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## THE BALANCE > US ECONOMY

### The Economic Impact of **World War II**

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Nuclear War

**Combatants** How the War Began **How the War Ended ✓** Who Won World War II? EXPAND + act on U.S. Economy Other Impacts of World War II



BY KIMBERLY AMADEO (i) • Updated June 25, 2019



World War II was the deadliest military conflict in history. It lasted from 1939 to 1945 and involved 30 countries from every part of the globe. World War II killed around 70 million people, or 4 percent of the world's population.

most of the following figures are from "The Fallen of World War II." It's more than the deaths incurred for all wars since then combined. Casualties

#### In Europe, the war killed 40 million people. Roughly half were soldiers and half civilians; for a more detailed breakdown consult the chart below:

grain. More than 1 million residents starved to death during the two-year Siege of Leningrad. Germany lost around 9 million. Around 5.3 million were soldiers, and 3.3 million were civilians. The Nazis killed 300,000 German civilians and Allied bombings killed 600,000. Poland lost 5 million people, or 16 percent of its total population. Of those, 2.7 million

The Soviet Union took the biggest hit with 20 million killed. Six million German

soldiers directly killed 11 million soldiers and 7 million civilians. Almost 3.5 million

Soviet prisoners of war died in German slave labor camps. German soldiers were

ordered to shoot all Jews, communist leaders, and Soviet civilians and take their

people, of which 218,000 were soldiers. The United Kingdom lost 60,000 civilians to German air raids and 384,000 soldiers. The United States lost 405,000 soldiers and

 Romania lost 833,000 total and 300,000 soldiers. Italy lost 457,000 total with 301,000 soldiers. Hungary lost 580,000 total with 300,000 soldiers.

Flood.

occupation by Japan.

The Japanese military killed around 300,000 Chinese in the 1937 Nanking Massacre. The atrocities fuel continuing antagonism. China killed 500,000 of its own civilians

and China, and the use of human experiments to develop biological weapons. In addition, up to 400,000 "comfort women" were forced into sexual slavery. Conditions were so brutal that 90 percent of them had died by the end of the war. Indonesia lost 4 million people due to starvation and forced labor during its

when leaders opened a dam to stop the Japanese, causing the 1938 Yellow River

same time local crops failed. Great Britain had been diverting food from India to the war front, worsening mass starvation during the Bengal Famine. Japan lost 2 million soldiers. Up to 1 million civilians died in Allied firebombing raids and two nuclear attacks on Hiroshima and Nagasaki.

India lost 3 million, but only 87,000 soldiers. Japan cut off rice from Burma at the

included China and 50 other combatants. The Axis leaders were Germany, Italy, and Japan. The Axis combatants also included

Bulgaria, Hungary, Romania, Thailand, and Yugoslavia. Most of these countries only

joined the Axis after their military defeat and occupation. Finland briefly allied with

Germany to regain lost territory from the Soviet Union.

There were four major causes of World War II.

imposed harsh terms on Germany. The German government printed money to meet its high reparation payments and created hyperinflation. As Germans lost buying power, they looked for a solution. Adolf Hitler was a veteran. He blamed Jews for Germany's defeat. Germans welcomed his promise of a return to power. In 1940, he forced the French to surrender in the same railroad car used

2. A second major cause was the **Great Depression**. It reduced global trade by 25

supported the Nazis. But Hitler betrayed them and assumed total power as

attractive. To block this threat from the east, the German government

percent. In Germany, unemployment reached 30 percent. Communism looked

1. The biggest cause was World War I and its aftereffect. The Treaty of Versailles

for the Treaty of Versailles.

dictator.

**How the War Began** 

Indochina.

States entered the war.

3. The third cause was nationalism in Italy, Germany, and Japan. The harsh economic conditions made people turn to fascist leaders. They used nationalism to override individuals' self-interest to achieve their country's return to former glory. They advocated militarism to overcome other nations and take their natural resources. 4. Protectionism was a fourth major cause. Japan, an island nation, required oil

needed. In 1937, it invaded China and attacked a U.S. gunboat in the process.

