1 Wilhelmine Germany, 1900–1914

Rapid industrialisation and its impact on society

The development of modern Germany is best understood against the background of the Industrial Revolution which affected Central Europe with full force in the final decades of the nineteenth century. Britain had experienced the blessings and traumas of industrialisation earlier and more slowly, but nowhere else in Europe did the transition from an economy based on agriculture to one dominated by industry occur with the same rapidity as in Germany. Inevitably, the Industrial Revolution also had a profound effect on social structures, on the life-styles and political behaviour of people as well as on their perceptions of the world around them. These, too, changed more rapidly in Germany than in other European countries. Seen from the perspective of the late twentieth century, the links between economic, social and political transformation may seem obvious enough. While it is not easy fully to appreciate the highly dynamic situation which had developed in Germany by the turn of the century, it is nonetheless fundamental to an understanding of the subsequent course of the country’s history, and this is why these changes require brief discussion here.

Although the economic, social and political factors which generated these energies must be perceived as being in constant interaction with one another, it is convenient to start with the purely economic aspects of German industrialisation. A first, very general impression of dramatic economic transformation may be obtained from a glance at the output of coal between 1880 and 1913 which rose more than fourfold and has to be set against the British figures for the same period (Table 9). Even more staggering is the figure for steel production which by the year 1913 had far outpaced Britain, the first industrial nation, and had grown more than tenfold since 1880 (Table 9). The production indices of key industries confirm this picture and expand it to the extent that the growth figures include not merely the industries of the First Industrial Revolution (coal, iron), but also of the Second Industrial Revolution in which the chemical and electrical engineering industries came to play an ever more
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important role (Table 8). In the case of Germany, these two ‘revolutions’ occurred in such quick succession that they virtually merged into one. Scientists and entrepreneurs were certainly quick to recognise the potential of the new industries in which Germany began to lead the world before 1914.

Taken together, the various tables in the Appendix give a rough impression of the highly dynamic industrial economy that had emerged in the heart of Europe around the turn of the century. Many parts of the country were bustling with economic activity. Especially in the valleys of the Ruhr and lower Rhine rivers, in Saxony, Silesia, Berlin, along the Neckar river in the south-west and in the Saarland, more and more as well as increasingly larger factories kept on producing, and not merely for the domestic market. By 1913 Imperial Germany was one of the major trading and exporting nations of the world whose volume of exports and imports had grown fourfold between 1860 and 1913 (Table 10). It would be wrong to assume that economic growth was uninterrupted and that agriculture, in the long run the main victim of industrialisation, was the only sector to experience difficulties. In fact, there were a few years when the growth rate was as high as 7 or 8 per cent, but it fell to zero or below in the late 1870s, 1891, and 1901. Nevertheless, the overall trend was in a positive direction. The shift towards an industrial economy was irreversible. The machine age was there to stay.

However, industry needed people to operate the machines. As in Britain earlier in the nineteenth century, the great industrial centres of Germany became magnets for millions of men and women who moved there to toil in the factories and workshops. Hand-in-hand with a vast expansion of industrial production and technology the country experienced a demographic revolution. There are two aspects to this. First, Germany’s population grew by leaps and bounds from 41 million in 1871 to 49.7 million in 1891 and 65.3 million by 1911 (Table 1). Some three million of these, it is true, joined the stream of European emigrants to North America and other parts of the world between 1871 and 1911, but the figure declined markedly in the decade after the turn of the century. Within a generation, more than 20 million additional people inhabited the country, of whom more than 12 million were looking for employment in the economy.

A growing number of these were born in the cities where the rates of increase were frequently significantly higher than those in the countryside. They were the first group to seek jobs in the factories. Secondly, and no less importantly, Germany, like Britain before her, witnessed great population movements from the rural areas to the towns and cities (Table 2). The extent of the movement was so great that in 1907 only just over half of the then 60.4 million Germans still lived at their birth-place. Two-thirds of the 29 million migrants, it is true, had resettled in the vicinity of their childhood residence. Nevertheless, some 8.9 million people had moved to other parts of the country, with the largest
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number streaming from the eastern provinces into the Ruhr and Berlin regions. The census of 1907 counted 512,700 people of eastern German origin in Rhineland-Westphalia and 1,116,900 in the Berlin area. A mere three years later these figures had grown by a further 300,000 and 750,000 respectively. The population of some cities, like Düsseldorf, Duisburg, Essen, Frankfurt, Kiel and Leipzig increased by between 300 and 500 per cent (Table 3). Through births and migration, the population of Saxony rose from 2.5 million in 1871 to 4.8 million in 1900. The population of the Rhineland also doubled in the same period, whereas that of agricultural East Prussia typically showed a small overall growth of just over 200,000.

