

# UNIT ONE

## Development of Capitalism and Nationalism from 1815 to 1914

### Development of Capitalism

**What is Capitalism?** Capitalism is an economic system where private individuals or corporations own and operate businesses, aiming for profit. It emerged in Northwestern Europe during the 16th and 17th centuries, succeeding feudalism.

#### Key Features of Capitalism:

1. **Private Ownership:** Individuals or corporations own the means of production.
2. **Class Structure:** Society is divided into capitalists (owners) and workers (labor providers).
3. **Profit Motive:** Businesses operate to generate profit.
4. **Laissez-faire:** Minimal government intervention in the economy.

#### Notable Figures:

- **Adam Smith:** Advocated for free markets in his book *The Wealth of Nations*.
- **Karl Marx:** Criticized capitalism, predicting its eventual overthrow due to inherent class struggles.

### The Industrial Revolution

**What Was the Industrial Revolution?** The Industrial Revolution was a period of rapid industrial growth, starting in Britain between 1750 and 1850, transforming production methods and society.

#### Key Developments:

1. **Factory System:** Large-scale production in factories replaced small workshops.
2. **Steam Power:** Revolutionized machinery and transport, with innovations like James Watt's steam engine.
3. **Railways:** Steam-powered trains revolutionized transportation.

## Consequences:

1. **Economic Change:** Shift from scarcity to overproduction issues.
2. **Class System:** Rise of the industrial capitalist and proletariat classes.
3. **Imperialism:** Increased global influence of industrialized nations.

## Nationalism

**What is Nationalism?** Nationalism is the belief in the importance of a shared national identity, often leading to the desire for an independent nation-state.

### Impact of Nationalism:

1. **Unification:** Played a key role in the unification of Italy and Germany.
2. **Conflict:** Contributed to tensions leading up to World War I.

### Factors Promoting Nationalism:

1. **Education and Military Service:** Used to foster patriotism.
2. **Literature and Media:** Often contained nationalist themes.
3. **Pseudo-science:** Such as Social Darwinism, which promoted ideas of national superiority.

## Unification of Italy

**What Was Italian Unification?** Italian unification was the process of consolidating separate Italian states into one nation, completed by 1871.

### Key Figures:

1. **Camillo Cavour:** Prime Minister of Piedmont, instrumental in the unification process.
2. **Giuseppe Garibaldi:** Led the successful campaign in southern Italy.

### Major Steps:

1. **1859:** Piedmont, allied with France, defeated Austria and gained Lombardy.
2. **1860:** Garibaldi's campaign in Sicily and Naples.
3. **1861:** Proclamation of the Kingdom of Italy under Victor Emmanuel II.
4. **1866 and 1870:** Final unification steps, including the acquisition of Venetia and Rome.

## Summary

In this unit, we cover the rise of capitalism, the transformative impact of the Industrial Revolution, the role of nationalism in shaping modern Europe, and the processes of Italian unification. Understanding these concepts will provide a solid foundation for exploring the broader implications of these historical changes on the world.

### ***Unification of Germany (1861-1871)***

In the 1850s, Germany was divided into 39 states under the German Confederation, led by Austria. German nationalists, inspired by Italy's unification, sought a unified German state. Obstacles included Austria's desire to maintain its influence, German princes' resistance to losing their independence, and cultural differences between North and South Germany.

#### **Key Figures and Events:**

- **King William I (1861-1888):** Became King of Prussia in 1861 and, along with his war minister, Von Roon, aimed to reform and enlarge the Prussian army to strengthen Prussia's position.
- **Otto von Bismarck:** Appointed Chief Minister of Prussia, he was a pragmatic and conservative leader who successfully reformed the army despite parliamentary opposition.
- **Military Campaigns:**
  - **Danish War (1864):** Prussia allied with Austria to defeat Denmark, acquiring Schleswig-Holstein.
  - **Austro-Prussian War (1866):** Bismarck, with Italy's support, defeated Austria and formed the North German Confederation, excluding Austria.
  - **Franco-Prussian War (1870-71):** Prussia defeated France, leading to the proclamation of the German Empire in 1871, with King Wilhelm I as Emperor.

Bismarck's strategic wars and diplomatic maneuvers unified Germany under Prussian leadership.

### ***The American Civil War (1861-1865)***

The American Civil War was fought between the northern Union states and the southern Confederate States of America, which seceded primarily over the issue of slavery.

#### **Key Issues:**

- **Slavery:** The central issue leading to secession and war.

- **Economic Differences:** The North favored protective tariffs and industrial growth, while the South wanted low tariffs and emphasized states' rights.
- **Secession:** Triggered by Abraham Lincoln's election in 1860, seen by the South as a threat to slavery.

### Major Events:

- **Secession:** Seven southern states seceded before Lincoln took office, forming the Confederacy.
- **Lincoln's Leadership:** He aimed to preserve the Union and issued the Emancipation Proclamation in 1862, which declared slaves in Confederate territories free and boosted Northern morale.
- **Union Victory:** The North's greater resources, industry, and population contributed to its victory. The war ended in 1865 with the South's surrender, leading to the abolition of slavery and major constitutional amendments (13th, 14th, and 15th Amendments).

### The Eastern Question

The "Eastern Question" referred to the decline of the Ottoman Empire and its impact on European politics.

### Key Points:

- **Decline of the Ottoman Empire:** By the late 19th century, the empire faced economic troubles and nationalist uprisings, especially in the Balkans.
- **Great Power Interests:**
  - **Russia:** Supported Balkan rebels and sought to expand influence.
  - **Austria-Hungary and Britain:** Preferred to preserve the Ottoman Empire to counter Russian expansion.
- **Wars and Treaties:**
  - **Russo-Turkish War (1877-1878):** Russia defeated the Ottomans, leading to the Treaty of San Stefano, which favored Russian interests.
  - **Treaty of Berlin (1878):** Revised the San Stefano treaty to reduce Russian gains and awarded Bosnia and Herzegovina to Austria-Hungary.

### Balkan Wars (1912-1913):

- **First Balkan War:** The Balkan League (Serbia, Montenegro, Bulgaria, Greece) defeated the Ottoman Empire, leading to the loss of most Ottoman European territories.
- **Second Balkan War:** Conflicts over the division of Macedonia resulted in further territorial changes and heightened tensions, contributing to the outbreak of World War I.

## **Conclusion:**

The unification of Germany, the American Civil War, and the Eastern Question were significant events in the 19th and early 20th centuries. They shaped national boundaries, influenced international relations, and had lasting impacts on global politics.