

BRIEF PRESENTATION OF THE
HISTORICAL CONTEXT OF
GREECE BECAUSE OF THE CRASH OF
1929



A Greek flag with nine horizontal blue and white stripes and a white cross on a blue square canton, waving against a dark blue sky. The flag is attached to a white flagpole on the left.

GREECE AFTER THE 1929 CRASH

BEFORE THE CRASH

•1922: Asia Minor Disaster
refugee loans

•1928: Venizelos in power
public investment program



•Big projects require big borrowing! And then it happens.

•THE CRASH on 10/29/1929 at the NEW YORK STOCK EXCHANGE

•The reactions in the economies of the states of Europe and Greece are chained.





1929-1930

First reaction: The Greek stock market is initially unaffected because:

- The Greek drachma was not affected.
- Greece as a grain importer benefited.
- But in 1930 it is observed:
- Decrease in exports
- Inability to find financing from abroad

1931

CAUSE OF PRESSURE ON THE GREEK ECONOMY:

- World War I financial reparations from Germany were lost
- Exports decreased



• Remittances from Greeks in America have decreased

• A large amount of foreign currency fled abroad

COMPETITIVE SEARCH FOR NEW LOANS



Venizelos

- he makes one last attempt to take out a loan without a substantial result
- In April it devalues the drachma
- In May he announces the bankruptcy of Greece and the default of the external debt

PERIOD OF STRONG INTERVENTIONISM AND POLITICAL SELF-SUFFICIENCY

➤ Import duties

➤ Transactions under interstate agreements

Balancing the value of imports and exports

- POSITIVE VIEW:
- a reduction in the expenses of the state and an increase in its reserves Bank of Greece
- NEGATIVE VIEW:
- the people impoverished erupt in demonstrations and incidents



The heroic railroad strike of 1932



George II of Greece

AFTER BANKRUPTCY - 1936

- Short-lived governments and military coups
- 1935: return of King George
 - August 4, 1936: dictatorship of Ioannis Metaxas, which, however, NEVER acquired strong social support



The August 4 regime, the Metaxas dictatorship