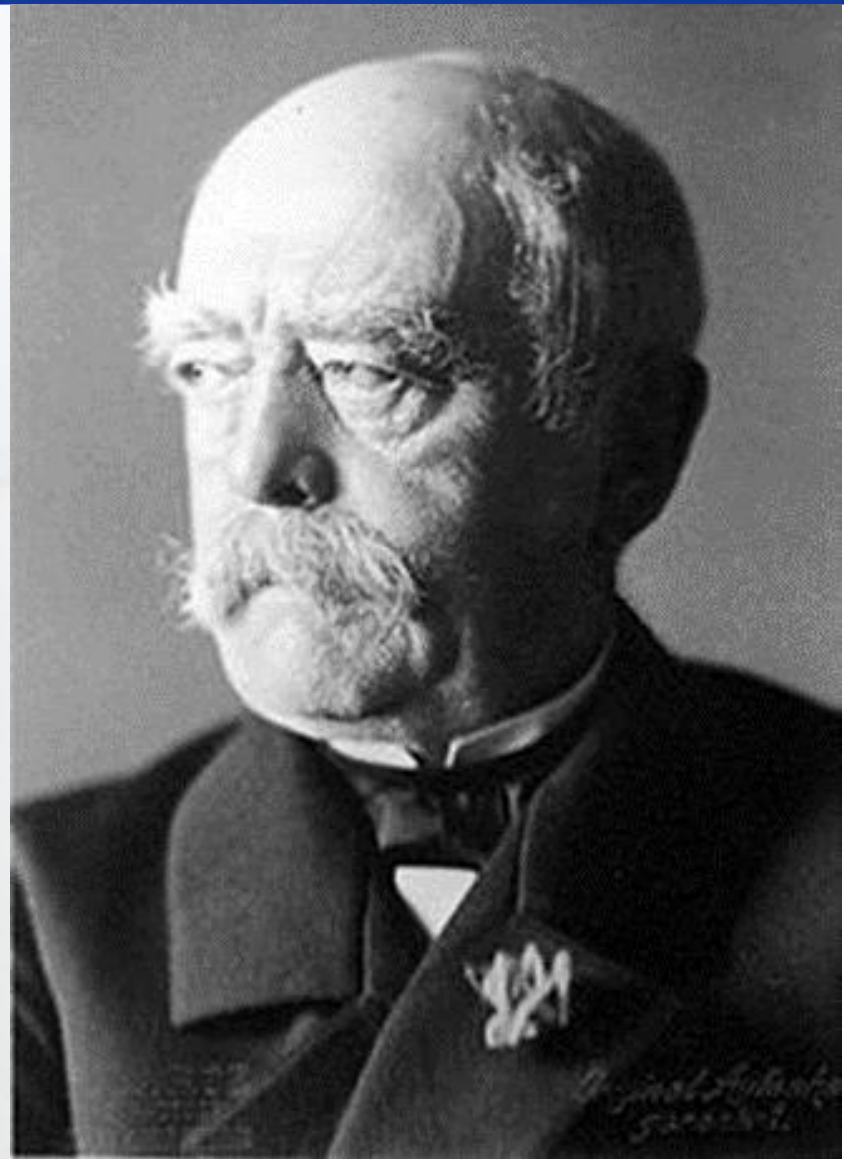


Western History and Historical Figures

Otto von Bismarck 1815 ~ 1898

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A Junker

- On April 1st, 1815, Bismarck was born in a rich “Junker” family in Schönhausen (west to today’s Berlin), Prussia. His father was a Junker who owned many lands. Many of his mother’s family held many important positions in the Prussian Government.
- He studied laws at the University of Göttingen in 1832, but went to the University of Berlin next year because of his misbehaviors. After graduation, he would not like to serve for Army like the other Junkers did, he passed the test to be a judicial officer (as today’s prosecutor or clerk). Few years later, he quit and went back home.
- His mother died in 1839. Due to he’s unemployment and badly in debt, he split his family’s property with his elder brother and began to manage his family farm. He seriously studied all relevant agricultural knowledge and read history, literature and sociology.

