

Revised 11 June 2001

Eco 303Y1: Economic History of Modern Europe to 1914

**Topic No. 13: Overcoming Impediments to Continental Industrialization:
The Case of Germany, 1815 - 1914**

- * 1. Alexander Gerschenkron, Economic Backwardness in Historical Perspective: a Book of Essays (1965): in particular
 - * a) 'Economic Backwardness in Historical Perspective,' pp. 5-30.
 - b) 'Reflections on the Concept of 'Prerequisites',' pp. 31-51.
 - c) 'Social Attitudes, Entrepreneurship, and Economic Development,' pp. 52-71.
- * 2. 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.
- * 3. W. R. Lee, 'Economic Development and the State in Nineteenth-Century Germany,' Economic History Review, 2nd ser. 41 (Aug. 1988), 346-67.
- * 4. Wolfram Fischer, 'Government Activity and Industrialization in Germany, 1815 - 1870,' in Sima Lieberman, ed. Europe and the Industrial Revolution (1972), pp. 447 - 58.
- * 5. Steven Webb, 'Tariffs, Cartels, Technology, & Growth in German Steel Industry, 1879-1914,' Journal of Economic History, 40 (1980), 309-30
- 6. 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.
- 7. David Landes, The Unbound Prometheus: Technological Change and Industrial Development in Western Europe from 1750 to the Present (1969), chapter 3, 'Continental Emulation,' pp. 124-92.
- 8. Clive Trebilcock, The Industrialization of the Continental Powers, 1780-1914 (1981), ch. 1, pp. 1-21; ch. 2, 'Germany,' pp. 61-106.

QUESTIONS:

1. What were the chief barriers to economic growth and industrialization in Germany at the end of the Napoleonic Wars? How were they overcome? Why was Germany more successful in overcoming these barriers, in achieving more rapid growth, than other countries (especially France and Russia)?
2. How well does Gerschenkron's model of 'economic backwardness' fit Germany in the 19th century? Does it fit Russia or France better?
3. What roles did the government (state and national) and financial institutions play in overcoming the barriers to growth and in promoting rapid industrialization in the second half of the 19th century?

4. Were cartels a positive or negative feature of German industrialization? What factors explain the cartelization of certain industries, and the relative success of their cartel policies?