He also helped to solve the constitutional crisis. If Prussia wanted to lead Germany to greatness it would need a better army, but liberal nationalists saw this as deliberate provocation. So Bismarck withdrew demands for a military budget and instead funded it with tax – as persuaded to be given by 200,000 soldiers. Parliament declared this illegal but Bismarck ignored them and ran Russia through the army for four years.

In the 1863 election the liberals received 70% of the seats due to the Prussian Landtag (emerging wealthy middle class) being dominated by liberals, they wanted to be involved because the budget was likely to be big and they would invariably be taxed for it. The people hated Bismarck but they had no army power against him, he hoped that a successful foreign policy would win him favour. King William considered abdication during this reign of Bismarck as he questioned his own divine right.

The revolt in Poland started against the Russian Tsar, this was put down with violent suppression. The Prussian’s seized the opportunity to help the Russian’s, when the Poles tried to escape to Prussia Bismarck gave them all to the Tsar. Why:

- Because Prussia wanted an ally in Russia, geographically it would be good against Austria, it would also start to break down the relationship between France, Austria and Russia because Austria and France are being hostile towards Russia due to their treatment of the Poles.
- They also wanted Russia as an ally rather than France due to the Napoleonic history and invasion of old lands like Saxony and the Rhineland
- However Bismarck has to deny he helped Russia to avoid war with France because he is not ready – this is very humiliating but necessary in the long run
- Leads to a breakup of the Austro-French-Russian Union

At the Congress of Princes Austria called all the Princes of the German Federation to attend a glamorous ball in Frankfurt in August 1863; the proposal was for the five key princes to have powers to act over Germany, they would work together to suppress revolt and against external threats, the most powerful would be Austria, followed by Prussia. However Bismarck prevented a distraught King William (one of the proposed five) from attending the congress; this is because Austria would be the more dominant power and Bismarck did not believe that William would have the strength of character to refuse. The absence of William made the whole congress weaker as a result.

Schleswig Holstein is an area between Prussia and Denmark, in 1863 there was a German nationalist uproar when Denmark annexed the region (over 50% spoke German) and there are demands for the area to become a separate state under the rule of German Duke Augustenburg and his independent army. In 1864 there was an Austro-Prussian invasion of the area and there was an end to the Danish control of the provinces.

Bismarck had agreed that Schleswig Holstein could be liberated by Augustenburg but only if the Duke’s army be controlled by Prussia, Austria felt betrayed because now Prussia had control. At the Convention of Gastein, August 1865, it was agreed that Prussia would hold Schleswig and Austria would have Holstein, Bismarck had been the architect of the Convention. Some historians believe that he was a master planner and delaying war until his military was stronger, but either way, war was certainly on the horizon.

In October 1865 Bismarck met with Napoleon III in Biarritz to discuss what might happen if at some point there was a war between Austria and Prussia. Bismarck was attempting to ensure that if they did
from National Liberals and broaden his political support. With new majority in Reichstag Bismarck introduced a **general tariff bill in July 1879.** Abandonment of free trade **ended his ‘Liberal Era’**.

Universal German Workingmen’s Association formed in 1863 to gain **workers more political power.** Social Democrat Workers’ Party in 1869 were Marxist and tried to **overthrow bourgeoisie.** 1875 German Social Democratic Party formed to **overthrow existing order;** support was increasing. Bismarck loathed socialism; **1876 bill for prevention of socialist propaganda fails;** 1878 an anarchist tries to assassinate William I so Bismarck again tries to pass bill but rejected due to fear of losing civil liberties. A week later there’s **another assassination attempt which Bismarck uses to dissolve Reichstag** and support for Liberals and SPD falls. **October 1878 anti-socialist bill passed** by new Reichstag; from 1878 to 1890 1500 Socialists imprisoned. But by 1890 SPD had 35 seats, showing failure of Bismarck’s repression.

Bismarck decreased support for socialism by **introducing welfare benefits:** 1883 Sickness Insurance Act, 1884 Accident Insurance Act, 1889 Old Age and Disability Act. Bismarck was a pioneer for the scheme. **Danes, French, Poles = potential enemies to state;** so Polish language outlawed in education and law courts; Alsace-Lorraine not granted full autonomy until 1871 and encouraged emigration of foreigners.

**Bismarck’s Foreign Policy from 1871 to 1890:**

After 1871, Germany was satiated with **no further territorial ambitions** to prevent upsetting the power balance or uniting other powers against Germany. France was the main threat to Bismarck due to Alsace-Lorraine and damaged pride; so **Bismarck avoids a war through friendly terms with Austria and Russia;** but there’s **friction over Balkans between Austria and Russia.** Russia want expansion into Balkans due to Slavs, yet Austria afraid Russian expansion so close to her own borders. **If they fell out Bismarck would have no choice between them, then other could ally with France.** But Germany had a strong army so Russia and Austria cut Bismarck’s support due to antagonism in Balkans.

1882 meeting with Germany, Russia and Austria led to **Three Emperors’ Dreikaiserbund;** but the terms were vague. Republicanism and Socialism were identified as enemies and consultation required if Europe’s peace was disturbed. France began to recover so in **1875 Bismarck prohibited export of horses to France.** April Berlin Post titled “Is War in Sight?” But Britain and Russia side with France not Bismarck.

**April 1876 Montenegro and Serbia (supported by Russian volunteers) declared war on Turkey.** Bismarck worried about future of the Dreikaiserbund due to dispute. Bismarck, Alexander II, Gorchakov and Foreign Minister Andrassy collaborates through international discussion. But in **1876 Turkish atrocities caused a breakdown.** Britain stops supporting Turkey, but Alexander II, under pressure, states in November 1876 that he’s prepared to act independently. **December 1876 he asks for German neutrality but Bismarck is evasive** and avoids alliance with Austria or Russia. January 1877 Russia buys Austrian neutrality by promising them Bos & Herz; so in **April 1877 Russia declares war on Turkey.** In March 1878 the San Stefano Treaty improves Russian position in Balkans; but there’s no completion of deal with Austria so they mobilise, then, supported by Britain, **Russia agrees to hold international conference about the peace.** This period was known as the Balkan Crisis 1875-1878.