Career

- However, he's soon tired the country lives. When he's 30, he's back to the city of Schönhausen and began to be a dike supervisor. He worked hard and won a good reputation from the public, so that he was elected as an alternate congressman in 1847, at his age of 32, when the Prussian King, Wilhelm IV re-organized the Parliament for the new Constitution. Later, when one Congressman was sick, he stepped to be a Congressman representing the State of Berlin.
- He believed in "Divine Rights of Kings". Being a Conservative, the minority (70/500) in the Parliament, he fought against Liberalists, who stood for German unification. When Prussia broke out its revolution in 1848, he called his farmers and went to Berlin for rescuing his King.

Opposing Unification

- Wilhelm IV, forced by the revolution, assigned liberalists to form the Cabinet, issued the new Constitution and called for a new Parliament. In 1849, Bismarck was once again to be elected as a member of this new Parliament.
- On the 1st day of the new parliament, King Wilhelm's edict was read at the Assembly, which praised the vision of German unification and claimed that Prussia, as a part of Germany, should fulfill its obligations and work hard for German unification.
- Bismarck immediately spoke against it, advocating Prussian supremacy, and was indignant at Wilhelm IV's cowardice and concessions to the liberals. In short, he opposed any forms of unification of Germany, to keep the independence of Prussia.

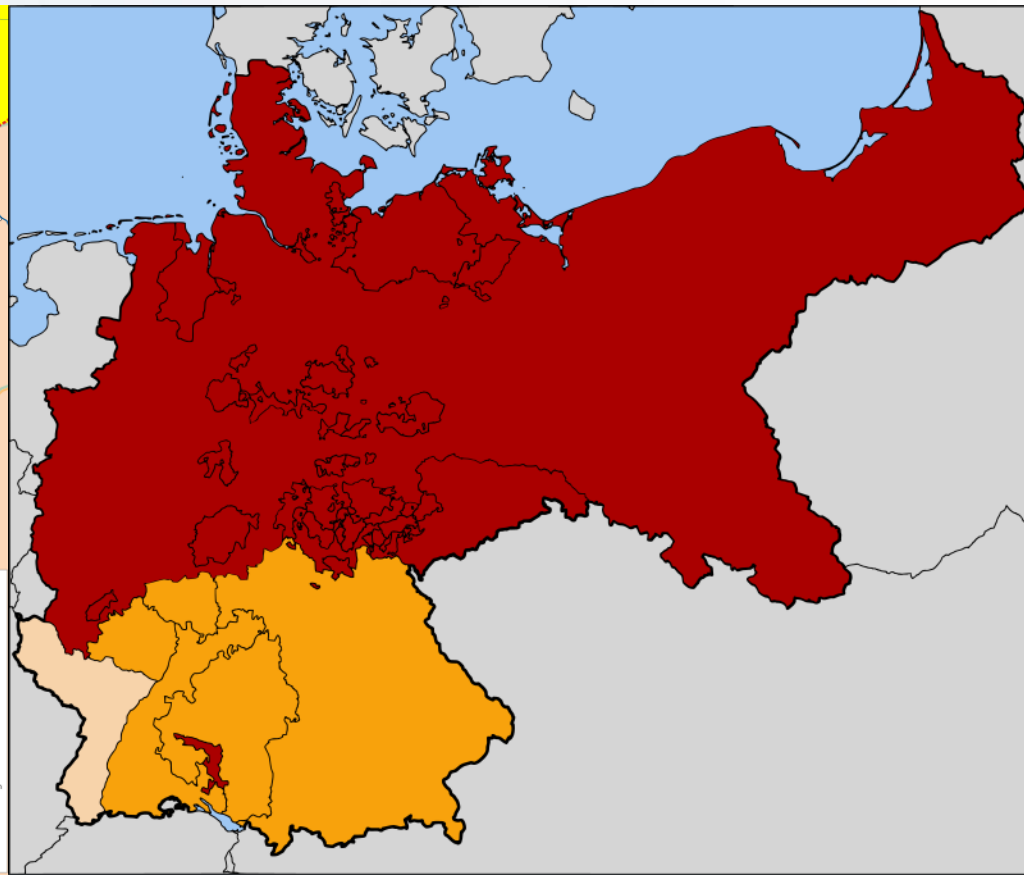
After the Congress of Vienna



Confederation of the Rhine



■ Union
 ■ Vierkönigs-
bündnis
■ sonstige



German Unification



“Greater Germany” Plan

- Including: all the Germanic States, even including Germanic area in Austria.
- Meaning: Holy Roman Empire as the blueprint, led by Austria.

