CHAPTER 29

The World Between the Wars: Revolution, Depression, and Authoritarian Response

CHAPTER SUMMARY

The 1920s were profoundly shaped by World War I and by movements well underway before the war. Three major patterns emerged: First, western Europe recovered from the war only incompletely; second, the United States and Japan rose as giants in industrial production; third, revolutions of lasting consequence shook Mexico, Russia, and China. Each of these developments brought into doubt western Europe’s assumptions about its place as the dominant global power.

The Roaring Twenties. In the West, consumerism and changes in women’s roles gained ground. The United States and Japan registered economic gains and political tension. New authoritarian movements surfaced in eastern Europe and Italy.

Bouncing Back? A brief period of stability, even optimism, emerged in the middle of the 1920s. Germany’s new democratic government promised friendship with its former enemies. The Kellogg-Briand Pact, outlawing war, was signed by a number of nations. By the latter half of the decade, general economic prosperity and the introduction of consumer items like the radio and affordable automobiles buoyed hopes. A burst of cultural creativity appeared in art, films, and literature. Women, who lost their economic gains in the war’s factories, attained voting rights and social freedoms in several countries. In science, important advances continued in physics, biology, and astronomy.

Other Industrial Centers. Settler societies, such as Canada, Australia, and New Zealand, became more autonomous during this era. Canada saw an increasingly strong economy and rapid immigration during the 1920s. Australia emphasized socialist programs like nationalization of railways, banks, and power plants and experienced rapid immigration as well.

New Authoritarianism: The Rise of Facism. In 1919, Benito Mussolini formed the Fascist Party, which advocated a corporate state to replace both capitalism and socialism and an aggressive foreign policy under a strong leader. Once in power, Mussolini eliminated his opponents, issued a stream of nationalist propaganda, and began a strict program of government-directed economic programs.

The New Nations of East Central Europe. Many of the problems that beleaguered western Europe also plagued the new nations created at Versailles, from eastern and central Europe. There were also rivalries among the small eastern European states, where authoritarian governments often took hold. Peasant land hunger, poverty, and illiteracy continued despite regime changes.

A Balance Sheet. Changes in Europe, the settler societies, the United States, and Japan in the 1920s were complex. Political, economic, and social forces fostered varying degrees of change. Continuity was sought after in many quarters, but seldom found.
Revolutions: The First Waves. An unprecedented tide of revolution swept key regions outside Europe. Each, with varying degrees of success, challenged the Western model of the role of government in the economic, political, and social realms.

Mexico’s Upheaval. In Latin America, the first of these challenges occurred in Mexico. Calls for political and land reform, education, and nationalism led to the Mexican Revolution. Several key players, like Emiliano Zapata, Pancho Villa, and Victoriano Huerta battled for control of the country, eventually yielding to Alvaro Obregon. The constitution of 1917 made promises of land reforms (slow to materialize) and public education (more successfully met).

Culture and Politics in Postrevolutionary Mexico. Attempts to “Indianize” the nation were begun by the government. Pro-Marxist artists like Diego Rivera became well known around the world. The government took control of the petroleum industry. The PRI developed into the controlling force in politics and remained so through the end of the 20th century.

Revolution in Russia: Liberalism to Communism. In 1917, the tsar abdicated and a provisional government, headed by Alexander Kerensky, struggled to maintain control of the country. When reforms seemed slow in coming, popular unrest ensued and by the end of the year a second revolution occurred, bringing into power a radical new form of government—Communism. Under the Bolshevik banner, Vladimir Lenin signed a treaty ending hostilities with Germany and ended any semblance of a multiparty system. An ensuing civil war killed millions, but the Communist Red Army prevailed, under the leadership of Leon Trotsky.

Stabilization of Russia’s Communist Regime. Lenin issued the New Economic Policy, a stopgap economic mix of true Communism and capitalism. Food production increased, giving the Bolsheviks time to strengthen their grip on national politics. By 1923, the Union of Soviet Socialist Republics was a fact but was a “peoples’ government” in name only, with all the features of an authoritarian system.

Soviet Experimentation. In the middle of the 1920s, the Communist Party encouraged the organization of workers’, students’, and women’s groups, and provided public education. This era of experimentation was short-lived however, as a power struggle broke out among Lenin’s deputies after his unexpected death. The eventual winner was Joseph Stalin, who believed in a strong nationalistic version of Communism which he called “socialism in one country.” Rivals to his political philosophy were exiled and/or killed.

