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Revised 4 September 2003

ECO 303Y: Economic History of Modern Europe to 1914

Topic No. 16: Entrepreneurship and Business Organization in European Industrialization during the Nineteenth Century: A Comparison of Germany and Great Britain: 1850-1914

A. GENERAL: for both German and British industrialization in the 19th century

- * 1. Charles P. Kindleberger, Economic Response: Comparative Studies in Trade, Finance, and Growth (1978), Chapter 7, 'Germany's Overtaking of England, 1806 to 1914,' pp. 185-236.
- **2. Harmut Berghoff and Roland Möller, 'Tired Pioneers and Dynamic Newcomers? A Comparative Essay on English and German Entrepreneurial History, 1870- 1914,' Economic History Review, 2nd ser., 47 (May 1994), 262-87.
- * 3. Hubert Kiesewetter, 'Competition for Wealth and Power: The Growing Rivalry between Industrial Britain and Industrial Germany, 1815 - 1914,' Journal of European Economic History, 20 (Fall 1991), 271 - 299.
- * 4. David Landes, 'The Structure of Enterprise in the Nineteenth Century: Great Britain and Germany,' in David Landes, ed., The Rise of Capitalism (New York, 1966), pp. 99-110.
- * 5. Alexander Gerschenkron, 'Social Attitudes, Entrepreneurship, and Economic Development,' in his Economic Backwardness in Historical Perspective (1962), pp. 52-71.
- 6. David F. Good, 'Backwardness and the Role of Banking in 19th-Century European Industrialization,' Journal of Economic History, 33 (1973), 845-50.
- 7. Rainer Fremdling, 'Anglo-German Rivalry in Coal Markets in France, the Netherlands and Germany, 1850-1913,' The Journal of European Economic History, 25:3 (Winter 1996), 599-46.
- 8. S. N. Broadberry, 'Anglo-German Productivity Differences, 1870 - 1990: A Sectoral Analysis,' European Review of Economic History, 1:2 (August 1997), 247-67.

B. GERMANY: more articles

- * 1. Steven B. Webb, 'Tariffs, Cartels, Technology, and Growth in the German Steel Industry, 1879-1914,' Journal of Economic History, 40 (June 1980), 309-30.
- * 2. Robert C. Allen, 'International Competition in Iron and Steel, 1850-1913,' Journal of Economic History, 39 (1979), 911-38.
- 3. Richard Tilly, 'Mergers, External Growth, and Finance in the Development of Large-Scale

Enterprise in Germany, 1880-1913,' Journal of Economic History, 42 (Sept. 1982), 629-58.

- * 4. Richard H. Tilly, 'German Banking, 1850-1914: Development Assistance for the Strong,' Journal of European Economic History, 15 (1986), 113-181. See also R.H. Tilly, 'Mergers, External Growth, and Finance in the Development of Large-Scale Enterprise in Germany, 1880-1913,' Journal of Economic History, 42 (Sept. 1982), 629-58.
- * 5. Hugh Neuberger and H.H. Stokes, 'German Banks and German Growth, 1883-1913: An Empirical View,' Journal of Economic History, 34 (1974), 710-31.
- * 6. Jeremy Edwards and Sheila Ogilvie, 'Universal Banks and German Industrialization: A Reappraisal,' The Economic History Review, 2nd ser., 49:3 (August 1966), 427-46.
- * 7. Jürgen Kocka, 'Entrepreneurs and Managers in German Industrialization,' in P. Mathias and M.M. Postan, eds., The Cambridge Economic History of Europe, Vol. VII:i (1978), pp. 492 - 589.

C. GREAT BRITAIN

- **1. Donald McCloskey, Enterprise and Trade in Victorian Britain: Essays in Historical Economics (London, 1981): see in particular
 - a) 'Judgements on the Late Victorian Entrepreneur,' with Lars Sandberg, pp. 55-72.
 - b) 'Did Victorian Britain Fail?' pp. 94-135
 - c) 'International Differences in Productivity,' pp. 285-312.
- **2. Sidney Pollard, 'Entrepreneurship, 1870 - 1914,' in Roderick Floud and Donald McCloskey, eds., The Economic History of Britain Since 1700, 2nd edn, vol. 2: 1860 - 1939 (1994), pp. 62-89.
- * 3. Charles Kindleberger, Economic Growth in France and Britain, 1851-1950 (1964), chapter 6, 'Entrepreneurship,' pp. 113-34.
- * 4. Barry Supple, 'Fear of Failing: Economic History and the Decline of Britain,' Economic History Review, 2nd ser., 47:3 (August 1994), 441-58.
- * 5. M. W. Kirby, 'Institutional Rigidities and Economic Decline: Reflections on the British Experience,' Economic History Review, 2nd ser., 45:4 (November 1992), 637-60.
- * 6. W. H. Phillips, 'The Economic Performance of Late Victorian Britain: Traditional Historians and Growth,' Journal of European Economic History, 18 (Fall 1989), 393 - 414.
- 7. Peter Payne, 'Industrial Entrepreneurship and Management in Great Britain,' in P. Mathias and M. Postan, eds., The Cambridge Economic History of Europe, Vol. VII:i (1978), pp. 193-210. See also Peter Payne, British Entrepreneurship in the Nineteenth Century (1974), pp. 11-61.
- 8. Frank Geary, 'Accounting for Entrepreneurship in Late Victorian Britain,' Economic History Review, 2nd ser. 43 (May 1990), 283-87.

9. Christine MacLeod, 'Strategies for Innovation: The Diffusion of New Technology in Nineteenth-Century British Industry,' Economic History Review, 2nd ser., 45 (May 1992), 285 - 307.
10. Charles Wilson, 'Economy and Society in Late Victorian Britain,' Economic History Review, 2nd ser. 18 (1965), 183-97; reprinted in his Economic History and the Historian (1969), pp. 178-200.

QUESTIONS:

1. Debate the Landes thesis (for France, Germany, and Britain) concerning the negative role of family firms and other small scale firms in 19th century industrialization. Were larger scale industrial firms more predominant in the German economy? Does larger scale help explain the evidently superior performance of German industry in the later 19th century?
2. Discuss and compare the financing of German, British, and French industry in the 19th century, and the relationships between business organizations (corporations or partnerships, etc.), financial institutions, foreign investments. Did investment banks play a more powerful role in industrialization in Germany than in either Britain or France: with positive consequences?
3. Why did cartels become so prominent in German industry, from the 1870s? Which industries in particular were the most likely to be cartelized? What was the relationship between oligopolies and cartels? And between industrial structures, the 'great banks', and the state? Were British and French industries cartelized to the same extent? Were cartels subject to the market forces of competition?
4. How innovative was German industry -- more so than the French or British? In what types of German business organizations and industrial structures were industrial innovations most commonly found? In what industries did Germany gain evident superiority over Britain by 1900? Did British industry suffer relative stagnation or decline in the face of German and American competition?