“Lesser Germany” Plan

- Without Austria, only Prussia and its neighboring States, who would unite with Prussia.
- Meaning: unification led by Prussia.

In 1849, representatives of some Germanic States had offered the crown of the "German Emperor" to Wilhelm IV, but rejected by this Prussian King.

Prussia's Supremacy

- In 1850, Prussia and Austria signed the Punctation of Olmütz, in which Prussia gave up the leadership role of German unification in written and promised to be back to German Confederation that Metternich created. Prussians, especially liberalists, were angry and thought it's a national shame. They're asking to tear up this treaty and ready to fight against Austria.
- Bismarck, on the contrary, defended the liberalist Cabinet and thought the war against Austria for this reason was not necessary, because Prussia's Army was King's, not the Parliament's; Prussia's reputation was Prussia's, not so-called Democratic Coalition's.
- His long-term conservative stance of respecting the monarch and Prussia's supremacy finally had caught Wilhelm IV's attention.

Ambassador

- When Prussia was back to German Confederation in 1851, King Wilhelm IV appointed him to be the Ambassador to the Confederation, to defend Prussia's national interests in Frankfurt.
- During his 8 years in Frankfurt, he repeatedly challenged the arrogance of the Austrian ambassador and opposed Austria in every aspect. He also changed his viewpoint on German unification that Austria was the only barrier of unification. If Germany looked for unification, foreign nations' attitudes and influences were the key.
- In 1858, Wilhelm IV suffered a stroke and became insane, unable to rule Prussia. Wilhelm IV's brother, Wilhelm I took over as the regent and appointed Bismarck as ambassador to Russia. Wilhelm I heired the throne in 1861 when Wilhelm IV died. In the Spring of 1862, Bismarck was assigned to be the ambassador to France.

Iron and Blood

- In 1862, the liberalists won a great victory in the parliamentary election and were very arrogant. This caused a bad relationship between the King and the parliament. Wilhelm I even issued an abdication edict and asked his son to take over the throne, whom refused to take over the mess. Wilhelm I had finally thought of Bismarck.
- In September, the Parliament denied the king's army expansion budget. Wilhelm I called Bismarck back and appointed him to be the Minister President on the date of 23rd.
- On 30th (a week later), Bismarck addressed his famous speech, "Iron and Blood" at the Parliament.

Iron and Blood

“The position of Prussia in Germany will not be determined by its liberalism but by its power..... Prussia must concentrate its strength and hold it for the favorable moment, which has already come and gone several times. Prussia’s frontiers according to the Vienna Treaties are not favorable to a healthy state life. The great questions of the time will not be resolved by speeches and majority decisions – that was the great mistake of 1848 and 1849 – but by iron and blood.”

- Bismarck hence had confirmed that, if Germany looked for unification, it must be based on Prussia’s strong Army and exclusion of Austria. In the meanwhile, foreign influences shall be proper introduced or staying neutral without interfering.

Iron and Blood



- After defeating Denmark in 1864, resolving the territorial issue of separation in the North caused by the Congress of Vienna, Prussia then defeated Austria in 1866 and France in 1871, uniting most of the German Confederation States to establish the German (2nd) Empire, with the King of Prussia as hereditary German Emperor. The Prime Minister of Prussia was also the Prime Minister of the Empire.
- Starting in 1873, both Europe and the United States faced the Great Depression. This was the 1st challenge of economic recession since Germany began industrialization in 1850. Begun by 1879, Bismarck immediately protected German industrial and agricultural products with tariff barriers.

Iron and Blood: Industrialization

- The 1st German railroad was built by Ludwig I of Bavaria in 1835 (his grandson, Ludwig II built the famous Neuschwanstein).
- Before German industrialization in 1850, the pan-German area had about 2,000-mile-long railroads. In 1855, the total length had been more than 8,000 miles.
- After German unification in 1871, he set up state-owned companies, to build and operate railroads. It's not only for military and industrial purposes, but also for rapid transportations of passengers and agricultural product. The rail network connected major seaports like Hamburg and Bremen, favored for Germany's exports.



