GERMANY AND THE ORIGINS OF THE FIRST WORLD WAR: NEW PERSPECTIVES


I

On 21 June 1914, following a banquet in Hamburg, the German Emperor Wilhelm II gave a notorious analysis of Germany’s ‘general situation’ to the banker Max Warburg:

He was worried about the Russian armaments [programme and] about the planned railway construction; and detected [in these] the preparations for a war against us in 1916. He complained
about the inadequacy of the railway-links that we had at the Western Front against France; and hinted [...] at whether it would not be better to strike now, rather than wait.

Warburg ‘advised decidedly against’ this:

[1] sketched the domestic political situation in England for him (Home Rule), the difficulties for France of maintaining the three-year service period, the financial crisis in which France already found itself, and the probable unreliability of the Russian army. I strongly advised [him] to wait patiently, keeping our heads down for a few more years. ‘We are growing stronger every year; our enemies are getting weaker internally.’

Even if they have not exactly replicated the banker’s assessment of the weakness of the three Entente powers, historians have often echoed his view of Germany’s strength and prospects in 1914. Germany ‘dominated continental Europe economically by 1914’. It was a society ‘literally bursting with every conceivable expression of strength.’ Indeed, German scientists and engineers were at the forefront of technological advances which, quite apart from their economic advantages, would make a German Blitzkrieg in the west unstoppable within a matter of decades. In one of two new contributions to the debate on the origins in the First World War, the Bremen historian Immanuel Geiss reiterates the point. Unification in 1870/1, he writes, gave Germany ‘latent hegemony [in Europe] literally overnight… It was inevitable that the union of all or most Germans in a single state would become the strongest power in Europe.’

The advocates of a German-dominated Europe were therefore correct, at least in theory: ‘There was nothing wrong with the conclusion…that Germany and continental Europe west of Russia would only be able to hold their own [alongside…] the coming giant economic and political power blocs…if Europe pulled together. And a united Europe would fall almost automatically under the leadership of the strongest power – Germany.’ Yet such confident assumptions were far from the minds of Germany’s political leaders before 1914 – as the Kaiser’s remarks to Warburg make clear. In 1909, Admiral von Tirpitz raised a spectre of a lightning strike against his fleet by the British navy; while the former chief of the general staff, Graf Alfred von Schlieffen, warned about hordes of invading Slavs. Germany’s military leaders felt weak, not strong. That seeming paradox provides the theme of this survey of recent writing on Germany and the origins of the war.

From the moment the fighting began, of course, there were many who argued that the German sense of weakness was disingenuous: a bogus justification for a

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premeditated act of aggression. On 30 July, the Kaiser spoke as if his fears of the previous month had been realized: 'England, Russia and France have agreed among themselves... to take the Austro-Serbia conflict for an excuse for waging a war of extermination against us... The famous encirclement of Germany has finally become a complete fact... We squirm isolated in the net.' But when this analysis was spruced up during the war and presented in the official German 'White Book' and elsewhere as an interpretation of the war's origins, it found little credence outside the borders of the Reich. As Langdon shows, even German writers (notably Karl Kautsky, Hermann Kantorowicz and Max Montgelas) found when they set to work on the official documents after the war that the words and actions of those at the top in Berlin were almost impossible to construe as pacific. By the time Thimme, Lepsius and Mendelsohn-Bartholdy produced their monumental Grosse Politik der europäischen Kabinette, the idea of portraying the war as an attack on an innocent Germany was increasingly giving way to more impersonal explanations – notably the geopolitical interpretation that Germany, the 'land in the middle', was peculiarly vulnerable to encirclement, and therefore condemned to choose between Bismarckian 'stop-gaps' or a Wilhelmine preventive war. Similarly, historians outside Germany who questioned the war guilt verdict did so with reference to systemic theories: for example, the Wilsonian idea that the war was the result of flaws in the international system (secret, contract-like alliances, and the lack of independent arbitration mechanisms); the Leninist view that the war was the consequence of imperialist economic rivalries wished upon European workers by capitalist interests; the argument that the war plans devised by General Staffs in response to technological change made war 'by timetable' unstoppable after a certain point; or the related interpretation that the war was a product of 'militarism'.

As has often been remarked, interpretations of the war's origins have tended to be coloured by contemporary political preoccupations; and nowhere was this more evident than in Fritz Fischer's attempt to reassert German responsibility for the war, and the violent response it elicited. It is this political dimension which Jäger emphasizes, describing how Fischer's thesis about the continuity of German ambitions in Eastern Europe from 1914 to 1943 touched raw nerves at a time of reorientation in the foreign policy of the Federal Republic, and attempts by a new generation of historians to 'come to terms' with the German past. Besides much vitriol, of course, the late 1960s and early 1970s produced a wealth of new material on the period, from Fischer's revelations on German war aims to the private writings of Riezler and

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7 Ibid. Doc. 135, p. 295.
8 See for example H. Oncken, Das Deutsche Reich und die Vorgeschichte des Weltkriegs, 2 vols. (Berlin, 1933).
10 V. I. Lenin, Imperialism – the highest stage of capitalism (1916).
Müller; leading to an increasingly sophisticated debate on the calculations made by the German leadership, in particular chancellor Bethmann Hollweg. Was there, as Fischer came to believe, a plan for war, dating back to as early as December 1912, based on the belief that British neutrality could be secured in a war of conquest against Russia and France? Or – as Erdmann, Zechlin, Jarasch and others variously argued – was Bethmann taking some kind of ‘calculated risk’, gambling on a localized war to preserve the Reich’s ‘freedom of action’ – if not to preserve the Reich itself? Such questions have come to hinge on the nuances of an enormous and still growing foundation of German documents; and it is the sheer volume of primary and secondary material which provides the best justification for historiographical summaries like Langdon’s.

A further valuable result of the Fischer controversy has been to generate a renewed interest in the roles played by other powers in the origins of the war. In the past two decades, a series of individual studies has been produced, covering the diplomatic and military policies of the principal combatants; and such studies have in turn helped others to reappraise the war’s origins from an international perspective. For a number of Fischer’s critics, this has been a welcome shift away from the ‘thesis of sole responsibility’. However, Geiss – of all Fischer’s pupils the one who has remained most concerned with diplomatic history – now seeks to counter this trend by writing a study which combines the international perspective with the essentials of the Fischer thesis. As long ago as 1965, Geiss set out to rebut the charge that Fischer’s thesis was


16 See also J. A. Moses, The politics of illusion: the Fischer controversy in German historiography (London, 1975); J. Droz, Les causes de la première guerre mondiale : Essai d’historiographie (Paris, 1973). There are also historiographical articles too numerous to list here.


excessively German-centred with his influential collection of documents on the July crisis, drawn from the archives of all the main combatants (though with German documents predominating). Geiss concluded that the war had its roots in German Weltpolitik, which inevitably posed a threat to Britain; though its immediate causes lay in the German government’s support for an Austrian punitive strike against Serbia. ‘Germany was the aggressor… deliberately provoking Russia. [This] drove Russia, France and Britain to the wall and into a position when they could not but react against massive German ambitions.’ 20 In his most recent book, Geiss sets out to prove what is, in essentials, the same thesis by different means. Now, instead of those few crowded weeks of July 1914, his period is the entire century between Waterloo and the Marne; and instead of editing documents, he has written a compact international history comparable in scope with Bridge and Bullen’s successful textbook. 21

Geiss begins with the familiar model of the nineteenth-century European state system as a ‘pentarchy’, a delicate balance of power-centres and -vacua, maintained in equilibrium by an ‘anti-hegemonial principle’. Before 1815, it had been Britain and Russia which had defeated the French revolutionary bid for mastery in Europe; and between 1815 and 1870, these two flanking powers preserved the fragile equipoise, only clashing within Europe once (the Crimea) before transferring their attention and rivalry to Asia. However, from the 1840s on, a new and unparalleled threat arose to the system: Germany. ‘The most significant crisis-spot’ in 1848; scene of ‘the most extreme version’ of European nationalism in the 1860s; ‘the strongest power of the Continent’ once united in 1871, Germany’s ‘automatic [threat to] the anti-hegemonial structure of the European system’ dominated the ensuing four decades: ‘Ultimately all significant diplomatic actions and calculations reveal themselves as reactions to the founding of the Reich and its consequences’ (p. 128). Geiss’s hundred-year perspective therefore turns out, on closer inspection, to be a 43-year perspective: it was the period after German unification, not Napoleon’s defeat, which was the real ‘incubation period’ (p. 123). Geiss proceeds to depict the war as the culmination of eight post-1871 ‘crises’, symmetrically distributed between East and West: the 1875 Franco-German ‘War in Sight’ crisis; the 1875/8 Eastern crisis; the 1885/7 Bulgarian crisis; the 1886/9 Boulanger crisis; the 1905/6 Moroccan crisis; the 1908 Bosnian crisis; the 1911 Agadir crisis; and the 1912/13 Balkan crisis. Reviving a debate which dates back to the 1920s and before, Geiss stresses ‘the structural inability of the German Reich’ to choose between ‘a moderating, alliance-based compromise with England or Russia’, and portrays ‘the constellation of 1914’ as ‘the result of Bismarck’s period in office’ (p. 187). However, his main contention remains that it was ‘German Weltpolitik which plunged Europe into the world war… In exporting themselves world-politically…, it was the Germans themselves who created the decisive conflict which escalated into the world war’ (p. 128). The implication is that the central mistake of German foreign policy was to spurn the possibility of an agreement with England, the price of which would have been a naval agreement of the sort torpedoed by Tirpitz and the Kaiser in 1912. ‘From a world-political point of view, the construction of the second-largest fleet by itself amounted to a declaration of war against England and the rest of the

20 Geiss, July 1914, p. 365. For the subsequent development of Geiss’s work see idem, Das deutsche Reich und die Vorgeschichte des Ersten Weltkrieges (Munich, 1978); idem, Das Deutsche Reich und der erste Weltkrieg (Munich, 1985).

world' (p. 214). The reader is thus presented with a central sequence of events leading from the Tirpitz Plan, to Haldane's failure, to the crisis of December 1912, to the failed bid for British neutrality on 29 July 1914, and finally to the expiry of the British ultimatum at midnight on 4 August.

