Weakening of the Western Democratic States

Britain and France

1. Britain and France remained democratic in the period after the World War I
2. Both of them were greatly weakened by the war.
3. The war brought many problems to Britain and France such as:
   A) rising national debts (國債)
      - Britain -- Her national debts rose from £650 million (1914) to £7828 million (1920).
   B) Unemployment
      - There were 2.5 million people lost their jobs during the Great Depression in Britain.
      - There were 4 million French lost their jobs during the Great Depression.
   C) falling production
      - Britain had lost about 1/4 of her overseas investment.
      - Foreign markets were closed for French goods.

Why Britain and France did not come under totalitarian rule and remained democratic after the First World War?

1. Long established democratic tradition (歷史悠久的民主制度)
The representative nature (具代表性) of the British and French government were effective in absorbing (吸納) social discontent.

2. Victory in the War
Their success in the war was a victory of democracy over autocracy. They believed that their democratic governments could overcome all difficulties.

3. Improved Welfare (福利) of the Poor
Improving welfare policies helped to reduce social discontent and strengthen the faith (信心) of the people in democratic system.
The United States

1. The World War I made the United States strong at first.
2. The U.S. became the world’s biggest producer and creditor (債權人)
   - the Allies owed the U.S. a huge debt of US$12500 million
   - The U.S. produced more than 40% of the world’s iron and coal.
3. Her stock market (股票市場) boomed(興旺).
4. The weaknesses in the American economy, such as over-crediting and over-speculation in the stock market.
   - People of all classes bought shares in the hope of making a quick profit.
   - Small businessmen and the state governments began to borrow from banks to develop their businesses and to finance public works projects.
   - The prosperity depended on easy credit. When some sectors of the economy were unable to repay debts, the whole credit system could collapse.
5. These weaknesses led to the Great Depression of 1929-1933. The crash in the Wall Street Stock Market (華爾街股票市場崩潰) happened on 24 October 1929 in the United States.
6. There were 16 million people lost their jobs. The U.S. became weak and had to deal with the problems.

Effects of the Weakening of the Powers

1. The three western powers had to deal with their problems at home first.
2. They could do nothing to stop the aggression of the totalitarian states in the 1930’s
3. This failure paved the way for another international conflict – the Second World War.