In Depth: A Century of Revolutions. Not since the late 18th and early 19th centuries were there revolutions like those in the early 20th century. Differently, the revolutions of the early 20th century were precursors to later revolutions that struck after 1945. Like those from a century earlier, 20th-century revolutions had several commonalities: rural discontent, population pressures, high taxes. Unlike the previous era, however, 20th-century revolutions were also caused by the disruptions of the Industrial Revolution and by a Western-centered global market system. In addition, discontented World War I soldiers were a ready source of militant action for revolutions. Opposition to perceived Western influence was another ingredient. Finally, the Communist theories of Marx, Lenin, and Mao were a factor not in existence a hundred years before.
**Toward Revolution in China.** The fall of the Qing dynasty in 1912 began a long struggle over the political future in China that involved Western-educated politicians, academics, warlords, peasants, and foreign powers, most notably Japan.

**China’s May Fourth Movement and the Rise of the Marxist Alternative.** Sun Yat-sen’s Revolutionary Alliance had spearheaded the overthrow of the Qing, but Sun’s political power was weak from the start. Increasing Japanese encroachment into China’s internal affairs led to the May Fourth Movement in 1919. The movement sought Western-style reforms but proved ineffective against powerful warlords not interested in yielding power. The example of the Russian Revolution and the ideology behind Marxist theory led Mao Zedong to form the Communist Party of China.

**The Seizure of Power by China’s Guomindang.** Sun Yat-sen formed the Nationalist Party of China and forged key alliances with several groups in an attempt to rid the nation of the warlords. Promising social and land reforms, the Guomindang instead focused on international issues. In an attempt to gain support from the peasants and urban workers, Sun even allied with the Communists, Chinese and Russian, and received aid from the latter. Meanwhile, the government largely ignored crises like famine and disease among the rural poor.

**Mao and the Peasant Option.** Mao was a committed revolutionary who understood the importance of peasant support. Sun died in 1925 and was replaced by Chiang Kai-shek who, with Western approval, quickly turned against the Communists, most brutally in Shanghai. Mao led his supporters in the Long March and regrouped. By this time, Japan was the more imminent threat to China as a whole, and the Nationalists under Chiang had to ally with the Communists to fight the invaders.

**The Global Great Depression.** The Great Depression had worldwide causes and effects. Reactions to this economic earthquake were varied. The most startling change in western Europe was the rise of Nazism.

**Causation.** The depression’s roots were long. The effect of World War I on Europe’s economy had a ripple effect around the world. Farmers in the West and in the colonies in Africa and Asia overproduced, causing prices (and therefore income) to fall. Governments provided little guidance at this time. Nations that had loaned money insisted they be repaid; tariffs reached all-time highs. By the late 1920s, employment in key Western industries was declining.

**The Debacle.** When the New York stock market collapsed in October 1929, the wheels came off the world’s economic wagon. U.S. banks failed, taking their depositors with them. Banks in Europe followed, industrial production fell, jobs and wages were cut. This downward spiral continued from 1929 until 1933 when the economic bottom was reached. Economic disaster was not a new phenomenon, but this one was the longest lasting and most far-reaching because of the West’s unprecedented global reach. The Great Depression was an enormous social and political event as well. It revealed the fragility of 19th-century optimism. Popular culture took on an escapist theme. Western democracies came under pressure to take a stronger role in their economies. In the Soviet Union, Stalin’s determination to create an industrial society manifested itself in a brutal regime, yet he succeeded in his goal. In Japan, the worldwide economic decline led to a political crisis.
Responses to the Depression in Western Europe. Western governments responded in several counterproductive ways to the economic disaster of the Great Depression. Most governments raised national tariffs and cut government spending drastically. This resulted in the elevation of extremist parties and conflict levels. Thus the Great Depression in democratic Western nations led to one of two results: an ineffective or overturned parliamentary system.

The New Deal. The United States did not follow this pattern but created a unique set of responses. Led by President Franklin Roosevelt in 1933, the United States government offered a “new deal” to the American people. The New Deal included direct aid to Americans who were at risk. This direct aid included increased unemployment benefits, public works projects, and a Social Security system. The New Deal also provided for economic planning and the installation of new banking regulations. The pursuit of New Deal policies led to a period of rapid governmental growth and the restoration of American confidence in the political system.