This argument will be familiar to readers of Berghahn, who devoted more than half of his book to illustrating Aehrenthal's diagnosis of 1911: 'Antagonism between England and Germany [is] the dominant element of the international situation [and will] probably lead to a European war which is now unavoidable'; as well as to readers of Kennedy. It is also a view well-represented in the collection of essays edited by Gregor Schöllgen and based on seminars he organized while a visiting Fellow at St Antony's, Oxford. Fritz Fischer himself, who provides a trenchant restatement of his thesis, begins by quoting Müller, who in 1896 saw Germany's aim as being to 'break Britain's domination of the world'; and Bethmann, who in 1903 described 'the Kaiser's first and basic idea' as being 'to break Britain's leading position in the world in favour of Germany'. Willibald Gutsche also quotes Bethmann, referring in 1910 to England as 'the decisive rival of Germany when it comes to the policy of economic expansion'. Schöllgen himself, takes his stand only on the legitimacy and coherence of Germany's challenge to England. Yet it is precisely when one is presented with the 'long view', as by Geiss in his book, that one sees the weaknesses of this argument. It is hard to see what, if any, direct connection there was between Germany's 'world policy' and the decision to support the Austrian strike against Serbia in 1914; and attempts to establish such a connection, such as David Kaiser's suggestion that Bethmann sought to win a colonial empire by defeating France on the battlefields of Europe, are scarcely supported by what was said and done in the July crisis itself. In Africa, as Michael Fröhlich argues, Anglo-German 'confrontation' had given way to 'coexistence' by 1914; and colonial matters scarcely figured in the deliberations of the German and Austrian leaders, except when it became inescapably clear that Britain was going to enter the war, at which point the Kaiser and Moltke began raving about German-inspired insurrections in India. As for the naval implications of what was being attempted, these were given only the most limited consideration.

A far more valuable approach has been to set the crisis in the context of the long-running 'Eastern Question'; and this line of argument has now been produced in a condensed form by Gordon Martel, who argues that 'the First World War was... fought for the future of the Near East' (p. 76). Ironically, much of the evidence for this view is presented rather more effectively in Geiss, particularly in the last section of his book,

24 W. Gutsche, 'The foreign policy of imperial Germany and the outbreak of the war in the historiography of the GDR', in ibid. p. 50.
28 Geiss, July 1914, p. 294, doc. 179.
29 For a recent discussion of the naval dimension in 1914, see I. N. Lambi, The navy and German power politics, 1862–1914 (Boston, 1984), pp. 416–27.
which, with its excellent account of the Serbian–Austrian conflict, sits uneasily alongside his earlier insistence on the centrality of the Anglo-German confrontation. As Geiss’s account reminds us, Germany only became involved at a late stage in the protracted struggle, involving both great power rivalry and south European nationalism, to supplant the Ottoman empire in the Balkans and eastern Mediterranean – a struggle in which Russia was traditionally the most aggressive power. It was only in 1908, when the Austrian annexation of Bosnia–Herzegovina brought to an end a period of Austro-Russian harmony in the Balkans, that Germany ceased to be a diplomatic on-looker, strongly supporting Vienna and raising the possibility of war with Russia; and it could be argued that the immediate effect of this intervention was to reduce rather than increase the risk of war. This was certainly the case when there was renewed friction between Austria and Russia in late 1912, following the first Balkan war: faced with warnings of war from London, Berlin acted to restrain her ally. The aftermath of Sarajevo could therefore conceivably have been an encore of 1912/13. The difference was that, on this occasion, Germany decided to support an Austrian military strike against Serbia. The initial puzzle for the historian is to explain why they persisted with this venture in the face of ample evidence that it would lead to a European war.

It is true that during July the German decision-makers sometimes expressed the hope that the conflict would be localized: in other words that Austria would be able to vanquish Serbia without Russian intervention.\(^{31}\) However, it is hard to reconcile such aspirations with the frequent allusions elsewhere to the likelihood of a more general conflagration arising.\(^{32}\) It is striking that when the Kaiser mentioned a preventive war to Warburg, the latter clearly assumed he meant a war against Russia, France and England – despite his own involvement in attempts to seek a rapprochement with England on colonial issues. The Germans had good reason to think that an Austrian move against Serbia would, if supported by Germany, lead to a full-scale European war. Sazonov made it clear from the moment the Austrian ultimatum was published that Russia would react; while on 25 and 29 July 1914, Grey had restated the British position of December 1912: should ‘the position of France as a power’ be threatened, England would not stand aside.\(^{33}\) Given these indications that the war would not be localized, there were ample opportunities for Berlin to back down.\(^{34}\) Yet the initial British initiatives were given only the most insincere support by Germany.\(^{35}\) The Germans pressed on, urging the Austrians to make haste; and after 26 July, openly rejecting diplomatic alternatives.\(^{36}\) Only at the eleventh hour did they begin to lose their nerve: the Kaiser first, on 28 July;\(^{37}\) and then Bethmann who, after hearing of

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31 Among many examples, see Biedermann’s report to Dresden on 17 July, in Geiss, *July 1914*, pp. 120f., doc. 28.
32 In February 1913, Bethmann had rejected the idea of a preventive war against Serbia because ‘Russian intervention… would result in a war-like conflict of the Triple Alliance… against the Triple Entente, and Germany would have to bear the full brunt of the French and British attack’: ibid. p. 44. Cf. the very pessimistic assessments described by Schoen on 18 July 1914: ibid. p. 130, doc. 33.
35 Ibid. p. 221, doc. 95.
Grey’s warning to Lichnowsky of 29 July, frantically sought to persuade the Austrians to apply the brakes. Berchtold tried to respond; but it was the German military which ultimately secured, by a combination of persuasion and defiance, the mobilization orders, the ultimatums and declarations of war which unleashed the conflict. By 27 July, it is clear that the Germans’ principal concern was, as Müller put it, ‘to put Russia in the wrong and then not to shy away from war’ – in other words, to portray the fact of Russian mobilization as evidence of an attack on Germany.

Why did the Germans act as they did? The best answer which can be offered by a diplomatic historian relates to the structure of European alliances, which had clearly tilted against Berlin since the turn of the century. Russia, France and England had all been able to find issues on which they could agree (mostly extra-European): but Germany had repeatedly failed or chose not to secure ententes: not with England in 1887–90; not with Russia in 1890; not with England in 1902; not with Russia in 1904–5; and not with England in 1912. Even such allies as they did have, the Germans had doubts about: declining Austria, unreliable Italy. It can therefore be argued that the Germans saw a confrontation over the Balkans as a means of preserving their own fragile alliance, possibly also creating an anti-Russian Balkan alliance and perhaps even splitting the Entente. Such calculations were by no means unrealistic. As events proved, there was good reason to doubt the Triple Alliance’s dependability; and the Triple Entente was indeed fragile, at least where England was concerned. As late as 3 August Grey could only secure a commitment to lend naval support to France; and the final declaration of war did not come until the end of the next day. Moreover, French support for Russia, although expressed enthusiastically by Paleologue and Joffre, seemed to waver on 30 July and 1 August. It is therefore possible that, despite being well aware of the implications of war with respect to Belgium, Bethmann and Jagow discerned just enough evidence of dissension within the Triple Alliance for the Germans to continue to hope for British neutrality.

Yet none of this satisfactorily explains why the German generals were so determined to go to war and continue fighting even if the Triple Entente held; and this is the critical

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39 Ibid. pp. 282ff., doc. 125; p. 270; cf. Ritter, *The Sword and the Sceptre*, ii, 247–75. It has, of course, been argued that the Russian decision to mobilize, partly or fully, played its part in unleashing the conflict: see L. C. F. Turner, ‘The Russian mobilisation in 1914’, in P. M. Kennedy (ed.), *The war plans of the great powers 1880–1914* (London, 1979), pp. 252–68. However, the Russian argument that their mobilization was not the same as German and did not mean war was privately accepted by Moltke and Bethmann: Geiss, *July 1914*, pp. 340ff., doc. 168; p. 344, doc. 171; pp. 266, 270, 364; Berghahn, *Germany and the approach of war*, p. 207.
45 On 28 April 1913, Jagow himself had refused to provide the Reichstag budget committee with a guarantee of Belgian neutrality, since it would give the French ‘a pointer as to where to expect us’ – one of those revealing denials which were his peculiar forte: Kroboth, *Finanzpolitik*, p. 279.
point, since, as Schmidt admits, it was they who pressed for mobilization after the diplomatic gamble had failed. At this point, the military historian offers an explanation, based on the German general staff’s pessimistic calculations about the relative present and future strengths of the European armies, on which was based their argument for a preemptive or preventive war. This was a case which had repeatedly been rejected in the past. However, as the Kaiser’s comments to Warburg indicated, by June 1914, it was once again on the Tagesordnung. The reason for this was a sustained lobbying campaign by the general staff, designed to convince the Kaiser, the civilian authorities and the Austrians that, as a result of new armaments programmes in France and, above all, Russia, Germany would be at their mercy within a few years. Moltke put the case to Conrad at Carlsbad in May 1914: ‘To wait any longer meant a diminishing of our chances; as far as manpower is concerned we cannot enter into a competition with Russia’; and repeated it to Jagow a few weeks later: ‘Russia will have completed her armaments in two or three years. The military superiority of our enemies would be so great that he did not know how we might cope with them. In his view there was no alternative to waging a preventive war in order to defeat the enemy as long as we could still more or less pass the test.’