In 1939, Germany invaded Poland. Great Britain and France declared war on Germany war. In 1940, Germany invaded Belgium, the Netherlands, and France. By the end of the

year, one-third of Europe was under the control of the Axis powers. Japan invaded

In 1941, Hungary, Romania, and Bulgaria joined the Axis. Germany invaded Yugoslavia,

Greece, and then the Soviet Union. Japan attacked Pearl Harbor and the United

The Holocaust The war's early successes raised the Nazis' popularity with the German people. The war also distracted them from the Nazi extermination of Jews in Poland and other

Around 80 percent of the Jews in German-occupied Europe were killed. Of the 6 million Jews, 2.7 million were Polish, and 700,000 were Soviets. The rest came from

Hitler's war against the Jews began shortly after he took power. On April 1, 1933, he ordered a boycott of Jewish businesses. Discrimination against Jews continued until, by 1935, the Nurnberg Laws reduced Jews to subjects of the state, stripping them of

As Germany invaded Poland, Austria, and other eastern countries, the Nazis began executing Jews, Catholics, Roma, and other "undesirables." They forced Jews into ghettos where disease and starvation took their toll. In 1941, the Nazis began the "final solution" by murdering Jews in death camps. The Einsatzgruppen accompanied troops to shoot 1.4 million undesirable civilians in the field. At Babi Yar in Ukraine, they shot 33,771 Jews in two days, dumping their

occupied territories on trains to the camps. Around 2.7 million people died in the Auschwitz, Treblinka, Belzec, Sobibor, and Chelmno camps. In total, 6 million Jews died. Another 1.8 million non-Jewish Polish civilians and 312,000 Serbians were killed. The Nazis also eliminated 250,000 people with

disabilities, 220,000 Roma, 70,000 criminals and homosexuals, and 1,900 Jehovah's

In 1938, there were 9.5 million Jews in Europe out of 16.6 million worldwide. By 1945,

that <u>number had been reduced to 3.8 million</u> in Europe out of 11 million globally. When the war ended, there were 900,000 survivors of Nazi rule including an estimated 100,000 liberated from concentration camps.

modern warfare. Four million people died, half of whom were civilians. On January 31, 1943, the Germans there surrendered. In 1942, U.S. forces beat the Japanese in the Battle of Midway and the Battle of Guadalcanal, Philippines.

Islands, they were close enough to bomb the Japanese mainland. On June 6, 1944, the Allies invaded Western Europe on D-Day. As the Germans retreated from the Eastern front, Soviet forces retook Poland, Czechoslovakia, Hungary, and Romania. In January 1945, Allies won the **Battle of the Bulge**, which had

30, Adolf Hitler committed suicide in Berlin. Germany surrendered on May 8, 1945. **Nuclear War** President Harry Truman ordered bombs to be dropped on Hiroshima on August 6 and

"Hibakusha" suffer from radiation-related illness. Truman thought the atom bomb was necessary to force Japan's surrender. He wanted to avoid further U.S losses like those sustained at the Battle for Iwo Jima. Others thought atom bombs weren't needed. Japan had signaled it would surrender

if it could keep its emperor. The Air Force had bombed Tokyo and most other major

materials. Japan was also concerned about fighting the Soviet Union to its north.

industrial cities. The Navy had blockaded Japan's imports of oil and other vital

most. The war solidified the role of the U.S. superpower that had begun in World War I. The 1944 Bretton Woods agreement established a new global monetary system. It replaced the gold standard with the U.S. dollar as the global currency. It established America as the dominant power since it was the only country with the ability to print

The agreement also created the World Bank to help emerging market countries to

In 1945, the Allies created the United Nations to prevent another world war. In 1949,

the North Atlantic Treaty Organization was founded to protect European nations from

reduce poverty. The International Monetary Fund provides technical assistance

and short-term loans to prevent financial crises in member countries.