The Rise of Nazism. In Germany there was a very different response to the Great Depression in the form of a fascist regime. This was the result of not only the economic crisis of the Depression but of the peace of World War I. In the late 1920s and early 1930s Adolf Hitler, leader of the fascist Nazi Party in Germany, used arguments about the need for unity and weakness of parliamentary politics to gain public support. Although never winning a majority vote, the Nazi Party rose to power in 1933. Once in power, Hitler created a totalitarian state which was policed by his secret police, the Gestapo. He bolstered his support and power with propaganda, ideas of nationalism, and attacks on the minority Jewish population. Later measures against the Jewish people in Germany became more severe with concentration camps, and in 1940, extermination camps. Hitler’s foreign policy involved aggressive empire building directed at the eastern Europe and the Slavic peoples. During this period Germany violated treaties and limits on armaments. These violations were met with only a weak response from the European community.

The Spread of Fascism and the Spanish Civil War. East of Germany, Fascist movements arose in Hungary and Romania. Hitler expanded into Czechoslovakia and Austria. Italy’s Fascist dictator Mussolini attacked Ethiopia as the League of Nations and the rest of the world predictably did nothing. The Spanish Civil War was fought between those favoring a parliamentary republic and those who wanted Fascism. The U.S.S.R. provided some assistance to the republic. With help from Germany and Italy and with only verbal opposition from France, Britain, and the U.S., the Fascists won.

Economic and Political Changes in Latin America. The economic boom that began in the late 19th century faltered after World War I and was crushed by the Great Depression. Rapid population growth swelled the ranks of the rural and urban working class, creating a series of social problems.

The Great Crash and Latin American Responses. Its economic dependency and weak liberal regimes were made clear by the world financial crisis of the 1930s. Reform movements gained momentum. Corporatism, with its roots in Fascism, sought to create states acting as mediators
between different social groups. The most successful example of political change came from Mexico, where land was redistributed and oil wells were nationalized.

**The Vargas Regime in Brazil.** Getulio Vargas established a corporatist regime in Brazil modeled on Mussolini’s Italy, but he backed the Allies in World War II. Much of Brazilian history since his death has been a struggle over his legacy.

**Argentina: Populism, Peron, and the Military.** Juan Peron emerged as the leader of a military-style government in Argentina, and forged an alliance with workers and industrialists at the expense of civil liberties. His program was couched in nationalistic terms, taking control of foreign-owned railroads and oil resources, but Argentina’s economy faltered anyway. He was exiled but returned briefly to power in the 1970s. After his death, the military took control again.

**The Militarization of Japan.** Although badly damaged by the Great Depression, Japan recovered faster than the West did, but in the context of authoritarianism and military expansion. Even before it happened in the West, military rule took over Japan. After 1936, a series of increasingly militaristic prime ministers were appointed, despite the wishes of the voters. By 1938, Japan controlled Manchuria, Korea, Taiwan, and a substantial part of China. An even wider reach of its empire was on the way.

**Industrialization and Recovery.** Japan made a full turn toward industrialization after 1931, and its economy responded. Production of iron, steel, and chemicals soared. Big companies offered lifetime contracts and activities designed to promote nationalism and hard work. The nation became self-sufficient in tools and scientific equipment, and the basis was set for more expansion that occurred later in the 20th century.

**Stalinism in the Soviet Union.** A totalitarian state emerged in the Soviet Union beginning in the late 1920s. Under Communism, the largely independent economy avoided the Great Depression. Stepped-up industrialization, abject worship of the leader, and a violently repressive police state marked a system very similar to Nazism. The experimental mood of the middle of the 1920s faded when Stalin acquired unquestioned power. He sought to make the U.S.S.R. an industrial society under full control of the state.

**Economic Policies.** Large, state-run farms called “collectives” were formed to replace private land ownership. To ensure cooperation, Stalin approved a policy of starving and murdering millions of peasants. Those who survived, planted and harvested, but not in the amounts Stalin had envisioned. For decades, agricultural production was one of the Soviet Union’s great weaknesses. The area of industrial production was a different story. The government ordered the building of massive factories and an extensive power grid, making the U.S.S.R. a world-class power in heavy industry. Consumer goods were not a priority to Stalin, nor to his successors. The top-down structure of the Soviet system led to considerable waste of resources.

**Toward an Industrial Society.** Incentives and nationalist fervor pushed workers to produce more. Cities grew rapidly. Welfare services, old-age pensions, and health programs were provided by the government.