‘Prospects could never come better for us’, argued Waldersee on 3 July, referring to Russia’s unpreparedness; a view repeated by the Kaiser three days later: ‘Russia is at the present moment militarily and financially totally unprepared for war’. On 6–7 July, Riezler recorded that military intelligence gave ‘a shattering picture’, reinforcing Bethmann’s ‘fear of Russia’s quickly growing military might’. ‘The future belongs to Russia’, he went on, ‘which is growing and growing and is becoming an ever increasing nightmare to us... After the completion of their strategic railroads in Poland our position will be untenable... The Entente knows that we are completely paralysed.’

Jagow relayed the news to Lichnowsky on 18 July: ‘Russia is not yet ready to strike at present [... but] according to all competent observation, she will be prepared to fight in a few years. Then she will crush us by the number of soldiers; then she will have built her Baltic Sea Fleet and her strategic railroads.’

On 25 July, Theodor Wolff was told by Jagow that although ‘neither Russia nor France wanted war... The Russians... were not ready with their armaments, they would not strike; in two years’ time, if we let matters slide, the danger would be much greater than at present.’ When Moltke returned to Berlin the next day, therefore, the ground had already been well prepared for his argument: ‘We shall never again strike as well as we do now, with France’s and Russia’s expansion of their armies incomplete.’

It can be debated whether the outcome deserves the apologetic name of ‘preventive war’. As Bucholz and Förster show, however, there is no question that, measured crudely in terms of manpower, Germany was falling behind; indeed was already so far behind that launching the Schlieffen plan in August 1914 was a considerable gamble.

46 Geiss, July 1914, pp. 46f.; Berghahn, Germany and the approach of war, pp. 164–7. The exchange was on either 20 May or 6 June. See also Geiss, July 1914, pp. 65–8, docs. 3, 4.
47 Berghahn, Germany and the approach of war, p. 180.
48 Ibid. p. 203; Schmidt, ‘Contradictory postures’, p. 144.
49 Geiss, July 1914, p. 123, doc. By 16 July, even Grey was aware that the German government was ‘genuinely alarmed at the military preparations in Russia’; though he mistakenly assumed this would put the Germans in ‘peaceful mood’: Schmidt, p. 144.
51 Berghahn, Germany and the approach of war, p. 203.
even on the assumption that England could be kept out. This was an inferiority with
depth roots. Between 1877 and 1889, the German army’s peacetime strength had
stagnated at around 468,400. In the subsequent seven years, it increased to 557,430,
despite two attempts to introduce universal military service (which would have added
150,200 in 1890). Thereafter there were only the most minimal increases, so that its
peacetime strength was just over 607,000 in 1910. It was only in 1912 and 1913 that
two bills were passed increasing the army to 761,000, which meant that, at its full war-
time strength, the German army totalled around 2·2 million men, compared with as
many as 3–4 million once the Russian army was fully mobilized. Similarly, the Russian
and French armies had a total peace-time strength in 1913/14 of 2,551,000, compared
with a combined German and Austrian strength of 1,341,000. In 1912, that gap had
been only 794,665; while in 1904, the combined German–Austrian strength had
actually exceeded the Franco–Russian by 371,180. The growing disadvantage was
equally clear in terms of total numbers called up in 1913/14: 585,000 to 383,000.53
According to the German general staff, 84% of those eligible for military service in
France performed it, compared with 53% in Germany.54 The comparable figure for
Austria–Hungary was 29%. 55 It is true that, when other factors (particularly the ratios
of officers, NCOs and armaments to men) are taken into account, the discrepancy was
less pronounced, and that the idea of a future Franco–Russian invasion of Germany
lacked credibility; but the spectre of inexorably diminishing diplomatic bargaining
power clearly impressed Bethmann and Jagow. There is no need to posit, as Fischer still
does, pre-existing German war-plans to create spheres of influence in central Europe
and Africa, to destroy France as a power and to carve up Russia’s Western Empire.56
The evidence points far more persuasively to a military ‘first strike’, designed to
pre-empt a deterioration in Germany’s military position; though this is by no means
incompatible with the idea that the outcome of such a strike, if successful, would be
German hegemony in Europe.

II

These diplomatic and military perspectives are invaluable. Yet none of this evidence
fully explains the outbreak of the First World War; rather it begs a more fundamental
question. Why, if the Germans were right to think that their military position was
deteriorating, did they not seek to rectify the deterioration by increasing their defence
capability? If one begins by considering the extent of Germany’s economic resources,
the reason for this is far from obvious.

Operatimen zu Lande (Berlin, 1925), p. 28.; Forster, Der doppelte Militarismus, pp. 28, 37, 96f., 129,
190, 248; Bucholz, Moltke, Schlieffen and Prussian war planning, pp. 62, 67, 159; Berghahn, Germany
and the approach of war, p. xii; Joll, Origins of the First World War, p. 72.
54 Forster, Der doppelte Militarismus, p. 205.
55 See also G. E. Rothenberg, The army of Francis Joseph (West Lafayette, 1976); it is true that
only 20% of the annual cohort in Russia was called up; but given the enormous absolute numbers
involved, this was scant consolation for Berlin: P. M. Kennedy, The rise and fall of the great powers.
56 F. Fischer, ‘The foreign policy of imperial Germany and the outbreak of the First World
Of course, the role of economic factors in the origins of the First World War is a subject which has lost much of its fascination for historians in recent years. Scholars in the Marxist–Leninist tradition like Gutsche and Zilch may continue to argue that, by 1914, in addition to ‘mining and steel monopolists, influential representatives of large banks, electrical engineering and shipping corporations [... were] now inclined to pursue a non-peaceful option’; but the evidence for such views, and for their influence on diplomatic and military decision-making, is scarce. For example, among the handful of businessmen kept (partly) informed of developments during the July crisis, neither Albert Ballin nor Max Warburg favoured war. The only evidence which Gutsche himself provides for his assertion is a quotation from the wholly unrepresentative Hugenburg. Indeed, Zilch reminds us of the lack of enthusiasm with which Reich officials responded to proposals for an ‘economic general staff’ from businessmen like Rathenau, Riesser, Possehl and the Saxon industrialist Leonhardt; while the meeting he describes between Reichsbank president Havenstein and eight directors of the ‘great banks’ on 18 June was principally concerned with increasing the reserve-ratios of the latter. It is a misreading of Havenstein’s comment that ‘we will only be able to maintain peace if we are financially as well as militarily strong’ to suggest that the Reichsbank president had ‘unambiguously aggressive objectives’ (p. 79).

The Marxist interpretation of the war’s origins seems likely to decline still further in credibility with the collapse of the regimes which most avidly fostered it. However, an alternative model of the role of economics in 1914 shows signs of stepping into the breach. The work of Paul Kennedy, in particular, has done much to propagate the idea of economics as one of the ‘realities behind diplomacy’—a determinant of power, capable of being expressed in terms of population, industrial output, iron and steel production and energy consumption. In this view, politicians have more ‘free will’ to attempt imperialist expansion without necessary reference to capitalist interests; but their country’s economic resources place the ultimate constraint on that expansion, which, beyond a certain point, becomes unsustainable.57 A similar line of argument is taken by Geiss, who argues that the acquisition of ‘the strongest modern industrial economy’ made Germany the ‘super great-power of the continent’:

In its enormous and still expanding power Germany was like a fast-breeder reactor without a protective shell... The economic sense of power magnified the self-confidence acquired since 1871 into that self-over-estimation which drove the German Reich via Weltpolitik into the First World War.58

Yet this model of the relationship between the German economy and German power overlooks a number of important aspects of the Reich’s place in the world economy. It is true that, if one compares Germany and Britain between 1895/6 and 1913, there were more Germans (in Germany) than Britons (in Britain); and that the German economy was expanding faster than the British in terms of output growth, domestic investment and productivity.59 But in a period characterized by unprecedented and as yet unrepeatable freedom of movement of people, goods and capital, there are other ways of comparing national economies. For Britain, this period saw a continued high level of emigration and a worsening of the balance of trade, counterbalanced by a

57 Kennedy, Rise and fall of the great powers, esp. pp. 249–354.
58 Geiss, Der lange Weg in die Katastrophe, pp. 54, 116, 123; cf. Kennedy, Rise and fall, pp. 269–77.
remarkable increase in an already high level of capital export.\textsuperscript{60} Germany, however, ceased to export Germans; had a far smaller trade deficit and an increasing export market-share; and exported a diminishing proportion of new capital formed.\textsuperscript{61} Whether these differences caused or were caused by the differences in the two countries' domestic economic performance is unclear; but the implications in terms of relative international power deserve more emphasis. As Ofer has recently suggested, Britain's high level of emigration created bonds of kinship which ensured the loyalty of the Dominions to the mother country.\textsuperscript{62} By contrast, the declining German birthrate and increase in immigration heightened German awareness of Eastern Europe's superior manpower. True, Germany's increasing success as an exporter appeared to pose a threat to British interests; but Germans feared that export growth (and the corollary, a continued reliance on imported raw materials) could be jeopardized by the protectionist policies of more successful colonial powers.\textsuperscript{63} Finally, British and, to a lesser extent, French capital exports undoubtedly increased those countries' international political leverage. As Bülow lamented: 'The enormous influence of France... is to a great extent the product of her wealth of capital and liquidity.'\textsuperscript{64} Yet it was precisely the banks' preference for domestic business which some economic historians have identified as a reason for her industrial and trading success. Germany's 'power' in the international economy was therefore circumscribed: the dramatic level of industrial growth experienced since 1895 in fact tended to weaken its international bargaining position.

