

CAUSES

- **European powers compete for colonies**
- **Nationalism increases in Europe**
- **Arms races develop**
- **Hostile alliances form**



World War I

EFFECTS

- **Allies defeat Central Powers**
- **Old empires break up**
- **Europe is economically devastated**
- **League of Nations is formed**
- **U. S. becomes economic giant**
- **Treaty's harsh treatment of Germany helps lead to World War II**