Iron and Blood: Industrialization

- Until 1880, Germany had 9,400 locomotives annually and pulling 43,000 passengers or 30,000 tons of freight, those numbers were all leaders in Europe.
- Due to the operators were mostly state-owned, Bismarck charged low rates for manufacturers and passengers. Although the railway network had only brought poorer incomes for the Government, it had effectively reduced the transportation costs for manufacturers. The Government could get taxes from the other aspects.
- After industrial revolution and industrialization in the 18th Century started in England, labors were massively hired by factories and brought management issues.

Iron and Blood: Social Welfare

- A serious fever in cotton mills near Manchester in 1784 had been proven to damage child labor's health and cause the public's attention. In 1802, the world's first labor law, the Health and Morals of Apprentices Act, had been passed in the UK, which protected children from awful working conditions, excessive working hours (also, working at night), and lack of previous education. After children's protections, women's were next.
- Even after Germany was united, liberalists and socialists were still Bismarck's political foes. He needed to enhance social welfare to increase the public loyalty to the monarch. Therefore, he had to be more socialist than socialists, so that he could get closer to labors, to effectively fight against liberalists and socialists.

Iron and Blood: Social Welfare

- Therefore, he questioned all the previous socialism plans, which would reduce the productivity and economy. The social welfare plans he proposed were to make both labors and capitals accept, so that productivity and economy could increase. Especially, his proposals worked through state-owned companies, by which, labor's welfare could be more secured and guaranteed.
- In 1883, the sick insurance law had passed. The employers contributed one third, and the workers contributed two-thirds. The minimum payments for medical treatment and sick pay for up to 13 weeks were fixed.
- Local health bureaus were hence composed, to supervise the execution of this social welfare law.

Iron and Blood: Social Welfare

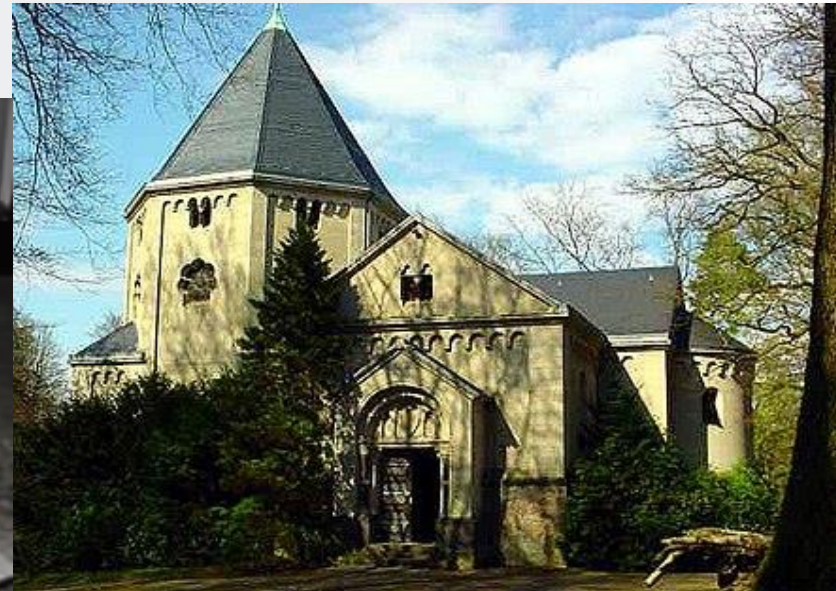
- The Accident Insurance Law followed in 1884, which covered the medical and treatment fees after the 14th week and two-thirds of wage, and forced employers to pay full insurance. Two years later, farmers and employees of other industries had all been included.
- Bismarck used to propose that Government paid a portion, to show that Government cared labors and reduced socialist's influence, but socialists opposed and called it Government's interventions.
- The most controversial “Old Age and Disability Insurance Law” passed in 1889, that all workers who were permanent disable and aged over 70 could receive a pension every year. The Fund of this insurance was previously allocated by labors and capital equally, and the Government sponsored a portion.