There was, however, one way in which the state could compensate for these disadvantages; and that was by increasing its military power. That such a course of action was regarded as legitimate in Wilhelmine Germany goes almost without saying, so much has been written in the past about German militarism.\textsuperscript{65} Yet the nature of German militarism remains problematic, as a number of recent works on the subject demonstrate. For Marxist writers, there is a convenient shorthand: one speaks of 'the aggressive character of the bourgeoisie allied with the Junkers' and their 'reactionary and dangerous strivings'.\textsuperscript{66} But in western historiography, the idea of such an 'alliance' and the question of its 'reactionary' character have become the subjects of intense debate.\textsuperscript{67} In a tradition given its first specifically historical formulation by Kehr and


\textsuperscript{62} Offer, Agrarian interpretation, pp. 121–35.

\textsuperscript{63} Geiss, Der lange Weg in die Katastrophe, pp. 188ff.

\textsuperscript{64} Kaiser, 'Germany and the origins of the First World War', p. 455; cf. Kroboth, Finanzpolitik, p. 57; Zilch, Reichsbank, p. 80.


\textsuperscript{66} Zilch, Reichsbank, p. 40.

\textsuperscript{67} Cf. G. Eley, 'Army, state and civil society: revisiting the problem of German militarism', in idem, From unification to Nazism. Reinterpreting the German past (Boston, 1986), pp. 85–109.
subsequently adopted by Fischer, there existed an ‘alliance of elites’, in which (in contrast to the East German model) the Prussian aristocracy – dominant in government and army – had the upper hand over their junior partners among industrialists and other reactionary bourgeois groups. 68 For this conservative axis, militarism served not only an economic purpose (arms contracts for industry), but also a number of political purposes. The army could be used as a weapon of last resort in the struggle against social democracy; or, in conjunction with the navy, as a rallying-point for popular chauvinism, turning attention away from the Reich’s ‘anti-democratic’ political system. 69 Certainly, there were a number of important figures who did express the view that an aggressive foreign policy could weaken the domestic political challenge posed from the left. 70 On the other hand, Fischer’s idea of an alliance of elites clearly exaggerated the extent to which politicians, generals, agrarians and industrialists agreed. Bethmann for one was sceptical of such arguments. 71

More recent research has pointed towards an alternative interpretation of militarism, in which the pressure for increased armaments came as much from below as from above. The work of Geoff Eley, Roger Chickering and others on the character of the radical nationalist organizations which favoured increased armaments and military activism before 1914 has challenged the ‘Kehrie’ orthodoxy that all who favoured such policies were mere ciphers of conservative elites. Even when (as in the case of the Navy League) they were established to generate public support for government policy in a way which could legitimately be described as ‘manipulative’, such organizations attracted supporters whose militarism so out-stripped official intentions that they gradually came to constitute a kind of ‘national opposition’. According to Eley, this reflected the mobilization of hitherto politically apathetic groups mainly drawn from the petty bourgeoisie – a populist element challenging the dominance of ‘notables’ in bourgeois associational life. 72 This was part of that ‘reshaping’ of the Right which, in his view, prefigured the definitive merger of traditional conservative elites, radical nationalists, mittelständisch economic interest groups and anti-semites into a single political movement: National Socialism. 73 In place of the idea of the war as a conservative ‘flight forwards’ to pre-empt democratic pressures from the left, then, historians have suggested populist pressures from the right – and not only in Germany – as a positive cause of belligerence. 74 Influenced by such reinterpretations, some recent writers have sought to arrive at a compromise position. In an attempt to synthesize the various interpretations of ‘militarism’, Stig Förster argues that there was a ‘double militarism’, or rather two militarisms: a reactionary ‘traditional, Prussian, conservative’ militarism ‘from above’, which dominated between 1890 and 1905, and a

70 Ibid. pp. 29, 32, 81.
71 See his famous comments to Lerchenfeld in 1914, quoted in Geiss, July 1914, p. 47.
Valuable though this reappraisal of radical nationalism is, it suffers from two weaknesses. Firstly, in focusing on political lobbying organizations and positing an increasingly homogeneous entity called ‘The Right’, Eley in particular has perhaps tended to underestimate the complexity, even ambiguity, of radical nationalism as an ideology. Secondly, in attempting to identify the radical Right with a special social group – the petty bourgeoisie – Eley has understated the significance of the elite Bildungsbürgertum not only in radical nationalist organizations, but also in the evolution of radical nationalist ideology. These points are suggested by the collection of essays edited by Dülffer and Holl; as well as the new study by Coetze on the German Army League. The social point is most easily dealt with. At their respective peaks, the principal radical nationalist associations claimed 540,000 members, the majority (331,900) in the Navy League. However, as Coetze argues, this figure greatly exaggerates the level of participation: some people were enthusiastic members of more than one League or association, while many others existed only on paper, having simply been induced to part with the insignificant membership fee (it cost one mark to join the Army League). Coetze gives a convincing picture of the enthusiasts of the Army League, reading their newspaper *Die Wehr*, enjoying regular slide shows and excursions, and gathering together annually for a three-day jamboree. The social composition is unmistakable. Of the 28 men who were on the Executive Committee of the original Stuttgart branch, eight were army officers, eight were senior bureaucrats and seven were businessmen; and as it spread to towns in Brandenburg, Saxony, the Hanseatic ports and beyond, it attracted similar ‘notable’ types: bureaucrats in Posen; academics in Tübingen; businessmen in Oberhausen. The picture is not dissimilar in the case of the Pan-German League, two-thirds of whose members were academically educated. By contrast, the one truly petty bourgeois nationalist association, the Veterans’ Association, was anything but radical in its nationalism. As Düding shows, the biggest of all the nationalist associations – with 2.8 million members in 1912 it even outnumbered the SPD – was profoundly conservative in orientation: ‘An inestimable means...of keeping the loyal attitude...lively in the lower middle classes’, in the words


76 Coetze, *Army league*, p. 4.

77 The Army League in west Germany had links with the Volunteer Youth Army; the German League against the Abuse of Intoxicating Drinks; the German League for the Combating of Women’s Emancipation; the League against Social Democracy and the General German Language Association – as well as, improbably but revealingly, the Württemberg Association for Breeding Pedigree Hunting Dogs: ibid. pp. 55–8, 65.

78 Ibid. pp. 76–104. Coetze’s attempt to derive a more exact sociological profile of the League from the rolls it kept of members killed in the war gives a similar picture: 29.4% were career soldiers; 16.2% civil servants; 11.4% academics or teachers; 7.7% businessmen; 8.9% other professions; and only 65% were clerical employees (pp. 90f.). Unfortunately, there are methodological difficulties with these figures, since they naturally over-represent the young; whereas another sample of 195 pre-war members reveals that 90% were over 40. One point which Coetze could perhaps have made more of is the League’s origin and popularity in non-Prussian Germany. Was this a self-conscious effort to ‘germanicise’ the traditionally Prussian army?

of the Prussian Minister of the Interior in 1875. This will hardly come as a revelation to anyone who has read Heinrich Mann’s Der Untertan (1918), with its caricature Diederich Hessling. Nevertheless, Düding’s documentation of the veterans’ oaths to the crown and banner-waving Sedan Day parades is one of the most important recent contributions to the social history of the Kaiserreich, providing a valuable corrective not only to Eley, but also to Mann.

An important point sometimes overlooked is the importance of radical forms of protestantism in the ideology of radical nationalism. This is a point stressed by Greschat in his survey of protestant theologians’ views on war, which shows the way ‘God’s will’ (Gottes Fügung) gradually evolved into ‘God’s leadership’ (Gottes Führung) in war sermons between 1870 and 1914. As Greschat stresses, militarist sentiment was by no means monopolized by orthodox pastors like Reinhold Seeberg: liberal theologians like Otto Baumgarten were especially prone to invoke ‘Jesu-Patriotismus’; and it was Martin Rade’s Christliche Welt which published a grotesque pastiche of the Lord’s Prayer shortly after the war had begun (‘Give us each day the enemy dead…’). Faced with such competition, as Leugers shows, catholics felt obliged to demonstrate that, in the words of one catholic leader: ‘No one can out-do us when it comes to love for Prince and Fatherland.’ Such sentiments from the godly were influential. In a useful essay on the Pan-German League, Chickering emphasizes the eschatological quality of much ADV rhetoric, quoting Class: ‘War is holy to us, since it will awaken all that is great and self-sacrificing and selfless in our people and cleanse our souls of the dross of selfish pettiness.’ Coetzee’s Army League was overwhelmingly a protestant league, set up in the protestant enclaves of largely catholic Württemberg by a man who had been expelled from the Navy League for attacking the Centre party. Nor was it merely radical nationalists who reflected the tone of contemporary religion. As Bucholz notes, Moltke had become involved through his wife and daughter with the theosophist Rudolf Steiner, whose theories derived largely from the Book of Revelation – a stark contrast with the austere Hutterian–Pietist Schlieffen.