Another way of looking at the enormous levels of geographical mobility and the great trek into the urban centres is in occupational terms, by taking the percentages of those employed in agriculture on the one hand and those in industry on the other (Table 15). In 1871, 49 per cent of the population worked in agriculture. By 1907, this figure had declined to 35.2 per cent. In the same period the proportion of those employed in industry rose from 31 to 40 per cent. The remaining quarter worked in the service sector. An enquiry into the causes of this demographic shift reveals that people moved into the urban centres in the hope of participating, however marginally, in the wealth generated by industrial and commercial activity. Agriculture was incapable of matching the greater productivity and prosperity of industrial enterprise. Wages and work conditions outside agriculture, however low they may have been by present-day standards, were considerably better than in the countryside, apart from other attractions which will be described in a moment.

It is important to bear the relativity of these town-and-country comparisons in mind. The actual number of people employed in agriculture continued to rise up to 1913 (Table 16). There was still money to be made in agriculture (Tables 6 and 19), but it was less than in industry and commerce. Above all, what was required was a willingness and ability to adapt to the changing patterns of the market and to modernise production methods. Many farmers found this most difficult to do, though for different reasons. In the west and south of Germany the pattern of land tenure was predominantly that of small-holders producing a large variety of crops. Dairy farming and meat production were also concentrated here. This peasant economy in which 3.5 out of 5.5 million owned less than 5 acres had not been particularly viable for some time. Its survival into the late nineteenth century and in particular after the Great Depression of the 1870s and 1880s was in large part due to the fact that it could rely, at modest levels of profitability, on the labour force of the entire family, including those children who, as so-called \textit{Nahwanderer}, continued to live at home while commuting to work in local industry. Thus the agricultural structure remained generally intact without being able genuinely to increase its productivity.
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The surplus population which this kind of small-scale agriculture could not maintain flooded into the urban centres in search of a livelihood. In the eastern provinces, the structure of ownership was rather different by comparison with the west and south-west. Some 20 per cent of the units were very large and many of them were managed by the Junker, the traditional ruling elite of Prussia. Since the mid-nineteenth century their ranks had been infiltrated by bourgeois elements who, during the boom period of large-scale farming in the 1850s and 1860s, saw grain-growing as a profitable investment. In other words, it would be wrong to see East Elbian agriculture as being completely untouched by the developing market economy and modern production methods. On the other hand, Prussian agriculture never embraced capitalism with unbridled enthusiasm, and older traditions of economic conduct lingered on. These conditions made the Junker vulnerable to the vagaries of the market which they supplied with a single crop: grain. Trouble started in the 1870s when, with the development of the American Midwest and of the Ukraine for cereal crops, the world market was hit by what can only be described as a crisis of overproduction. This crisis, which came on top of the structural problems of agriculture as a result of industrialisation, began seriously to threaten the economic position of the estate owners.

The decline of the Junker’s own economic fortunes inevitably also adversely affected the livelihood of those men, women and children who had worked and had been forced to work for them: tied peasants, agricultural labourers and migrant workers from the Polish parts of Russia. A number of the peasants had succeeded in freeing themselves from their service obligations to the local landlord and had set themselves up as independent small-holders, eking out a meagre existence. The others, with their already low wages being held down by the erosion of their employers’ and masters’ income, simply packed their few belongings and absconded to the great industrial centres of Berlin, Saxony and the Ruhr, if they did not emigrate overseas. Thus, while industry succeeded in achieving growth, albeit an uneven one, the rot had set in for German agriculture, with far-reaching non-economic repercussions.

