National wealth and living standards

Due to rapid industrialisation caused social problems:

- Damp, unsanitary conditions
- Outbreaks of cholera, typhus.

German Reich wealth 200 000 M to 300 000 M

Per capita income doubled in course of 40 years:

<table>
<thead>
<tr>
<th></th>
<th>1871-75</th>
<th>1896-1900</th>
<th>1911-1913</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>353 marks / year</td>
<td>603 marks / year</td>
<td>728 marks / year</td>
</tr>
</tbody>
</table>

Balance of payments (exports - imports) (Million marks)

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports</th>
<th>Exports</th>
<th>Visible balance (Exports-imports)</th>
<th>Invisible balance (investments, banks, services)</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>1880</td>
<td>2814</td>
<td>2923</td>
<td>+109</td>
<td>+168</td>
<td>+277</td>
</tr>
<tr>
<td>1890</td>
<td>4162</td>
<td>3335</td>
<td>-827</td>
<td>+1249</td>
<td>+422</td>
</tr>
<tr>
<td>1900</td>
<td>5769</td>
<td>4611</td>
<td>-1158</td>
<td>+1566</td>
<td>+408</td>
</tr>
<tr>
<td>1910</td>
<td>8927</td>
<td>7475</td>
<td>-1452</td>
<td>+2211</td>
<td>+759</td>
</tr>
</tbody>
</table>

Output of steel (millions of tonnes)

<table>
<thead>
<tr>
<th>Year</th>
<th>Germany</th>
<th>Britain</th>
</tr>
</thead>
<tbody>
<tr>
<td>1871</td>
<td>0.14</td>
<td>0.41</td>
</tr>
<tr>
<td>1880</td>
<td>0.99</td>
<td>3.32</td>
</tr>
<tr>
<td>1890</td>
<td>1.38</td>
<td>3.64</td>
</tr>
<tr>
<td>1900</td>
<td>6.46</td>
<td>4.98</td>
</tr>
<tr>
<td>1910</td>
<td>13.10</td>
<td>6.48</td>
</tr>
</tbody>
</table>

Population growth

21% increase from 1870-1890

Annual growth of 7-8%

Economic growth

Annual growth of 7-8%
The police

Former army men

Played an important part in everyday life → minor infringements of the law

Strong measures against truancy, created an amazing literacy rate

Anyone who was guilty of homelessness or begging could be sent to the workhouse

Many approved by enforcements of regulations

The law

Based on rule of law, not arbitrariness {lack of law}

Germans were equal before the law

The German judiciary {judges} enjoyed genuine independence

As good as any in the world at the time

Because of efficient bureaucracy, Germany was an ordered and disciplined society.

Bureaucracy- government officials, civil service.
Pressure Groups

Cartels

Put together by similar producers to gain advantage in the market

Trade unions

Central association of German industrialists- heavy industries [coal, iron, steel]

SPD represented working-class trade unions

Agrarian league (1893) campaigned for farmers interests

Work directly on public opinion

Worked closely with conservative party

Pressure groups played an important part in elections as they would withdraw financial support if their demands weren’t meant by a party

This activity caused great public distaste for the “system”

Economic affairs accounted for 90% of Reichstag business by 1914

Ideas and ideology

Wilhelm himself was nationalistic and anti-Semitic

Nationalism [mid 1800s]- Bismarck era is:

Preserve states- unification

Nationalism [late 1800s]:

❖ Conservative
❖ Maintaining the status quo in a militarised Germany
❖ Hostility towards non-Germans, especially Slavs.
❖ Wanted to create an ethnically and linguistically same nation state
   o No respect for minority languages and culture
   o EG Prussia had all lessons in German, not polish, causing strike of 40 000 polish children

Anti-Semitism

A hatred for Jews

Jews were blamed for the death of Christ and for not accepting Christianity

Pre 1900:

• Many Jews fled Russia for Germany
• Played an active part in cultural and financial life of Germany
• Many intermarried with Germans
• 1910- 1 % of pop. 600 000
CHANCELLORS

Chancellor Caprivi 1890-1894

Appointment

Tasked to undertake social reforms distracting working class from socialism

Introduced the “NEW COURSE”:

Social Reforms:

- Conciliatory policy (resolve things and move forward) towards socialists
  - Anti-socialist laws stopped
  - No work on Sundays
  - <13 not employed
  - Children and women could not work >11 a week

In turn increased Reichstag support- able to pass laws

Economic reforms:

Tariff reduced on cattle, timber, rye and wheat

Army budget- Schlieffen wanted increase in size by 84000 men = more money
  - Reduced military service to 2 instead of 3 years to appeal to Reichstag
  - Discuss military budget every 5 years not 7.

Reaction to Caprivi and New course

- Agrarian league formed 1893 against the reduced tariffs
- Form the basis of the conservative movement for the years that followed
- Vital- 1898- National liberals survived in countryside due to supporting agrarian league
- Anti-Semitic movement
- Anti-Caprivi campaign
- Wanted import controls
- Strong right-wing opposition

Caprivi’s dismissal

Increased SPD seats 44 in 1893

No longer in camarilla (Wilhelm’s favourite men)

Resigned in October 1894