Nor is it without significance that Schlieffen liked to sign himself ‘Dr Graf Schlieffen’ in correspondence with academics: many elements of pre-war militarism and radical nationalism clearly had their roots in the universities as well as the churches. This should not be overstated, of course. As vom Bruch argues, German academics were far from being a homogeneous ‘bodyguard of the House of Hohenzollern’; and Wilhelmine ‘media dons’ like the Pan-German Dietrich Schäfer were in many ways exceptional in striking radical nationalist postures even in their inaugural lectures. On the other

84 Bucholz, Moltke, Schlieffen and Prussian war planning, pp. 109–14, 217–20, 273.
hand, there were many faculties which made significant contributions to the evolution of radical nationalist ideology; not least history. Geopolitics, a derivative of geography and history, was immensely influential, particularly in giving currency to the idea of ‘encirclement’, a fixation with men as diverse as Hasse and Bethmann. A student of philosophy like Riezler could see the inevitable ‘conflict between nations for power’ in terms derived from Schopenhauer. For others, racial theories provided a justification for war. Müller spoke of ‘upholding the German race in opposition to Slavs and Romans’, as did Moltke; while it was university Germanists who held a 1913 conference on the subject of ‘the extermination of the Un-German... and the Propagation of the Superiority of the German “Essence”’. The Army League’s members included archaeologists and ophthalmologists. In short, when the Pan-German Schmidt-Gibichenfels – writing in the ‘Political-Anthropological Review’ – described war as ‘an indispensable factor of culture’, he perfectly summed up its significance for the German Bildungsbürgertum.

Perhaps the most important point to emerge from these books, however, is the degree of continuity from National Liberalism to radical nationalism. This is something which historians like Hildebrand and Hillgruber have long emphasized. Now even Geiss is more ready to indicate the continuities in German nationalism from 1848 to the 1890s. Weber’s Freiburg inaugural lecture remains the most famous call for a new era of National Liberalism under the standard of Weltpolitik; but there are many other such echoes. For example, an important contribution here was made by the historical profession, which created a mythology of unification of enormous importance to National Liberals: Wilhelmine proponents of Mitteleuropa as a German-dominated customs union clearly harked back to the Prussian Zollverein’s role in German unification. Above all, Kroboth shows how close the connections were between the National Liberal Party and the Army League in the debates over the 1912 and 1913 Army Bills. Keim himself might claim that ‘military issues had nothing to do with party politics’, and seek to recruit Reichstag deputies in the conservative parties as well as the National Liberals; but this rhetoric of ‘unopoliticism’ was the stock-in-trade of German nationalists, and he was soon cooperating closely with Bassermann, in whose mind memories of old battles with the Prussian conservatives over the financing and social composition of the army clearly loomed large. Bassermann’s slogan: ‘Bismarck lives on in the people, but not in the government’ gives a flavour of the National Liberal core of ‘radical nationalism’; Meinecke used similar language. Of course, not all National Liberals wished to be reminded of their roots: two Agrarian League-backed Reichstag deputies, Paasche and Dewitz, were forced by the BdL to resign from the Army League. Equally, there were those whose revolutionary impulses took them

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86 Berghahn, Germany and the approach of war, pp. 203f.
87 Geiss, July 1914, pp. 22, 43.
89 Coetzee, Army league, pp. 85f.
90 Ibid. p. 52; Fischer, War of illusions, p. 194.
92 Geiss, Der lange Weg in die Katastrophe, pp. 86, 207.
95 Förster, Der doppelte militarismus, p. 280; Eksteins, Rite of spring, p. 91.
significantly beyond the political pale of liberalism. Class argued that even a lost war would be welcome, since it would increase 'the present domestic fragmentation to [the point of] chaos' allowing 'a dictator's mighty will' to intercede.96 But even this had a radical pedigree: when day-dreaming about dictatorial power, it was Napoleon who provided the Kaiser with his model.97 Such historical perspectives are as important as those we gain with hindsight from knowing that one or two Army League members ended up in the NSDAP.98 Viewed in this light, Eksteins's boldly impressionistic argument that the First World War represented a cultural confrontation between a revolutionary, modernist Germany and a conservative England is (whatever other reservations one may have about it) to be preferred to the old view that the war was caused by a conservative Germany's determination to uphold 'the dynastic...ideal of the state' against 'the modern revolutionary and national democratic principle of self-government'.99

There are, however, two further points of importance. Even if pacifism had shallow roots and social democracy was susceptible to 'negative integration',100 not everyone in Germany was a militarist (or a modernist), eager for an apocalyptic war. In 1906, Bülow had postponed the idea of a preventive war until 'a cause arose which would inspire the German people'.101 One point to emerge from the so-called 'War Council' of December 1912 is that all concerned doubted whether the people were prepared for war;102 and studies of popular (as opposed to educated middle-class) opinion in 1914 suggest that the subsequent attempts to alert 'the man in the street' to Germany's interest in the Balkan question achieved little.103 Was the German 'war mentality' as different from the British as Eksteins claims? Or should we be looking for 'Another Germany', as Dukes and Remak urge - a Germany whose excellence-pursuing universities, boosting city councils and independent newspaper editors seem to invite comparisons with the war's last combatant, the United States?104 This comparative dimension will be returned to below. The second point is that German militarists were not much concerned with economics. True, economic expansion was frequently cited as a justification for armaments, particularly where the navy was concerned.105 Yet the war-time comment of the Army League member von Stranz reflected the tendency of many radical nationalists to despise economic factors: 'For us it does not matter whether we win or lose a few colonies, or if our trade balance will be 20 billion...or 25

96 Coetzee, pp. 45–50; Chickering, 'Alledeutschen', p. 30.
97 Geiss, July 1914, pp. 21ff.; Berghahn, Germany and the approach of war, p. 144.
98 Coetzee, Army league, pp. 119f.
99 Eksteins, Rites of spring, p. iv; Geiss, July 1914, p. 48.
100 See R. Chickering, Imperial Germany and a world without war (Princeton, 1975); D. Groh, Negative Integration und revolutionärer Attentismus 1909–1914 (Frankfurt, 1973).
102 Geiss, Der lange Weg in die Katastrophe, p. 269.
105 Berghahn, Germany and the approach of war, p. 67; Fischer, 'The foreign policy of imperial Germany', p. 26.
billion [sic]. What really is at issue is something spiritual and the enemy is England.\textsuperscript{106} In contrast to such high-flown appeals, acknowledgements that German military capability was in fact dependent on economic factors were remarkably rare. In one of its first publications, the General (later Pan-) German League made the point:

[We are] a people of fifty million, who dedicate our best strength to military service [and] who spend over half a billion every year on defence... Our sacrifices of blood and money would indeed be excessive if our military power enabled us... to secure our just rights only where we receive the gracious assent of the English.\textsuperscript{107}

Similarly, as Bethmann explained to Baroness Spitzemberg: ‘In order to build [a fleet], a lot of money [is required] which only a rich country can afford, so Germany should become rich’.\textsuperscript{108} As has already been noted, Germany did become rich; and many Germans were enthusiastic about their navy and their army. Yet by 1914, her military leaders were so pessimistic about her military capability that they resolved to gamble on a pre-emptive strike by an under-strength army. The Baden National Liberal Edmund Rebmann could claim, as he did in February 1913: ‘We have the weapons, and we are willing to use them’; but there simply were not sufficient weapons or men to be sure of achieving, as he anticipated, ‘the same thing as in the year 1870’\textsuperscript{109}. As Schlieffen himself had put it in 1905: ‘We keep on puffing about our high population... but these masses are not trained and armed to the full extent of those suitable [for military service]’.\textsuperscript{110} Why, when the Germans had ‘the people and the money’ – and, apparently, militarism too – did they nevertheless ‘lack the determination to place both at the service of the Fatherland’.\textsuperscript{111} That is the question which remains to be answered.

III

The ‘new’ history is often that of the generation before last; so perhaps it is not surprising that Gregor Schöllgen is so dismissive of the ideas – ‘the primacy of domestic politics’, ‘social imperialism’, ‘flight forward’ – favoured by older scholars like Geiss, Berghahn and Wehler.\textsuperscript{112} Certainly, as has been suggested above, there are numerous qualifications which must now be made to interpretations inspired by Kehr. However, that is not to deny that there is still a kernel of truth in the idea. Why did Germany’s land forces appear to be slipping inexorably below the strength which the German general staff regarded as adequate for the task of winning a war against her eastern neighbour? The proportion of national product spent on defence in peacetime is not engraved on stone tablets, in the manner of the ‘externally fixed opportunities and limitations’ of geopolitics (Schöllgen’s phrase): it is determined politically. Today, at a time of relative international stability, Britain spends about 4% of GDP on defence; Germany, with her minimal international commitments and substantial pacifist lobby, 29%. By contrast, the Soviet Union in recent years may have spent as much as 20%

\textsuperscript{106} Coetzee, \textit{Army league}, p. 116; cf. Thomas Mann’s \textit{Betrachtungen eines Unpolitischen} (1918), which portrayed the war as a conflict between German \textit{Kultur} and English materialism.

