

# FAQ's

1. Which treaty signaled the end of the First World War?

A. The Treaty of Versailles signaled the end of the First World War.

2. How did the allies prevented the rise of the Germany in Europe?

A. The Allies levied trade and military restrictions on Germany to prevent its rise in Europe.

3. Why did USA stopped giving assistance to Germany?

A. The Great Depression led to the collapse of the US economy which forced the US to stop providing assistance to Germany.

4. What led to rise of Adolf Hitler in Germany?

A. The resentment of the Germans towards the Treaty of Versailles led to the rise of Adolf Hitler in Germany.

5. What did Germany, under the leadership of Hitler do to increase its trade with other countries?

A. Germany started to force the surplus counties to undertake trade with itself.

6. Where did the representatives of various nations met for establishment of a common exchange rate regime?

A. About 730 delegates from 44 countries met in Mount Washington Hotel in Bretton Woods in New Hampshire to agree to establish an organization to regulate the international monetary system.

7. Which were the organizations which were established under the Brettonwood's system?

A. Two organizations namely International Monetary Fund (IMF) and the International Bank for Reconstruction (IBRD) or the World Bank were established under the Brettonwood's agreement.

8. Under the Brettonwood's agreement which was the reserve currency?

A. Under the Brettonwood's agreement, the US Dollar was decided as the reserve currency.

9. What is SDR?

A. SDR means Special Drawing Rights which acts as a reserve currency of the International Monetary fund. In case if the holding of one country increases, then it would earn interest on such a rate.

10. What is Nixon Shock?

A. When the then US President Richard Nixon announced that the US treasury will not convert Gold in US Dollar, the shock and panic that the international economy experienced was known as Nixon Shock.