country. Germany had to reduce the size of its army and navy.

France lost a lot in the war. Over 2 million French people lost their lives. A large part of the war was fought in France. Farms, homes, cities, and industries were destroyed. Highways, bridges, and railroads had to be rebuilt. The Allies added a part to the treaty that said Germany had to pay the Allies a very large amount of money. This money was to be used to repay civilians who lost property because of the war.

- _____ 422. What was the goal of France in the Treaty of Versailles?
- A. to help Germany rebuild its industry
 - B. to build better roads and factories in Germany
 - C. to make sure Germany did not invade France in the future
 - D. to give Great Britain and the United States credit for their help in the war
- _____ 423. Which part of the Treaty of Versailles was most damaging to the German economy?
- A. Germany lost its colonies.
 - B. The German emperor was to be put on trial.
 - C. Germany had to pay the Allies large sums of money.
 - D. Germans were not allowed to have a large army and navy.
- _____ 424. How did the Allies hope to keep Germany from becoming too powerful again?
- A. France took over the German bases.
 - B. Great Britain sent troops into Germany for ten years.
 - C. The Germans were not allowed to have a large army or navy.
 - D. Germany was divided into four parts and controlled by four different countries.

WORLDWIDE DEPRESSION

After World War I, most countries in the world began to prosper. Americans enjoyed a time called "the Roaring Twenties." People felt good about the economy. They believed that they had a chance to do well. In 1929, the good times ended.

In the fall of 1929, the United States experienced a **stock market crash**. The value of stocks (shares of ownership) people held in companies began a steep and quick drop. Stockholders realized that they were in danger of losing everything they owned. They began to sell their stocks as fast as they could. Since there were more sellers than buyers, the prices continued to fall.

Businesses found they could no longer sell their goods because people had less money to spend. The businesses could not pay their debts. When businesses could not pay their debts, they had to close. This meant workers lost their jobs. These events happened so quickly that a panic occurred. People tried to get to their banks to get their money, and they tried to sell their stocks for any amount they could get. Panic selling and a "run on the banks" caused the economy of the United States to come to a halt. Farmers who could not get money to pay their loans lost their farms.

Businesses around the world traded with America. When the United States stopped buying goods, it hurt businesses in other countries. When U.S. banks closed, banks in other countries were hurt too. Stockholders in other countries began to sell their stocks for low prices. They could not sell their stocks in American companies for any price.

What followed was called a worldwide **economic depression**. As businesses and factories closed one by one, buying and selling almost stopped. Here's one example.

Mr. Jones managed a shirt factory. Because his customers were losing money in the stock market and in the banks, they did not buy shirts. They just kept the old shirts they already had. Mr. Jones kept the factory going for a while. New shirts began to fill his warehouse. Only a few shirts were sold each day.

Because the company had few sales, Mr. Jones had no money to pay his workers. He told them to go home, but he promised to call them back to work when he had sold the shirts in the warehouse.

Days went by. Now he was selling no shirts. Mr. Jones had no money to pay himself or the guards at the warehouse. The owner of the factory locked its doors. He put a "For Sale" sign out front. He hoped that someone would buy the factory, the warehouse, and the shirts.

Mr. Jones went home. He had no job and no money. His wife wanted to get some new shoes. Mr. Jones told her that was impossible. She would just have to keep the old shoes that she already had.

Meanwhile, at the nearby shoe factory, the manager looked at his warehouse full of shoes and shook his head.

425. In the story, why was the manager of the shoe factory shaking his head?

- A. He had a headache from counting shoes.
- B. He was excited to have so many shoes in his warehouse.
- C. He wanted Mr. Jackson to come and work for his shoe factory.
- D. He did not know what to do with all the shoes that no one bought.

426. Which were effects of the depression?

- A. Employment rose and wages fell.
- B. Farmers gained land and business grew.
- C. People had more money and better jobs.
- D. Farmers lost their land and banks closed.

427. Why did business come to a halt after the stock market crash?

- A. Everyone was waiting for prices to come down.
- B. Businesses were moving their factories to Europe.
- C. People thought they could get a good deal on goods from Europe.
- D. People did not have money to spend, or they were afraid to spend what money they did have.

RISE OF NAZISM

Germany faced many problems after World War I. It had lost lands that contained valuable natural resources. About 2½ million Germans had lost their lives. About 4 million were wounded. The industry and farms in the country had been destroyed. Highways, bridges, and railroads had to be rebuilt.

The German government worked to solve the country's problems. However, the country had another obstacle. It had to pay back the Allied countries for the war. Millions of dollars were leaving Germany for France and Great Britain. Germany was forbidden to have a large army or navy, so many military people lost their jobs.

Prices went up as goods became scarce. Basic items such as food and clothing were not always available. Men had trouble finding jobs to support their families. As things got worse, people blamed the government. They wanted their leaders to find solutions to their problems. Then, the stock market crashed in the United States. This made conditions even worse for Germans. Businesses and people around the world stopped buying as much. They were worried about losing their money.