Up to now, the focus of our analysis has been exclusively on the major economic aspects of industrialisation and demographic change. We must now consider the sociological and social implications of Germany’s rapid transition from an agricultural to an industrial economy. It is clear from what has been said so far that this transition resulted in a society in which millions of lower-class people were on the move. Most of them sought economic advancement as a means of achieving upward social mobility, and industry appeared to be offering this opportunity more easily than agriculture with its more inflexible stratification. Especially in rural Prussia, many of the patriarchal structures of the pre-industrial period had survived, supported by legal
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rights which put the landlord in a very powerful position. On the great estates, people simply stayed in ‘their place’, even if there was a growing number of younger men and women in particular who refused to ‘know their place’. They moved away, and their response shows that the expectation of economic advancement cannot be separated from their desire to escape from the rigidly stratified society of the eastern provinces. Although most migrants entered industry as unskilled or semi-skilled labourers, for the ambitious among them it was easier to enhance the status of some of their children, if not their own.

There were, as we shall see in a moment, definite limits to an upward mobility. Imperial Germany was, and remained to the end, a society which might be crudely divided into a traditional upper class, an increasingly differentiated middle class and an agricultural and industrial working class. Few succeeded in surmounting these major barriers although it was possible to move up (and down) within the confines of one of these strata. In particular the expanding industrial economy with its increasingly complex organisation and pressures for rationalised production in larger units using the latest technologies provided room for upward movement of the skilled and the specialist. In the industries of the Second Industrial Revolution the systematic use of the applied sciences created the need for new skills and hence new opportunities. Commerce, banking and insurance also expanded rapidly (Table 16).

It would therefore be quite wrong to portray Wilhelmine society as stagnant and petrified. There was rapid change and great diversity which does not make it easy to generalise about the state of that society. What complicated the situation even further were regional variations, resulting from the federal structure of the country, the persistence of pockets of traditionalism and denominational divisions, mainly between Protestants and Catholics. Thus, at one end of the spectrum people continued to live very much in the same conditions and with the same perceptions of the world as their parents and grandparents. Provinces like Pomerania or parts of Bavaria remained extremely rural and isolated. Villagers rarely looked beyond the parish pump. The local priest or the landlord were the dominant figures, socially, economically and politically. The age of deference was far from over, occasional rebellions at the ballot-box or riots by village youths (Häferfeldstreiks) notwithstanding. Traditional life-styes, old hierarchies and patronage networks also survived into the twentieth century in many provincial towns. On the other hand, we have seen that even the more remote areas experienced change, if only in the sense that large numbers of people were opting out of this small universe and moving to the urban centres. Life in the cities, on the other hand, proceeded at a very much faster and unsteady pace. Because of the demographic upheavals, they found themselves constantly in a state of economic uncertainty and social commotion. To be sure, class lines were clearly discernible in the cities as well, and some were more equal than others.
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For the shrewd and dynamic merchant or entrepreneur there was a great deal of money to be made. Despite repeated fluctuations, there was a general upward trend in income from investments. In the commercial centres like Frankfurt, Hamburg or Cologne, wealth had been accumulated over a longer period and was, perhaps, also less conspicuous. But new wealth was being generated very fast in places like Berlin, the capital of the German Empire and a major industrial and commercial centre. It was also acquired in the Rhineland in heavy industry, in Saxony and Silesia, or in Mannheim and Stuttgart with their growing engineering industries. Munich and Leipzig are other examples of cities which saw a good deal of affluence. In 1886, the Prussian Inland Revenue counted 9,265 taxpayers with an income of 30,500–100,000 marks and 1,699 with an income of over 100,000 marks per annum. By 1912 these figures had risen to 20,999 and 4,456, an increase of 126 per cent and 162 per cent respectively. And the nouveaux riches of the Industrial Revolution enjoyed showing off this wealth. In the late 1870s, the Krupps built their famous Villa Hügel like an English stately home on the southern fringes of Essen, overlooking the Ruhr valley and surrounded by quasi-royal splendour. Gerson Bleichröder, Bismarck’s banker, was also doing quite well, as Benjamin Disraeli, not exactly a visitor from an underdeveloped country, had occasion to witness:

The banqueting hall, very vast and very lofty, and indeed the whole mansion, is built of every species of rare marble, and where it is not marble it is gold. There was a gallery for the musicians who played Wagner, and Wagner only, which I was very glad of, as I have rarely had an opportunity of hearing that master. After dinner, we were promenaded through the splendid saloons – and picture galleries, and a ballroom fit for a fairy-tale, and sitting alone on a sofa was a very mean-looking little woman, covered with pearls and diamonds, who was Madame Bleichröder and whom he had married very early in life when he was penniless. She was unlike her husband, and by no means equal to her wondrous fortune.