Iron and Blood: Social Welfare

- All these social welfare policies were the first in the world and became the prototype of modern social welfare policies.
- With federal and local health bureaucracies, Germany held the lowest death rate and the best labors in the world.
- A fine insurance system made Germans work hard. In addition to industrialization, Germany's economic development had good foundations of both software and hardware, way ahead of the other European countries.
- Compared with French socialism and radical Marxism, Bismarck's social welfare measures can be called "State Socialism", which started by monarch and state-owned capitals, and aimed to consolidate monarch's authority, increase economic development, and seek for the balance between development and labor rights.

The Fall

- In 1888, Wilhelm I died at the age of 90. His son heired the throne for only 99 days. Wilhelm I's grandson, Wilhelm II heired on June 15, who had many disagrees with Bismarck. Two years later, Bismarck retired and moved to his villa in Friedrichsruh (east to Hamburg).
- In 1898, Bismarck died in his villa and rested in Bismarck Mausoleum in Friedrichsruh. On his tombstone, it says "Faithful servant of Emperor Wilhelm I".



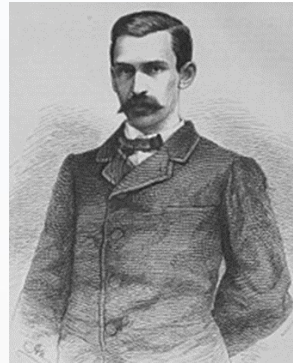
Geopolitik



- Friedrich Ratzel (1844 ~ 1904, a German geographer), based on social Darwinism, developed geography and political geography.
- He created “Anthropogeographie” in his writing in 1882, which was a complex of anthropology, politics and geography. It means, a state is an organic unit, like a person, who can be born, grow, live in a certain space, interact with the others, and even die.
- In 1901, Ratzel wrote “Lebensraum” (space for living), which had provided a theoretic foundation for German Geopolitik scholars. It means, since a state is an organic unit, it needs foods and nutrition, otherwise, it will wither or die. So, if it’s necessary for its needs to grow, the state has to gain for what it needs by using force.

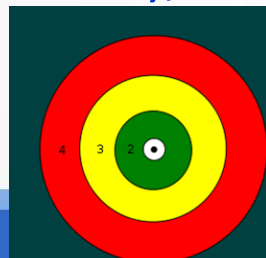
Geopolitik

- The later German “Geopolitik” scholars used his theory to advocate unlimited expansions (without the concept of “border”), so the other Imperialists. Adolf Hitler was the last one who used such unlimited expansion theory and put it into actions.
- In fact, “Lebensraum” was first used by Heinrich von Treitschke (1834~1896, a German historian), who was in favor of German colonialism.
- Rudolph Kjellén (1864 ~ 1922), a student of Ratzel, published “State as a Form of Life” in 1916, which described a state is like a human’s body. Its capital is like its heart. Rivers, railroads and roads are blood vessels. Getting foods and materials are necessary for the nation’s growth. He thought that Geopolitik shall be a foundation of a state’s development.



Economic Geography

- Ratzel was also inspired by Mahan's sea power theory. Although when "Lebensraum" first was mentioned mainly referred to land power, he agreed that sea power was a tool of self-sustaining and supported to develop German naval power.
- Besides political geography, there is economic geography, which includes the location of industries, urban economies, transportation, international trade, development theory, real estate, gentrification, ethnic and gendered economies, dependency theory, the relationship between the environment and economy, and globalization (interdependency theory).
- Johann Heinrich von Thünen (1783 ~ 1850, a German economist), based on Adam Smith's "Economic Man", published "The Isolated State" in 1826. Thünen rings were introduced.