Adolf Hitler came on the scene with a big plan. He and his followers, called the National Socialist or **Nazi Party**, said they could fix the problems in Germany. They blamed the Treaty of Versailles for many of the problems. They also said that Jews in the country were controlling the banks and money. They blamed Jews for the fact that many Germans were not able to make a good living.

Hitler was named chancellor of Germany in 1933. He made sure that laws were quickly passed to give him more power. Soon he had complete control of the government. He had the powers of a dictator. He and the Nazis began the work to rebuild Germany's military. He opened factories to build weapons. He put unemployed people to work building a superior highway system. The economy improved for a time, but people lost many of their civil rights. However, many decided that it was better to lose rights than to go without food.

The Nazis continued to build their military power. Germans who spoke against them were put in prison or murdered. As Hitler's strength grew, he made plans to go to war. In 1936, Hitler sent troops into some of Germany's former territory. By 1938, German troops controlled Austria and Czechoslovakia. Other European countries protested, but did nothing to stop Hitler. In 1939, Germany invaded Poland. With that, France and Great Britain decided something must be done. They declared war on Germany, and World War II began.

_____ 428. Who was the leader of the Nazi Party in Germany?

- A. Wilhelm II
- B. Adolf Hitler
- C. Vladimir Lenin
- D. Woodrow Wilson

_____ 429. What happened to people who spoke out against Hitler in Germany?

- A. They were sent to Siberia.
- B. They were put under house arrest.
- C. Some were put in prison; others were murdered.
- D. Some were allowed to leave Germany; others were arrested.

430. Put the following events in the order in which they happened.

1. Hitler was named chancellor of Germany.
2. Germany invaded Poland.
3. Germans were unhappy because of high unemployment and poverty.
4. France and Great Britain declared war on Germany.

- A. 1, 2, 4, 3
- B. 2, 4, 3, 1
- C. 3, 1, 2, 4
- D. 4, 3, 1, 2

Use the statements in the box to answer question 431.

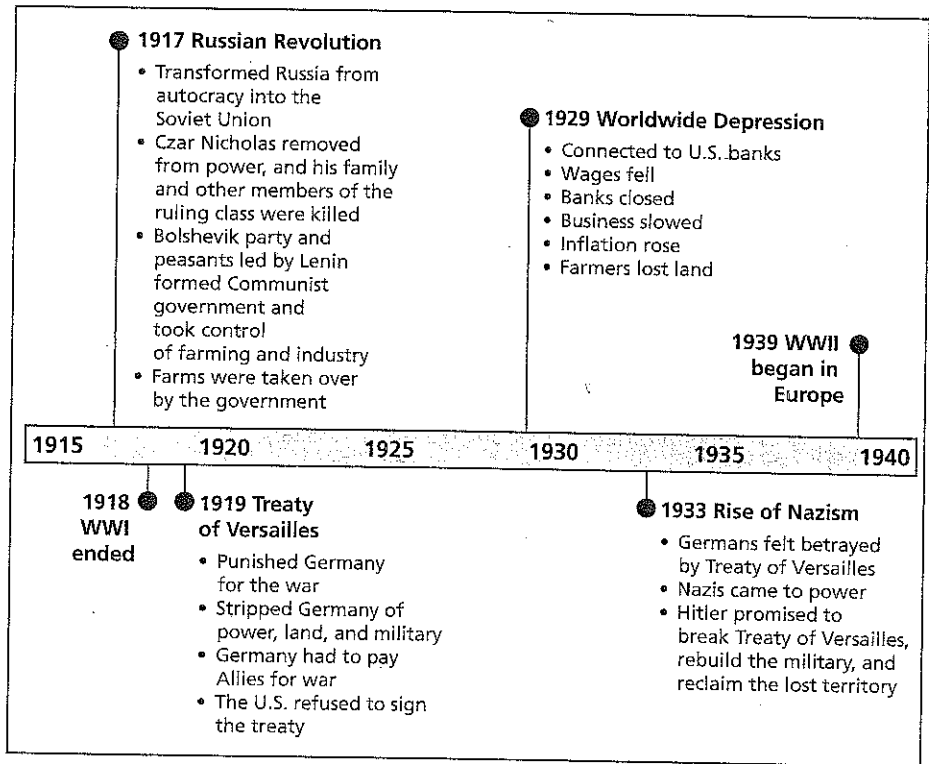
- Hitler promised to rebuild Germany's military.
- The Treaty of Versailles angered Germans.
- Hitler said he would get back Germany's lost land.

431. Which statement explains what these sentences are about?

- A. events that led to World War I
- B. feelings Germans had about other countries
- C. ways that German leaders tried to rebuild their country
- D. reasons why Hitler and the Nazis came to power in Germany

Use the following timeline to answer questions 432-434.

Major Developments in Europe after World War I



EUROPE

432. Which of the Allies refused to sign the Treaty of Versailles?
- A. Italy
 - B. France
 - C. Russia
 - D. United States
433. About how many years passed between the end of World War I and the start of World War II?
- A. 18
 - B. 21
 - C. 33
 - D. 45
434. What major event happened in 1917?
- A. World War I ended
 - B. the Treaty of Versailles
 - C. the Russian Revolution
 - D. worldwide economic depression