\textsuperscript{107} Förster, \textit{Der doppelte Militarismus}, p. 64.

\textsuperscript{108} Fischer, ‘The foreign policy of imperial Germany’, p. 21.

\textsuperscript{109} Förster, \textit{Der doppelte Militarismus}, p. 279.

\textsuperscript{110} Ibid. p. 164.

\textsuperscript{111} August Keim, quoted in Coetzee, \textit{Army league}, p. 28.

of gross national product on defence. Only domestic politics can explain why, in 1913/14, at a time of great international tension and domestic-political bellicosity, the comparable figure for the German Reich was 35% – less than the proportions spent by both France and Russia.

In part, the explanation lies in the fundamental ambivalence of the Prussian conservative tradition. The familiar image of Prussia is of a state with a large military establishment and an efficient fiscal system to service it. However, when the question arose of whether to expand the German military establishment and the German fiscal system, the Prussian response tended to be hostile. This is the central point which emerges from both Förster’s and Kroboth’s work. Historians have, of course, long been familiar with the arguments within the military establishment against expanding the army, characterized as ‘conservative militarism from above’ by Förster. The essential desideratum was, as the former chief of the general staff Graf Waldersee put it in 1897, ‘to keep the army intact’. Put simply, that meant keeping the percentage of officers from aristocratic families at around 60% and the percentage of NCOs and recruits from rural areas at the same level, so as to exclude those ‘democratic and other elements, unsuitable for the [military] estate’ which von Einem later warned against. In this, they could make common cause with Tirpitz and the other advocates of building a 60-ship German battle-fleet. Successive war ministers von Gossler and von Einem made no bones about accepting the army’s subordination to the navy in the defence budget and agreeing to derisory increases in the army’s size. However, by December 1912 – nearly 20 years since the failure of Caprivi and Verdy’s attempt to introduce universal military service in 1890–3 – much had changed within the army, despite the best efforts of the conservatives. To be sure, the proportion of generals who were aristocrats had fallen only slightly, and the senior ranks continued to be filled with scores of von Bülow and von Arnim. But the proportion of all army officers who were aristocratic had fallen from 65 to 30%. The change was especially marked in the great general staff (GGS), which by 1913 was 70% non-aristocratic, with some sections, notably the important Railway Section, almost entirely middle class. Here the spirit was technocratic rather than conservative; and the principal concern was with external rather than internal enemies – above all, with the threat posed by the French and Russian armies. The most dynamic figure of the new military ‘meritocracy’ (Bucholz) was Erich Ludendorff, who in November 1912 stated the case for enforcing universal service in language which harked back to the era of the Wars

113 Figures from The Financial Times, 8 August 1991.
115 Förster, Der doppelte Militarismus, p. 92.
116 Ibid. pp. 26ff., 91ff., 133, 147.
117 Bucholz, Moltke, Schlieffen and Prussian war planning, p. 133.
of Liberation: 'We must become the people in arms once again.' Ludendorff's 'great memorandum' of December 1912 called for putting an additional 30% of those eligible through military service (increasing the call-up rate from 52 to 82%, i.e. to the French level), a total increase of 300,000 recruits over two years. To the military conservatives in the war ministry, the radical connotations of Ludendorff's plan were clear. General Wandel retorted bluntly: 'If you carry on like this with your demands, you will bring the German people to [the point of] revolution.' The war minister himself, Heeringen, explicitly blamed the 'doubts...about our war strength' which had arisen in 'sections of the army' on the 'agitation of the Army League and the Pan-Germans'. Denouncing Ludendorff's plan as 'democratization' of the army, he secured his demotion to a regimental command in Düsseldorf, and drew up an alternative army bill for an increase of just 117,000 troops.

It is important to note that the debate between conservatives and radicals within the army was not just about numbers; it was also about military technology. At issue were questions about the continued utility of the cavalry; the need for improved field artillery; and the need to equip the army with machine guns. Above all, as Bucholz shows, it was their preoccupation with the role of railways which marked out the radicals within the general staff. In 1870 it had taken 27 days to mobilize the Prussian army against France; as late as 1891, German mobilization within the borders of the Reich still took place across five different time-zones. Bucholz describes with an enthusiast's attention to detail how the general staff devoted itself in the ensuing decades to improving this. Although its work included war gaming, making maps, teaching military history and going on rural 'rides', it was the general staff's responsibility to devise and perfect the military transport plan which, he suggests, was crucial. Schlieffen had sketched how Germany might win a two-front 'war of annihilation' on the model of Cannae; but it was the technocrats like Groener who had to work out how to get over 2 million men, 600,000 horses and the necessary supplies to the decisive field at the optimal moment. Here it was a knowledge of railway timetables rather than the classics which was required. By the eve of the war, the military transport plan – the fifth stage of German mobilization – had been reduced to a 312-hour exercise, involving 11,000 trains. Yet even with this remarkable achievement of logistics the Germans could not feel satisfied. In addition to Russian numbers and Russian artillery, Russian railways were an acute source of anxiety in Berlin in 1914. Such fears were given wide currency by Groener's testimony before

119 Förster, Der doppelte Militarismus, p. 251.
121 Ibid. pp. 268ff.
122 Kroboth, Finanzpolitik, p. 211.
123 For a discussion of the 1913 Army Bill which concentrates largely on its strategic justification, see J. Dukes, 'Militarism and arms policy', in Dukes and Remak, Another Germany, pp. 19-39.
124 It is fascinating to learn that Hindenburg gained an intimate knowledge of the future battlefield of Tannenberg on these rides; and that Waldenauer insisted on being accompanied on them by his two dachshunds in a basket: Bucholz, Moltke, Schlieffen and Prussian war planning, pp. 106, 128, n. 40.
126 Bucholz, Moltke, Schlieffen and Prussian war planning, p. 316.
127 See Jagow's comments in July 1914, quoted in Geiss, July 1914, p. 123, doc. 30; Riezler's, quoted in Schmidt, 'Contradictory postures', p. 144.
the Reichstag finance committee in April 1913, in which he claimed that Germany had lagged behind both Russia and France in railway construction since 1870.128

The fact that Groener took his troubles to the Reichstag finance committee is not without significance. ‘Double militarism’ there may have been; but the obstacles to an expansion of the army along the lines envisaged by Ludendorff were not confined to the conservatives in the Prussian war ministry. Because of their financial implications, and the complex constitutional questions which these in turn raised, the general staff’s plans touched nerves in the most diverse members of the German body politic. Only by putting together Förster’s primarily military study with Kroboth’s primarily financial one is it possible to appreciate the full complexity of the problem. As has often been noted,129 the hinge on which everything turned was money. Contemporaries frequently acknowledged this.130 ‘What use is an army ready for action, a navy prepared for war, if we are let down by our finances?’ asked the leading authority on the Reich’s financial system, Wilhelm Gerloff.131 Yet shortage of funds by itself is no explanation. As has been suggested above, the German economy was generating ample income and wealth. In theory, the Reich could have responded to the Russian challenge by increasing taxation; by increasing borrowing; or by reducing civil expenditures. Why did it fail to do so?

The obstacles to a bigger defence budget existed at four levels. Firstly, there were those stemming from the Reich’s peculiar federal structure. As has long been recognized, Bismarck’s attempt, in devising the Reich constitution, to ‘stick more to the league of states (Staatenbund) [model] while in practice giving it the character of a federal state (Bundesstaat)’132 left the Reich significantly smaller than the sum of its parts, particularly in financial terms. The states retained control in many spheres of government activity – education, police, public health, tax collection; while at the same time establishing an effective monopoly on direct taxation; and attempts by Bismarck to shift the balance in favour of the Reich were constantly frustrated.133 Indeed, in some years there were net transfers from the Reich to the states – averaging 350 million M per annum in the 1890s. Thus, while the states (and the local communes) were able to modernize their fiscal systems by introducing income taxes,134

