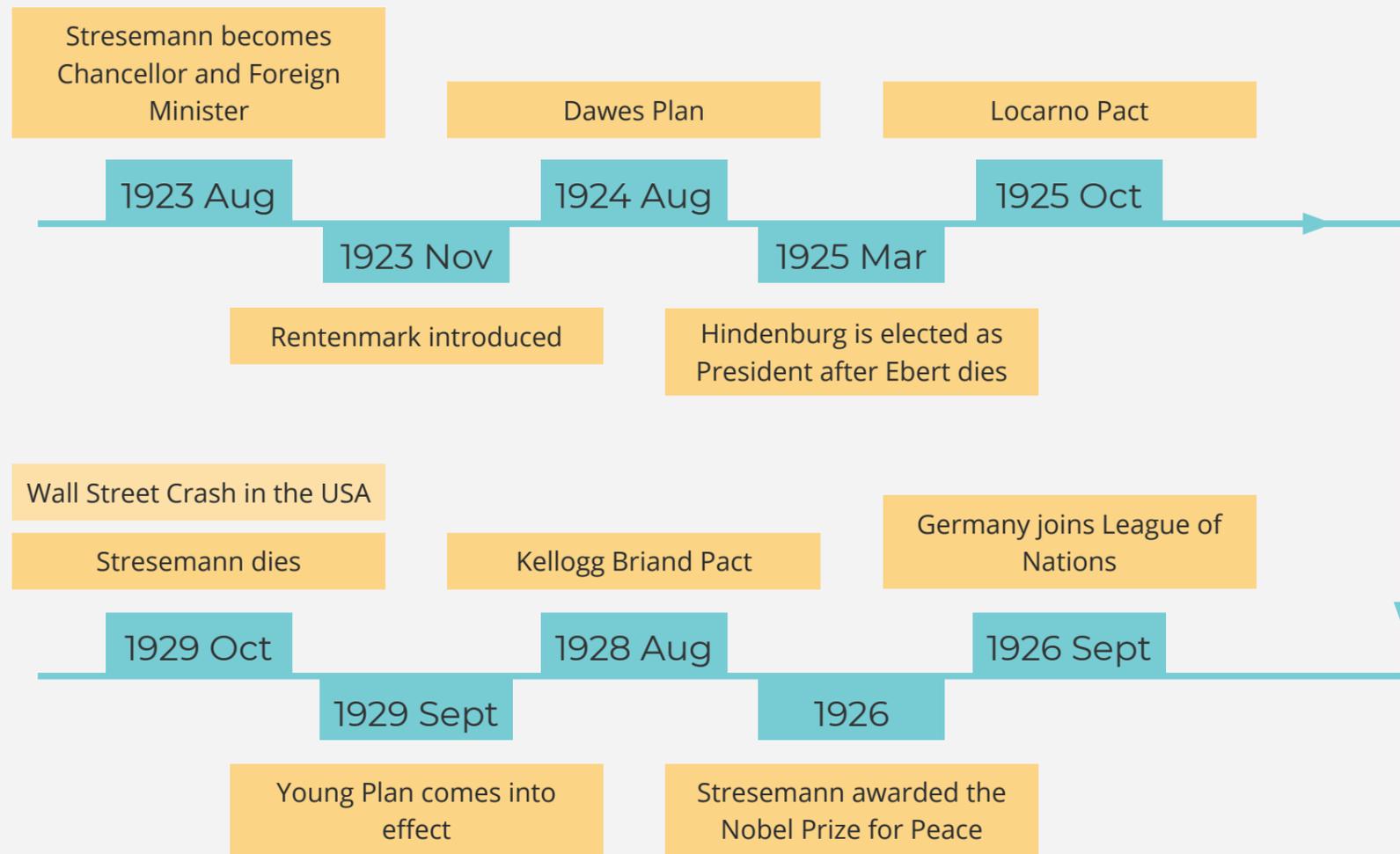


Key Question 2: Why were the Stresemann years considered a 'golden age'?

Timeline of events



“The German economy is doing well only on the surface. Germany is in fact dancing on a volcano. If the short-term loans are called in by America, most of our economy will collapse.”
Stresemann, September 1929

Important concept

The Golden Age was the period from 1924-29 and it saw significant changes in the standard of living and the position of women. Economic prosperity reduced support for extremists like the Nazis.

How did Germany recover from the hyperinflation crisis?

RENTENMARK

- In 1923 Stresemann introduced a temporary currency - the Rentenmark.
- In 1924 this became the Reichsmark, a new currency backed by gold reserves.

DAWES PLAN

- In August 1924 reparations were reduced to Germany's ability to pay.
- Allied troops left the Ruhr in 1925.
- The USA loaned Germany \$3,000 million over six years.

YOUNG PLAN

- In 1929 this plan reduced reparations from £6,600 million to £1,850 million.
- The length of time Germany had to pay was extended to 59 years.

BENEFITS OF THIS RECOVERY

- Public works provided new stadiums, apartment blocks and opera houses.
- Big business paid its debts so there was industrial growth.
- There were fewer strikes between 1924 and 1929.

HOWEVER:

- The German economy was dangerously dependent on American loans.

Key words

Rentenmark	temporary German currency from November 1923, which became the Reichsmark in 1924
Hyperinflation	when money loses its value
Dawes Plan	an agreement where the USA would lend Germany \$3,000 million over six years
Young Plan	this lowered the reparations payment to £1,850 million and gave Germany 59 more years to pay
Treaty of Versailles	this decided how Germany was going to be treated after WW1
Locarno Pact	an agreement on borders signed by Britain, France, Italy and Belgium
Kellogg Briand Pact	65 countries including Germany agreed to resolve conflict peacefully

Key Question 2: Why were the Stresemann years considered a 'golden age'?

How important was Stresemann?

- He ended the hyperinflation crisis.
- American loans helped the German economy recover.
- He re-established the international position of Germany.

How did Germany improve its relations with other countries?

Stresemann, was foreign secretary from 1923 to 1929 and negotiated:

- **LOCARNO PACT 1925** – Germany, Britain, France, Belgium, Italy agreed to keep existing borders between Germany, Belgium and France.
- **LEAGUE OF NATIONS 1926** - Germany was given a permanent seat on the Council of the League of Nations and recognised as a Great Power again.
- **KELLOGG-BRIAND PACT 1928** - 65 countries, including Germany agreed, to solve all international disputes 'by peaceful means'.

As a result of this:

- In 1925 France withdrew from the Ruhr.
- The Allies agreed to the Dawes Plan and the Young Plan.
- In 1927 Allied troops withdrew from the Rhine, six years early.

Was this a "Golden Age" for Germany?

THE STANDARD OF LIVING:

- rising wages - Germany the best paid workers in Europe by 1928.

HOUSING

- tax breaks, land grants and low-interest loans for new houses
- 1924 -1931 more than two million new homes were built.

UNEMPLOYMENT INSURANCE:

- unemployment Insurance Law 1927 - unemployment benefits
- benefits for war veterans, war widows, single mothers and the disabled.

WOMEN:

- women over 20 were given the vote
- growing numbers of women in new areas of employment - the civil service, teaching, social work, shops work, in factories
- enjoyed more social freedom, socially - went out unescorted, drank and smoked in public and were more fashion conscious.

HOWEVER:

- middle class had been bankrupted by inflation and struggled to get professional jobs
- farmers struggled to increase production
- 9% of the working population were unemployed (6% in 1924)
- right wing politicians criticised using American money and continuing to pay reparations.