**Totalitarian Rule.** Stalinism instituted new controls over many aspects of life. Artists, writers, and intellectuals who did not toe the line were exiled to labor camps in Siberia. “Socialist Realism” emphasized heroic images of workers and others. Free scientific inquiry was quashed.
Many thousands of real and imagined opponents of Stalin’s vision were executed; many more were exiled within the U.S.S.R. The Politburo sycophantically followed his lead. In foreign relations, the Soviet Union was recognized in the West by the 1930s. Germany arose as a threat. After the West showed little interest in fighting Fascism in Spain, Stalin signed a nonaggression pact with Hitler and attacked eastern Poland and Finland in an early sign of Soviet conquest that became a hallmark of post-World War I foreign policy.

**Global Connections: Economic Depression, Authoritarian Response, and Democratic Retreat.** The Great Depression promoted a wave of nationalist reactions and weakened global ties. Increased tariffs decreased trade; many of the countries dependent on trade with the West reacted with varying degrees of militarism and authoritarianism and yet, at the same time, economic isolation from the West. The world as it had been known was falling apart for the second time in a generation, and no one seemed capable of putting it back together.

**KEY TERMS**

**Kellogg-Briand Pact:** A multinational treaty sponsored by American and French diplomats that outlawed war; an example of the optimism that existed during part of the 1920s.

**Interwar period:** The 1920s and 1930s, shaped by the results of World War I.

**The Roaring Twenties:** Great social and economic changes were the hallmark of this decade.

**Cubist movement:** Artistic style rendering familiar objects in geometric shapes; headed by Pablo Picasso, who was influenced by African art.

**Fascism:** Nationalist political form that featured an authoritarian leader, aggressive foreign policy, and government-guided economics; started in Italy.

**Benito Mussolini:** Founder and dictator of the Fascist Party in Italy.

**Settler societies:** Australia, Canada, and New Zealand; forged separate “autonomous communities” within the British empire, called the British Commonwealth of Nations.

**Zaibatsu:** In Japan, industrial corporations with close government cooperation that expanded rapidly in this era into shipbuilding and other heavy industries.

**Porfirio Díaz:** Mexico’s long-serving dictator who resisted political reforms; his policies triggered the Mexican Revolution.

**Pancho Villa:** Mexican revolutionary who led guerrilla fighting in the North; pursued unsuccessfully by the U.S. government in 1913.

**Emiliano Zapata:** Mexican revolutionary who led guerrilla fighting in the South; motto was “Tierra y Libertad”; demanded land reform.

**Soldaderas:** Women who were guerrilla fighters in the Mexican Revolution.
**Victoriano Huerta:** Sought to impose a Díaz-type dictatorship; forced from power by Villa and Zapata.

**Alvaro Obregon:** Emerged as Mexico’s leader at the end of the revolution; wrote a new constitution that promised land reforms.

**Lazaro Cardenas:** Mexican president who enacted land reform and rural public education.

**Diego Rivera and Jose Clemente Orozco:** World-renowned artists who depicted glorified versions of Mexico’s Indian heritage and potential Marxist future in murals.

**Cristeros:** Conservative peasant movement in the 1920s in Mexico; backed by the Catholic church and many politicians; resisted the secularization of the culture and government.

**Party of the Industrialized Revolution (PRI):** This Mexican political party dominated politics from the 1930s to the end of the century.

**Alexander Kerensky:** Leader of the provisional government in Russia after the fall of the tsar; kept Russia in World War I and resisted major reforms; overthrown by Bolsheviks at the end of 1917.

**Bolsheviks:** Violent, radical wing of the Social Democrats in Russia, led by Vladimir Lenin; took power from provisional government; later renamed “Communists.”

**Russian Civil War (1918-1921):** Millions died in the struggle between the Reds (pro-Communist forces) and Whites (an amalgam of non-Communists); the Reds won, largely because of the organizational skills of Leon Trotsky.

**Leon Trotsky:** Lenin deputy who organized the Red Army during the civil war and later lost a power struggle to Stalin.

**New Economic Policy:** Lenin’s temporary measure that allowed some capitalism within a Communist framework; food production increased under this program; ended by Stalin.

**Union of Soviet Socialist Republics:** Name of the Moscow-based multiethnic Communist regime from 1923 to 1991.

**Supreme Soviet:** Parliament under the U.S.S.R. that had many of the trappings but few of the powers of its Western counterparts.

**Joseph Stalin:** Assistant to Lenin who beat out Trotsky for undisputed control of the U.S.S.R. after Lenin’s death; installed the nationalistic “socialism in one country” program, collectivization, and widespread purges.