Germans. The war strengthened Joseph Stalin's rule. The German annihilation of Soviet people created a "never again" mentality that led to the Cold War. With other countries focused on rebuilding, America and the Soviet Union engaged in

East and West Germany were divided, as was Berlin. The U.N. Partition Plan for Palestine led to Israel's independence in 1948. President Truman said it was a matter of justice for the Jewish people. In 1941, Germany and Italy split up Yugoslavia into Croatia, Bosnia, and Herzegovina.

Impact on U.S. Economy U.S. war spending helped add \$236 billion to the debt. It was a 1,048 percent increase, the largest percentage increase to the debt of any president. A review of U.S. gross domestic product growth by year reveals that the economy

grew at least 8 percent annually between 1939 and 1944. Between 1941 and 1943, it

were Jews, and 240,000 were soldiers. Yugoslavia lost 1 million people, of which 445,000 were soldiers. France lost 568,000 about 2,000 civilians. Other significant losses were endured by:

Note: The War killed 30 million in the Pacific. China lost 20 million people, 80 percent of whom were civilians.

Japanese war crimes caused 6 million deaths in China, Japan, Korea, Indochina, and the Philippines. This included the slaughter of civilians in villages, slave labor in Korea

**Combatants** The war was fought between the Allies and the Axis powers. The Soviet Union was initially an Axis power, then switched in 1941 to join the Allies when Germany invaded it. The Allied leaders were France, Great Britain, and the United States. The Allies also

**Four Causes** 

and food imports to feed its growing population. The 1930 Smoot-Hawley tariff and other forms of protectionism forced Japan to consider military expansion. In 1931, Japan invaded Manchuria to acquire the land and other resources it

The U.S. oil embargo in July 1941 led to the Pearl Harbor attack.

In 1931, <u>Japan invaded Manchuria</u>. In 1936, it signed the Anti-Comintern Pact with Germany and later Italy. two days later. The Soviet Union attacked Poland from the east. It then conquered Estonia, Latvia, Lithuania, and Finland. German submarines attacked ships bringing supplies to Great Britain. U.S. President Franklin D. Roosevelt started gearing up for

conquered regions. According to the Nazis, the war was being fought against Communists and Jews who were one and the same.

Hungary, Romania, Germany, Lithuania, Netherlands, Czechoslovakia, France, Latvia, Slovakia, Greece, Yugoslavia, Austria, Belgium, Italy, Estonia, Luxembourg, Norway, and Denmark.

their German citizenship. On November 9, 1938, 30,000 Jews were sent to concentration camps on Kristallnacht. By 1939, Jewish refugees found few countries other than Palestine would accept their growing numbers.

bodies into a ravine. In total, they murdered 100,000 Roma, Jews, and Communists. In 1942, the Nazis built extermination camps in Poland. They deported Jews from

**How the War Ended** In 1941, Hitler betrayed Stalin, sending 3 million Axis troops into the Soviet Union. Germany wanted the land for its own people and, so, slaughtered as many civilians as

possible. It also wanted to eliminate the communist threat, which it blamed on Jews.

Operation Barbarossa was the largest military attack in history. The front stretched

But Hitler underestimated his former ally's strength and the Russian winter. In 1942,

the Soviets ended the **Battle of Stalingrad**. It was the longest and bloodiest battle in

from the Baltic Sea in the north to the Black Sea in the south.

#### In 1943, Allied forces defeated the Italians and Germans, and Mussolini's government collapsed. Italy surrendered on September 3, 1943. In 1944, the Allies gained the upper hand in the Pacific. Once they gained the Mariana

Witnesses.

been Hitler's last offensive. In April 1945, Soviet troops retook Vienna and then Berlin. Guerilla fighters killed Italian dictator Benito Mussolini, forcing German troops in Italy to surrender. On April

Nagasaki on August 9. Around a third to two-thirds of the 330,000 Hiroshima residents and 80,000 of the 250,000 Nagasaki residents died by December 1945. There were 3,000 U.S. citizens in Hiroshima on that day. Deaths occurred from the brute force, burns, radiation sickness, and cancer. In 2007,

at least 226,000 survivors of the bombing were still alive in Japan. Most of these

Japan surrendered on August 14, 1945. The war officially ended on September 2, 1945, when Japanese leaders signed the surrender document. Who Won World War II? The Allied nations won. Of those, the United States and the Soviet Union gained the

# The Soviet Union took over the eastern European countries it had liberated from the

dismantling factories.