Indeed Bleichröder’s was a very different story from that of the Prussian Junker who saw their economic position disintegrate while trying to maintain the life-style to which they were accustomed. As one of them, Elard von Oldenburg-Januschau exclaimed in 1904: ‘Being poor is no misfortune, but lapsing into poverty is one!’ Meanwhile, in 1895, Udo Count Stolberg-Wernigerode, scion of an old Prussian landowning family, was forced to sell his town-house in Berlin because he was unable to afford the rates. This social humiliation provides a telling contrast with Bleichröder’s affluence and illustrates what the Industrial Revolution was doing to the agrarian upper class on the one hand and the well-to-do bourgeoisie on the other.

Lower down the social scale there were the white-collar workers in private industry and commerce and at different levels of the Civil Service. The promotion prospects and opportunities for status advancement of the former
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increased greatly in those expanding industries which relied on technical-scientific and managerial skills and qualifications. The so-called New Mittelstand emerged, taking pride in its expertise and developing its own social aspirations.

Yet it was not all optimism and prosperity in the non-agricultural sector of the German economy. In particular the artisans and members of the so-called Old Mittelstand found it difficult to keep up with the dynamics of a modern capitalist-industrial system, except for those who established themselves as specialist suppliers to industry. Many families of the well-to-do Wilhelmine bourgeoisie had once themselves started their businesses in a small workshop, but they had succeeded in expanding their activities. Mergers and takeovers increased. By the late nineteenth century there was a strong trend towards larger units and factories, aided partly by the German system of banking and external industrial finance, but also by the rise of the joint stock company (Table 17). The less successful and enterprising among the self-employed who continued to operate from a damp backroom soon found themselves squeezed between the wage demands of their two or three employees and the competition by the larger manufacturers and traders who had more capital to play with and were less vulnerable to temporary recessions.

Initially, the expansion of the market had also afforded many of the smaller businesses improved opportunities. But the concentration of economic power soon affected not merely the manufacturing side, but also retailing. In the small towns away from the industrial centres, artisans and traders lost much of their former business because of the above-mentioned population movement. However, decline also came because they were less adaptable to a changing market situation. We shall have to analyse in a moment how these various Mittelstand groups, the prospering as well as the hard-pressed ones, reacted to their socioeconomic predicament. Yet this reaction cannot be understood without a prior look at the position of the industrial working class.

The working class had not only experienced a rapid growth in numbers (Tables 14 and 16), but also a precarious improvement in their living standards. Contrary to the gloomy predictions of many social revolutionaries in the nineteenth century, wages had experienced a long-term rise (Table 23). The index of annual real incomes for employees in industry and commerce which was at 100 points in 1895 had moved up to 114 by 1905 and to 125 by 1913. However, the material benefits of industrial growth were very unevenly distributed. According to Prussian income statistics, the number of taxpayers who earned between 900 marks and 3,000 marks per annum rose by 167 per cent between 1896 and 1912, from 2.5 million to 6.8 million. On the other hand, there were still some 8.2 million employees with annual earnings under 900 marks, only 5 per cent less than in 1896. In all, more than half of the 15.7 million taxpayers in Prussia, the largest State of the Reich, were in the
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lowest income category. Fluctuations of the economy tended to affect many workers very immediately, and it appears that living conditions experienced a deterioration shortly before the First World War. This implies that working-class families, most of whom fell into this low-income category, still found it extremely difficult to make ends meet, and relative improvements were often achieved only because several family members went out to work. Furthermore, the poverty trap into which these families were liable to fall in case of illness or redundancy was still wide open (Table 18). These were still the days when the State provided no more than the most rudimentary social security ‘net’. Some 30 per cent of all family households in this prosperous Second Empire lived in destitution and abject misery. Yet even those whose income was sufficient and who kept it above the rate of inflation did not enjoy a particularly comfortable life. Over half of the weekly wage packet was spent on food, with bread being the main item in the diet. What more than anything else made their daily existence so arduous were not only the ten to twelve working hours (Table 31), often in very unhealthy conditions, for six days of the week, but also their housing conditions.