128 Bucholz, Moltker, Schlieffen and Prussian war planning, pp. 306f.
129 See e.g. V. Berghahn, Germany and the approach of war, p. 74.
130 As Albert Ballin put it in 1908: ‘We just cannot afford a race in dreadnoughts against the much wealthier British’: ibid. p. 78. By 1909, the Kaiser too accepted that ‘under the inexorable constraints of the tightness of funds...justified demands of the “Front” had to be left unfulfilled’: ibid. p. 83. Even Molteke saw the problem, commenting in December 1912; ‘Our enemies are arming more vigorously than we, because we are strapped for cash’: Förster, Der doppelte Militarismus, p. 253; cf. Ritter, The Sword and the Sceptre, ii, 220. Ironically, Molteke tried to justify war as ‘a deliverance from the great armaments [and] from the financial burdens’ they entailed.131
131 Kroboth, Finanzpolitik, p. 188.
134 By 1913, the states depended on income tax for between 40 and 75% of their revenues: Schremmer, ‘Taxation and public finance. Britain, France and Germany’, pp. 488ff. The communes, which accounted for around 40% of total public expenditure by 1913, also relied
the Reich in the 1890s remained almost entirely dependent (for 90% of its revenue) on the old taxes on consumption and imports. As Bülow put it, echoing Bismarck, it remained ‘a poor traveller, stubbornly knocking on the doors of the individual states, a wholly unwelcome guest in search of subsistence’. An additional point, often neglected, is that the states—and, indeed, the communes—were in competition with the Reich on the capital market. When the Reich sought to cover increased expenditure by issuing bonds, it was entering an already crowded market for public debt. In 1890, the total Reich debt stood at 1,318 million M, only slightly more than that of the communes (1,057 million M). The combined debt of the states was 9,230 m. M—around two-thirds of it Prussian. The second problem was the growth of spending by other departments. In part, this reflected a generalised tendency in the industrialised states from the late nineteenth century onwards as the costs of defence, administration and social welfare rose: ‘the law of growing state expenditure’, as Wagner called it. But in the Reich’s case, persistent deficits and rising expenditure owed much to its peculiar administrative structure. As Witt’s seminal study showed, the Reich Treasury Office was ill-equipped to control German finances: it had just 55 officials (in 1880); it was responsible for only 30% of total public spending; and it had limited authority over the defence departments. The third—and for historians most controversial—problem of Reich finance was the role of parliamentary institutions, particularly the Reichstag. It is true, as Witt has argued that the Reichstag’s control over the budget was limited. But that is not to say that the Reichstag could not (or dared not) significantly amend government finance bills: it did, and the most that the executive ever did in reply was to call a general election (as in December 1906).

In practice, if the government wished to spend more on defence—or on its civil functions—the Reichstag’s approval was needed for both the expenditure and, if it exceeded existing revenues, the means of financing it.


135 Kroboth, Finanzpolitik, p. 29.


139 There remains a profound division between those, like Wehler and Witt, who see the Reichstag’s power over finance as extremely limited—part of the Reich’s ‘sham constitutionalism’—and those, notably Rauh, who argue for a gradual process of parliamentization before 1914: Wehler, German empire, pp. 52–65, 72–83; P.-C. Witt, ‘Innenpolitik und Imperialismus in der Vorgeschichte der Ersten Weltkrieges’, in K. Holl and G. List (eds.), Liberalismus und imperialistischer Staat (Göttingen, 1975); M. Rauh, Föderalismus und Parliamentarismus im württembergischen Reich (Düsseldorf, 1972); idem, Die Parlamentarisierung des Deutschen Reiches (Düsseldorf, 1977).

140 C. G. Crothers, German elections of 1907 (New York, 1941).
The fourth and final obstacle to increased defence spending lay in the composition of the Reichstag, the most democratic of imperial Germany's representative assemblies. Designed to weaken liberalism, the franchise also benefited the parties of political catholicism and socialism; and these increasingly made their political capital by criticising Reich finance policy, whether by demanding special treatment for south German peasants and small businessmen, or criticizing the regressive taxation of working-class consumers. Bismarck and his successors were ingenious in devising strategies to weaken these 'anti-Reich' parties and strengthen the more 'state-supporting' conservative and National Liberal parties. But the common factor linking the construction of the navy and the acquisition of colonies—supposed 'national acts' which would awaken patriotic feelings and reduce economic discontent—with more direct electoral bribes like tariffs, tax rebates and social insurance, was that they transformed the Reich's latent financial weakness into a fully-blown crisis. What the architects of *Sammlungspolitik* had failed to foresee was that debates on increased expenditure simply underlined the Centre party's pivotal position in the Reichstag and lent credibility to Social Democratic attacks on dear bread and militarism; while the financial options—increased Reich borrowing, the introduction of Reich direct taxation, or simple cuts in spending—tended to divide rather than unite the 'government' parties.

These are all points which emerge clearly from Kroboth's account of the last stages of the financial 'crisis' under Bethmann Hollweg; though it should be said that, in a number of important respects, Kroboth's work represents only a limited advance on the work of Witt. Although he acknowledges the influence of the important post-Kehrlie writers like Hentschel and Rauh, he nevertheless remains firmly rooted in the Kehrlie world, in which party-political positions are primarily to be understood as functions of economic interests. In reality, as is clear from his own descriptions of the contemporary parliamentary and press debates, the battle-lines were far less clearly-drawn. Economic interests cut across party lines, and coalitions based on them tended to vary from issue to issue—so that, for example, many of those business groups (e.g. the BDI) which favoured a direct tax in 1912 denounced the finished product as excessively progressive in 1913. More importantly, this was also a debate about constitutional ideas—between particularists and advocates of a more centralized Reich; and between defenders of royal prerogatives and proponents of increased parliamentary power. In this debate, economic interests were often exaggerated to

141 On the Centre's increasingly mittelständisch political tone, see D. Blackbourn, *Class, religion and local politics in Wilhelmine Germany. The Centre party in Württemberg before 1914* (New Haven and London, 1986). Hentschel estimates that the indirect tax burden fell from 5% on incomes of less than 800 M to just 1% on those over 10,000 M. Tariffs alone cost the average family 1–1.5% of annual income: *Wirtschaft und Wirtschaftspolitik*, pp. 202f.


143 Unlike Witt, he was unable to make use of the important archives in what was, at the time he undertook his research, still the GDR.

144 Thus he sees the parliamentary conflicts over financial reform as being between 'industrial-liberal' interests and 'agrarian-conservatives': Kroboth, *Finanzpolitik*, pp. 30f., 105, 250. These are then implicitly equated with the conflicting 'protagonists of a constitutional modernisation appropriate to the [extent of social] change' and the exponents of the political and social status quo': ibid. p. 284.
reinforce constitutional points. Finally, it was a debate in which fundamental historical positions of the various parties—the Centre's anti-Prussianism, the SPD's anti-militarism, the National Liberals' anti-socialism and the DKP's pro-governmentalism—were all, almost simultaneously, compromised. Kroboth makes too little of these complex ideological dimensions.

Kroboth does make an important contribution, however, in concentrating attention on the relationship between the public sector and the capital market. It was an established principle of Prussian Finanzwissenschaft that not only productive expenditures like investment in state enterprises but also 'extraordinary' expenditure like the costs of war should be financed by borrowing rather than out of current revenues. The belief that the peacetime construction of a German navy would 'pay interest' justified financing the 'Tirpitz Plan' in the same way. As naval expenditure leapt from 861 m M p.a. in the five-year period 1891–5 to 2283 m M in 1901–5, the Reich debt therefore rose too, from 1,1179 m M to 2,2985 m M. Between 1901 and 1907, an average of around 15% of total (ordinary and extraordinary) Reich revenues came from borrowing. In the eyes of contemporaries, this could not be continued indefinitely, for three reasons. Firstly, the cost of debt service grew to a politically unacceptable level as a share of total Reich expenditures. Secondly, because it coincided with an enormous increase in borrowing by the other tiers of government, the states and communes, the Reich's borrowing contributed to an overstretching of the domestic capital market and hence Germany's relatively high interest rates. Thirdly, because the level of public borrowing outstripped the public demand for gilt-edged securities (as opposed to higher-yielding shares), the price of government stock tended to fall, putting pressure on the government to increase the interest payable on new bonds; and—a factor of considerable importance in diplomatic terms—effectively advertising the high borrowing requirements and low creditworthiness of the Reich.

For example, it suited the Social Democrats to talk only about Reich finances when stressing the regressive and militaristic character of the German financial system, quietly ignoring the increasingly progressive tax system of the states and communes, around half of the revenues of which were by 1910–13 devoted to 'social' policies (e.g. health and education provision). Between 1907 and 1913, the percentage of total public revenues coming from direct tax rose from 49 to 57%; the percentage of total public expenditure devoted to 'social' and educational purposes rose from 13.3% (1891) to 28%: see Kroboth, Finanzpolitik, pp. 301–5; Hentschel, Wirtschaft und Wirtschaftspolitik, p. 150; Schremmer, table 95, p. 482.

Kroboth, Finanzpolitik, p. 122, n. 65.

Kroboth estimates the proportion of total Reich debt incurred by the army, the navy and colonies as 65.3% in 1913–14; ibid. p. 33, n. 116.

Calculated from figures in Witt, Finanzpolitik, p. 378.

By 1901–5, it had reached over 10%, enough to prompt complaints about the 'interest-ferdom of the masses for the sake of the state's creditors'; Kroboth, Finanzpolitik, p. 33.

Between 1896 and 1913, the volume of public sector bond issues rose 166%, compared with just 26% for private sector issues; and after 1901, public sector bond issues accounted for, on average, between 45 and 50% of the nominal value of all stock and share issues: Hentschel, Wirtschaft und Wirtschaftspolitik, p. 144. Among the leading competitors for funds was in fact the Prussian state. Between 1892 and April 1914, the Prussian state debt rose from 6,240 m M to 10,400 m M. Thus, by 1913, of the total public debt of 32,843 m M, the Reich's share was just 15%: cf. Kroboth, Finanzpolitik, p. 489, Tab. II. Of this total, almost 20% was held by foreign investors.