Indonesia.

**US ECONOMY** 

How World War I Changed

America's Economy

**GLOSSARY** 

How U.S. Militarism

Weakens Its Economic

Power

grew more than 17 percent a year.

threats by communist countries.

wars, often assisted by foreign countries.

dollars.

the Cold War power struggle. The nuclear bomb set up the necessity of detente to prevent global annihilation. Other Impacts of World War II

Since then, developed countries haven't fought each other. Most wars have been civil

Allied forces controlled the countries and territories of the Axis powers. Millions of

"home." The victors dismantled their former enemies' ability to make war by

Germans and Japanese were forced out of the territories they lived in and sent back

North and South Korea were divided, which led to the Korean War. The war led to a four-year civil war in China that allowed communism to take power. The Bengal Famine led to India's uprising and independence from Great Britain.

Japan's occupation of the Dutch East Indies led to the formation of an independent

Important: One reason U.S. production grew so fast was that it had been slack during the Great Depression. Underutilized manufacturing, shipbuilding, and auto factories were able to gear up for full production.

To pay for it, the government expanded the income tax and introduced mandatory

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earn by following Uncle

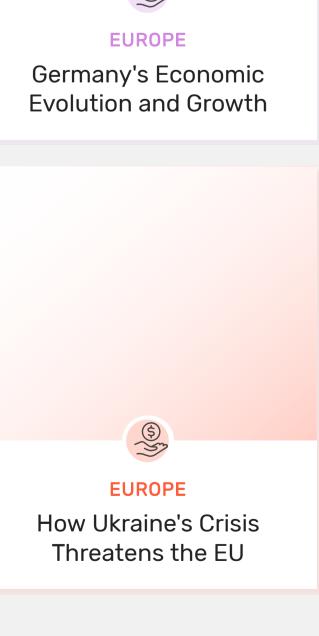
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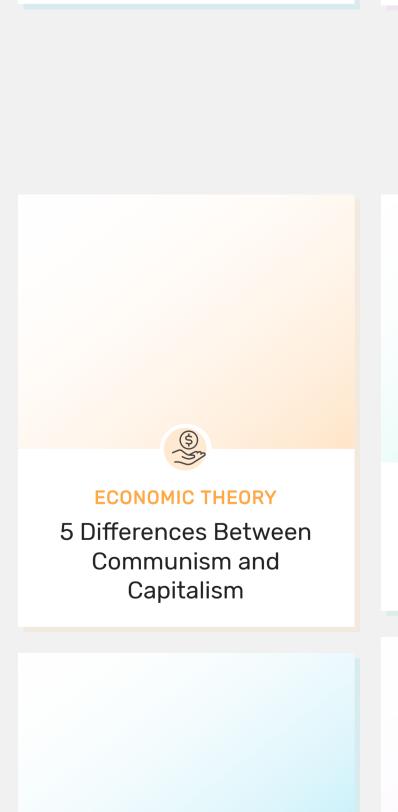
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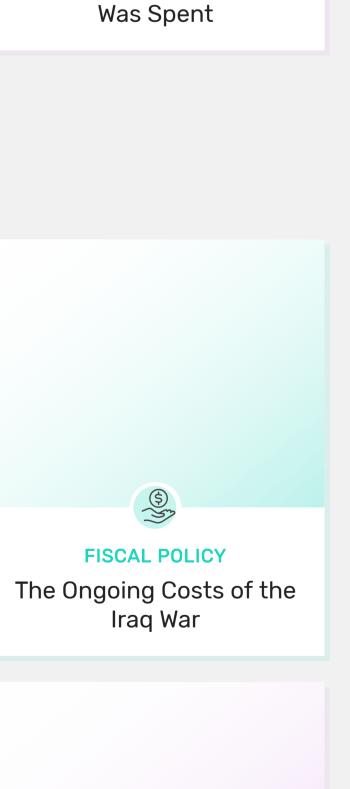
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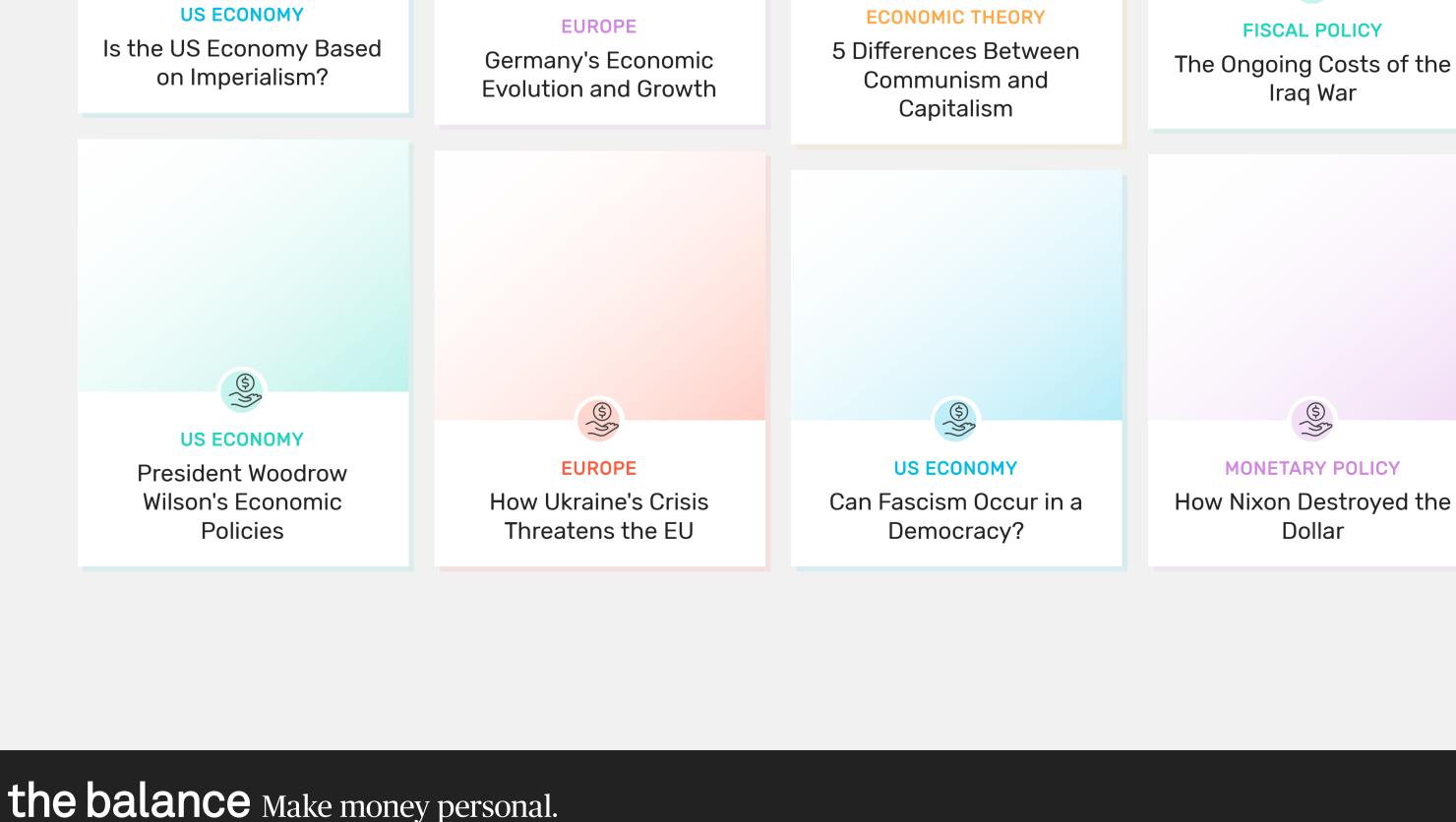
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