**Sun Yat-sen:** Western-educated leader of the Revolutionary Alliance, the Guomindang, and at times, China, in the 1910s and 1920s; struggled with warlords for control of the nation.

**Yuan Shikai:** Chinese warlord who was that country’s leader from 1912 to 1916; he hoped to establish himself as the ruler of a dynasty to replace the Qing; forced from power.
May Fourth Movement: Popular 1919 uprising in China against Japanese interference and for Western-style government that featured intellectuals and students as its leaders; sank under the weight of problems facing China in the early 20th century.

Li Dazhao: Headed Marxist study circle at University of Beijing; saw peasants as harbingers of Communist revolution in China; influenced Mao Zedong.

Mao Zedong: Leader of Chinese Communist Party and eventual dictator of that country.

Guomindang: Nationalist party in China; it was the Communist Party’s greatest rival, yet the Guomindang and Communists forged an alliance against Japanese aggression; the ruling party in mainland China until 1949, it failed to implement most of the domestic programs it proposed.

Whampoa Military Academy: Established in China with Soviet help; it gave the Nationalists a military dimension previously missing; first leader was Chiang Kai-shek.

Chiang Kai-shek: Successor to Sun as leader of the Nationalists; fierce opponent of the Communists, yet he formed an alliance with them to fight Japan.

Long March: To escape the Nationalists, 90,000 Mao supporters traveled thousands of miles in 1934 to remote regions; solidified Mao’s leadership and created much of his myth.

Syndicalism: Economic and political system based on the organization of labor; imported in Latin America from European political movements; militant force in Latin American politics.

Mexican Revolution: Fought over a period of almost 10 years from 1910; resulted in ouster of Porfirio Díaz from power; opposition forces led by Pancho Villa and Emiliano Zapata.

Francisco Madero: (1873 – 1913) Moderate democratic reformer in Mexico; proposed moderate reforms in 1910; arrested by Porfirio Díaz; initiated revolution against Diaz when released from prison; temporarily gained power, but removed and assassinated in 1913.

Mexican Constitution of 1917: Promised land reform, limited foreign ownership of key resources, guaranteed the rights of workers, and placed restrictions on clerical education; marked formal end of Mexican Revolution.

Red Army: Military organization constructed under leadership of Leon Trotsky, Bolshevik follower of Lenin; made use of people of humble background.

Comintern: International office of communism under U.S.S.R. dominance established to encourage the formation of Communist parties in Europe and the world.

Lázaro Cárdenas: President of Mexico from 1934 to 1940; responsible for redistribution of land, primarily to create ejidos, or communal farms; also began program of primary and rural education.

Great Depression: Worldwide economic collapse that began in late 1929 and continued until the outset of World War II.
Socialism in one country: Stalin’s program to build a self-sufficient Communist state based on industrial production.

Popular Front: Liberal, socialist, and Communist parties in France that forged a short-lived alliance in the 1930s.

New Deal: The United States’ answer to the Great Depression, consisting of government assistance to people affected by the crisis and of government reform of economic institutions.

Fascism: Created in Italy by Mussolini and expanded in Germany by Hitler, this political and economic movement promoted socialist programs combined with authoritarianism.

Nazi: Hitler’s National Socialist German Workers’ Party; under the guise of political unity, the Nazis forged a totalitarian state.

Gestapo: Hitler’s secret police that imprisoned and killed his real and imagined opposition.

Anschluss: Hitler’s union with Austria.

Appeasement: Britain and France’s policy of compromise with Hitler and Mussolini.

Spanish Civil War: Fascists led by General Franco fought supporters of the existing republic in the 1930s; Germany and Italy aided the victorious Franco.

Import substitution industrialization: Cut off from supplies it had imported before the Great Depression, Latin America began to produce for itself through the rapid expansion of industrialization.

Syndicalism: In Latin America, organizing labor for the purpose of gaining control of political power.

Tragic Week: In Argentina in 1919, the government brutally repressed labor strikes.

Corporatism: In Latin America, a movement aimed at curbing capitalism and Marxism that proposed using the state as a mediator between different social and economic groups.

Getulio Vargas: President of Brazil who imposed a pro-Western Fascist-like authoritarian regime.

Juan Peron: Argentina’s leader who, like Vargas, nationalized key industries and led through a combination of charisma and intimidation.

Training to endure hardship: Term used to describe the Japanese policy established in Korea to induce the people there to cooperate with the conqueror’s wishes.

Kulaks: The relatively wealthy peasants in the Soviet Union who were starved and murdered by the millions under Stalin’s direction.