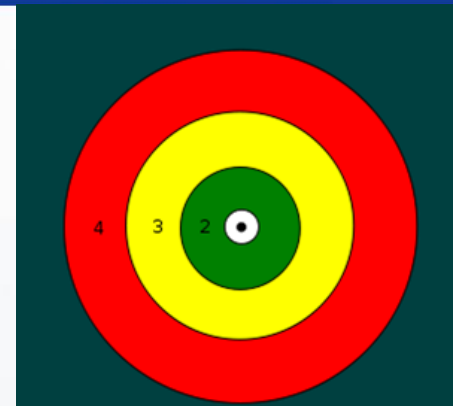


Economic Geography

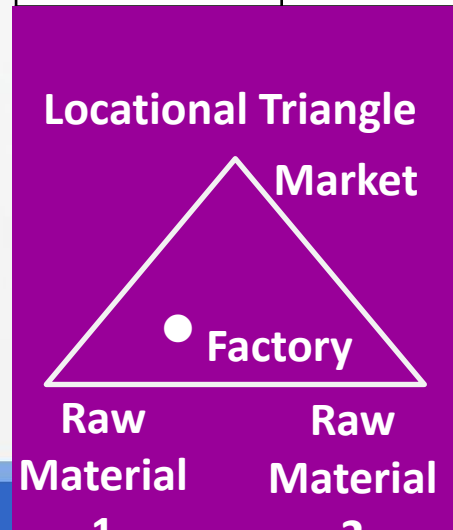
➤ Hypothesis of “Isolated State”

1. Downtown and Market located in the center;
2. Surrounded by wilderness;
3. It's a plain, no hill nor river;
4. Soil and climate conditions are the same;
5. Bullock carts connect farmland and market;
6. Farmers are rational and maximizing the interests.

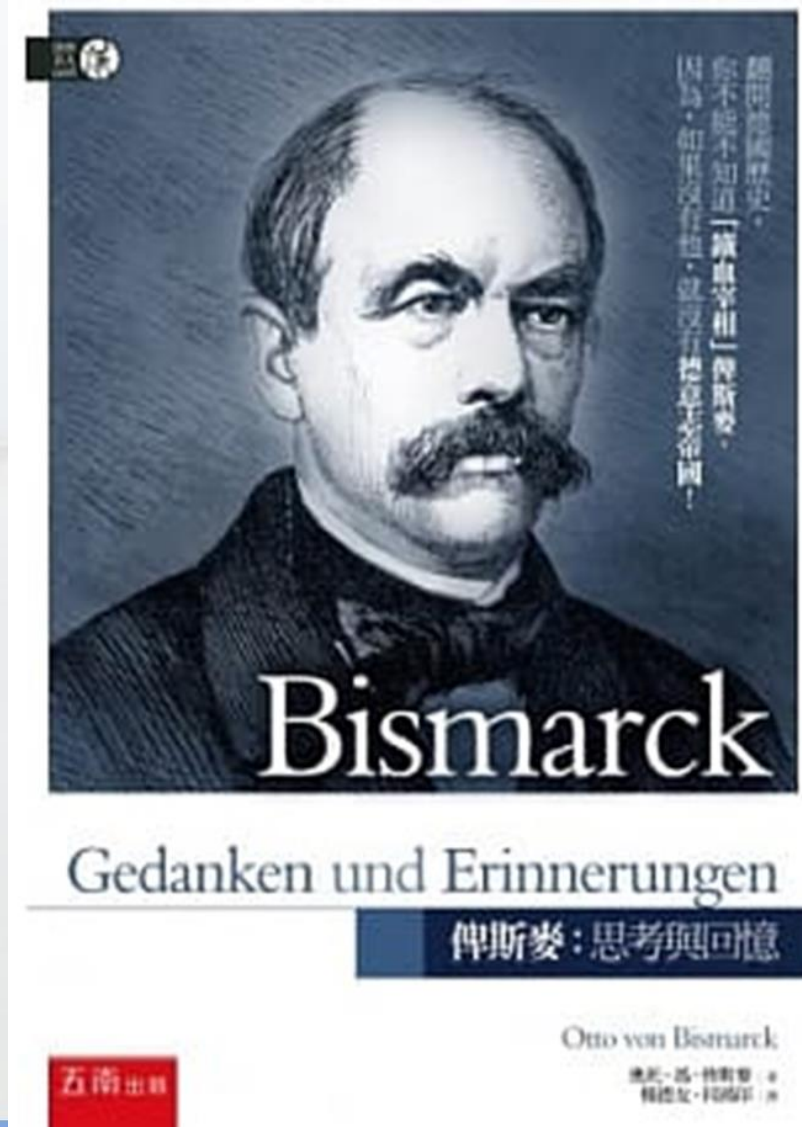
➤ Alfred Weber (1868 ~ 1958, a German economist & a brother of Max Weber) using historical analysis, published “Theory of the Location of Industries” in 1909. It provides the “locational triangle model” of industrial location, based on minimum transport and labor cost (“Least Cost Theory”).



Downtown Market	Farms
Ranches	Forest



Recommended Readings



Recommended Readings