After their long workday, industrial workers needed their leisure time primarily for sheer physical regeneration. But the accommodation they returned to in the evenings, often after a long walk from their workplace, was rarely conducive to this need. The urban explosion had, not surprisingly, led to a desperate housing shortage. The building industry could not keep up with the influx of people and market demand dictated the price. Since the overwhelming majority of people (in 1895 = 93.35% in Berlin) did not own their accommodation, most families had to put aside as much as one quarter of their income for rent. Most of them had to be satisfied with one-room or two-room flats. Later, three-room units became more common, but as late as 1905, 12.1 per cent of the families took in overnight lodgers (Schlafgänger) to help pay the rent, and in some cities the figure was even higher. Heating facilities tended to be restricted to one room although winters could be bitterly cold and the problem of overcrowding became even worse during these months when outdoor life was impossible. Rent increases and other economic pressures forced families to move frequently.

It is worthwhile pausing for a moment to try to visualise the effects of these conditions on marital relations, the education of children and health, but also on group consciousness. Maybe these housing conditions still compared favourably with those of the rural labourers and maids who lived in tiny cubby-holes above the stables. But even where differences between town and country were more marginal, the fact remains that migrants came to the industrial centres in search of a better life and, once they had found their feet in Berlin, Leipzig, Essen or Stuttgart, they were hoping for their life chances to improve. It was here that the most serious social problem began.
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Stratification and social mobility

Sooner or later the workers and their families discovered that opportunities of economic betterment and upward mobility were strictly limited, and limited by sociocultural as well as political barriers. It is more difficult to be precise about the former than about the latter, largely because the mechanisms of social and cultural stratification in Wilhelmine Germany were fairly subtle. Furthermore, they were not merely rooted in tangible differentiations of wealth, income and power which have been mentioned above, but also in perceptions of class and status of one group by another. This is an area of social history which historians of Germany have only just begun to explore. Nevertheless, there is little doubt that there existed marked differences in the way in which people organised their life outside their workplace. Here traditions, customs and social consciousness weighed heavily. From childhood on, people had been socialised into a milieu in thousands of small ways and these experiences had an important influence on their perceptions of the world around them. Depending upon their position within the social structure, men, women and children would eat, speak and dress in a certain way. They had their own peculiar habits of furnishing their rooms and of spending their leisure time. Cultural and social differences of this kind provided as much a frame of reference by which people ‘recognised’ others inside or outside their own group as did their job and income.

Although it is not unproblematical for the historian to draw upon the visual arts and literature as primary sources, the paintings of Heinrich Zille or, in a different way, of Käthe Kollwitz and the writings of Carl Zuckmayer or the Mann brothers do provide useful, if stylised, insights into the cultural environment of divergent social groups. However, there were two currents which tended to cut across the stratification of Wilhelmine society in terms of a specific class culture. These cross-currents complicated the overall picture because they did not act to reinforce existing divisions along class and intra-class status lines, and they were: regionalism and denomination.

The importance of regionalism and local consciousness cannot be emphasised too strongly, the more so as it was institutionally supported by the federal structure of the Constitution of 1871. The German Empire was composed of twenty-two principalities and three Hanseatic cities. At the one end of the scale were States like Schaumburg-Lippe with 39,000 inhabitants living in a territory of 340 sq. kilometres, and tiny entities like Reuß â. L. or Schwarzburg-Sondershausen; at the other end was the Kingdom of Prussia which in 1890 had 30 million citizens and occupied 349,000 sq. kilometres, 64 per cent of the total Reich territory. Within Prussia resided Pomeranians, Hanoverians, Hessians and Westphalians. Some of these people lived in very remote areas, just as it must be remembered that, rapid industrialisation and demographic change