When total issues of 1.28 billion M of Reich and Prussian bonds in 1909–10 were poorly received on the bourse, many foreign observers concluded with Wermuth that Germany's 'financial armament' did not match its 'military armament'; ibid. p. 98. When the price of 4% Reich bonds fell below that of 3.5% Italian bonds, there was dismay in the press: ibid. p. 235.
The story of German domestic politics before 1912 is therefore in large part a story of budgetary stalemate: the states resisting the Reich’s bids for a share of direct tax revenue; the Treasury Office struggling in vain to check the rival spending departments; the government increasingly forced to debate finance with the Reichstag; and the Reichstag parties themselves at loggerheads on tax questions. The social democrats’ election victory in 1912 and the subsequent introduction of two new direct taxes to finance the 1913 Army Bill have often been interpreted by historians as the culmination of this deadlock; though opinions vary as to whether the Reich was at a ‘turning point’; down a ‘blind alley’; or in a ‘latent crisis’. Certainly, the atmosphere was changed by the 1912 election – revealingly described by one SPD deputy as ‘a great demonstration by the people against the extension of indirect taxes’. In a remarkable realignment, the National Liberals joined the Centre, the left-liberal Progressive Party and the SPD in calling for the creation of a ‘general property tax’ at the Reich level by April 1913 (the ‘Bassermann–Erzberger’ clause). Indeed, the National Liberals went so far as to support an SPD resolution stating that the new tax should be set annually, as well as an FVP resolution restoring the sugar tax reduction and calling for the passage of the 1909 inheritance tax extension bill. A second significant change to emerge was the new willingness of the Centre party and the social democrats to support increased military spending. In the Centre’s case, this was reflected in Erzberger’s transformation from opponent of colonial expenditure to supporter of naval expenditure; in the case of the social democrats, in the carefully phrased statement of 1912 that: ‘We Social Democrats, as before, will not vote a single man or a single penny for militarism. But if…we can see to it that an indirect tax can be replaced by a direct one, then we are willing to vote for such a direct tax.’ Finally, the events of 1913 can also be seen as the culmination of the battle to reduce the Reich’s financial inferiority to the states. Certainly, Bethmann left Eisendecker in no doubt that the political stakes had been raised high by the Bassermann–Erzberger clause. The choice for the states was between accepting the Reich capital gains tax, (Vermögenszuwachssteuer) now proposed by Kühn, or:

to cause the politics of the Reich – and thus also the federal states – to take a turn which would deepen irreparably the rift between the bourgeois parties, and could only come to a positive conclusion, if a degree of influence over the government and over its policy were conceded to the radical elements – something which would break with the political traditions of the Reich and all the individual states.

To this the Prussian finance minister – after consultations with leaders of the DKP – could retort that ending the states’ monopoly on direct taxes would represent ‘a disastrous step on the way to parliamentary government’: the crucial thing was that ‘Prussia should remain Prussia’. Still more adamant was the Saxon monarch Friedrich August, who saw the capital gains tax as the tool of ‘unitarism’ and democracy; and when the measure was finally passed against the Saxon vote on the Bundesrat, and with National Liberal and social democrat votes in the Reichstag, reactions were stronger still. According to Graf Westarp, the Reich was now on course

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to become ‘a democratically governed unitary state’. The opposition parties proclaimed ‘the day of Philippi’ and (with heavy irony) ‘the end of the world’.

It used to be argued that it was this domestic political crisis which convinced the ruling elites of the Reich of the need for war: ‘flight forwards’, to escape from the rising tide of social democracy. It now seems clear that this was not a factor in Bethmann’s calculations. However, that is not to say that the financial wrangles of 1908–14 have no significance for the origins of the war. On closer inspection, their true importance may lie precisely in their financial insignificance; for in this respect, little of substance had been achieved. The army bill had envisaged costs of 996 m. M (one-off) and 194 m. M (on average annually); with the additional burden on the 1913 budget amounting to 512 m. M. The original government bill envisaged that this was to be financed principally by new stamp taxes on company charters and insurance certificates (rising from 22 to 64 m. M p.a.); the extension of the state’s right of mortmain (5–15 m. M p.a.); a one-off defence contribution – effectively a forced loan raised on 0.5% of all property worth more than 10,000 M and 2% of all incomes above 50,000 M – to be raised in three tranches (374 m. M plus two of 324.5 m. M); and a capital gains tax levied progressively in 10 bands rising from 0.6% on gains of between 25,000 and 50,000 to 1.5% on gains of more than a million M (82 m. M p.a.). This was far from being a revolution in Reich finances. The burden of debate on the budget committee was concerned with the differentiated treatment of specific economic groups, not with absolute levels of revenue and expenditure. Moreover, the outcome was far less politically clear-cut than Krobeth suggests. Rather than representing a final victory for a progressive coalition against the forces of reaction, the passage of the defence and finance bills principally revealed the extent of division within the parties. If anything, the very minor political breakthrough represented by the passage of a direct Reich tax (or rather three direct Reich taxes, given that the two-headed defence contribution could in theory be repeated) seemed likely to be followed by a reaction as conservative elements regrouped – though the signs of such a regrouping have sometimes been exaggerated by historians.

The essential point here is this: it was domestic politics which determined the size of the German army before the First World War. As we have seen, because of the influence of Prussian conservatives in the war ministry, the annual conscription rate was below Germany’s western rival, France. But even if Ludendorff had been given a

159 Ibid. pp. 272ff.
162 It was typical that, although the Reichstag raised the yield of the capital gains tax by 18 m. M by making the tax more progressive, it actually increased the total level of expenditure by 22 m. M: Krobeth, Finanzpolitik, pp. 220–70.
163 Westarp and Heydebrand had been divided about tactics in the DKP; Erzberger’s enthusiasm was not shared by all Centre deputies, a number of whom voted against the capital gains tax; there were many in the SPD who objected to voting for any legislation linked to arms spending; while a significant number of National Liberals were unhappy with the introduction of a progressive scale for the Defence Contribution. The BdL, which had initially supported the introduction of a direct tax now feared ‘the beginning of confiscation’: ibid. pp. 272ff.
164 Stegmann, Die Erben Bismarcks, pp. 352–448; Eley, Reshaping the German right, pp. 330–4.
free hand to implement near-universal military service, it is not clear that it would have been possible. For the German defence budget was also restricted: by the Reich’s federal structure; by the bureaucratic in-fighting within the Reich departments; by the government’s reluctance to increase its dependence on the Reichstag; and by the Reichstag parties’ refusal to pass adequate taxation. It is true that, as a result of the legislation of 1912 and 1913, German defence spending was, in absolute terms, higher than British and French. However, as a percentage of GNP (3.5 %) it was lower than that of both France (3.9 %) and Russia (4.6 %). In per capita terms and as a share of public spending (excluding local government), it was lower than that of France and Britain. Moreover, if one adds the cost of debt service to the defence budgets of the four countries, on the assumption that the bulk of government borrowing was for military spending, the discrepancies grow still larger. As a share of GNP, French and Russian payments for defence were again higher. The French per capita defence-plus-debt burden was 4.5 % higher than the German.

These differentials reflected fundamental weaknesses of the German political economy. Unable to borrow as much as the Russian or French states, unable to raise as much in direct taxation as the British, and unable to reduce the large shares of the states and local government in total revenue, the Reich could not win the arms races it engaged in with its rivals. Yet, as we have seen, it was precisely because of this that the war was ultimately initiated by the general staff; on the grounds that a swift war of annihilation would compensate for German inferiority and prevent that inferiority growing worse. The question whether, from a purely fiscal point of view, Germany could have spent more on defence — whether financed from taxation or borrowing — cannot adequately be addressed here. But if Germany was losing the arms race for these reasons, then the argument for domestic origins of the war gains a new lease of life.

In December 1912, the Kaiser declared: ‘The German people [is] prepared to make any sacrifice […The] people understand, that unsuccessful war is much dearer than this or that tax.’ He did not doubt ‘the willingness of the population to grant each and every thing [that was asked] for military purposes’.

An Army League spokesman echoed him: ‘If one wants to live peacefully, one must also carry burdens; pay taxes: without that it simply cannot be done.’ Bülow too appreciated the point: the German people, he noted in 1908, had to be convinced ‘that, morally and materially […] financial reform is a matter of life and death’. It is the fundamental paradox of

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167 Kroboth, Finanzpolitik, pp. 210ff.

168 Die Wehr in 1912, quoted in Coetzee, Army league, p. 50.

169 Berghahn, Germany and the approach of war, p. 83.
the Wilhelmine period that, despite all the signs that Germany's was a militaristic culture, these arguments ultimately went unheeded. True, by 1913 there were signs that the arguments for increased defence spending were weakening the anti-militarism of the Centre and social democrat parties. Ironically, however, the groups which were the least open to persuasion on this point were the Prussian Conservative party and the Prussian war ministry: an irony embodied by the figure of Ottomar Freiherr von der Osten-Sacken und vom Rhein, who, on the one hand, favoured universal military service; but, on the other, opposed the embourgeoisement of the officer corps and the taxation of the great East Elbian estates.  

For all her economic strength, Germany in 1914 was a power in military decline, because such attitudes within the Prussian establishment had obstructed all efforts to strengthen the Reich's military and financial capability. Contemporaries, when they worried about the Reich's weakness, thought of a colossus with feet of clay.  

But if one considers, in the light of the recent research surveyed here, how much responsibility for the Reich's insecurity lay with the political elite, perhaps a head of clay would be a more fitting image.

\[\text{Peterhouse, Cambridge}\]  

\[\text{Niall Ferguson}\]

\[\text{\textsuperscript{170} Förster, Der doppelte Militarismus, pp. 238f., nn. 11, 12.}\]

\[\text{\textsuperscript{171} Kroboth, Finanzpolitik, pp. 57f.}\]