

The Founding Insubordination

Brief History of the Construction of the Power of Nations

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CHAPTER 6

The German Insubordination: From Economic Integration to Political Unity

An Unknown Germany

It turns out to be impossible to think and even more bothersome to enunciate that until the end of the 18th century the German people was a people submitted to brutal slavery, a people submitted to the whim of the ruling elite that sold the best men of their own towns as slaves, to serve as soldiers in the armies of France and Great Britain. It's hard to imagine, even, that Germany until just one-hundred and thirty-six years ago, a sub-developed region, exporter of raw materials –cereals and wood- and importer of industrial products; a region political, economic and ideologically subordinated to England; divided into thirty-three independent states and rivaled amongst

themselves; alas, a region that made up part of the periphery of the international system, submitted –as was Latin America- to the domination of hegemonic structures of world power. It seems even more difficult to think that until mid-19th century the now happy German people were a nation without conscience. That the common man from Bavaria, Prussia or from Hesse did not feel German. That he did not believe in the existence of a nation called Germany. That the political class showed extremely high levels of corruption that would make any Latin American politician pale. That the German political elite were superstitious, totally against the advancements of science and, fundamentally, selfish, absolutely unconcerned with German national interest and the destiny of the people and the nation. That German cities –as Hegel describes- were dirty and unorganized.

Let us say, simply to give an example and so that our affirmations don't sound like exaggeration, that while the thirteen English colonies of North America fought for their independence from Great Britain, the German rulers "sold their subjects for thousands" to the English army, that employed them as slave-soldiers to combat the insubordinate North American colonists. In his "recollection of men" to be sold as slaves – the German historian Emil Ludwig affirms- that the German governors made no distinction:

The poet Gottsched, of a stature as tall as Lincoln, due only to having fled managed to escape the claws of the recruiters, longing to boast in Prussia, not with their talents, but rather with how many feet tall they were. Previously, the poet Seume was sold by his Hesse ruler...[the German rulers] resembled all those slave drivers that until yesterday hunted down well-rounded Sudanese and Abyssinians of both sexes, while the King of Prussia resembled a zoo keeper. For those thousands of men that were sold in that era to England for not having enough troops in the fight against America, around seven and eight pounds per head was paid, but in the global market the price turned out to be higher. Like in a cattle sale, they were felt up, being rejected those that were of a weak build. Once the deal was finalized, some duke of Hesse or Brunswick would give the British agent a diamond ring as a gift. The subjects that were not

able to keep safe by fleeing, having been, well, sold abroad, did not have permission to return until a peace treaty was reached, so that their stories would not provoke uprisings. On top of this, they were duped in their pay, since the princes withheld half of them for themselves. (Ludwig, 1944: 190-191)

In the very same sense that Ludwig expressed, in his *The History of Diplomacy* Vladimir Potemkin states:

The little princes of Germany that, in virtue of the Peace of Westphalia (1648), they had received the right to carry out an autonomous policy, and they engaged in lending their armies by grant to the highest bidder. The most shameless sale of soldiers took place and with it, of the motherland. In just half a century, the German princes earned from France something along the lines of no less than 137 million pounds and 46 and a half million sterling pounds from England. This business supplied so many purposes that the German princes tended to carry out true beatings on their subjects, turning them into soldiers and selling them later as whole armies to their rich allies. Thus, Hessen's *landgrave*, to pacify the Americans that had revolted against England, sold to the former this last army of seventeen thousand soldiers [while] in Prussia, its governing class, the nobility, lived off the exploitation of the free work of the servants of the glebe, whose products were sold in the markets of Western Europe. (Potemkin, 1943: 293)

To paint a brushstroke of the corrupt, selfish and superstitious German ruling elite it is fit that we remember that, when in 1840, the laying of the railroad began: "In Bavaria Office of Health raised its voice against the railroads, alleging that due to the swift movement there was to fear serious cerebral disorders in the passengers and even in spectators" (Ludwig, 1944: 322). And the Augustus of Hannover sustained that: "I do not want railroads in my country, I do not want the shoemaker and the tailor traveling at the same speed as me" (quoted by Droz, 1973: 130).

When through some economic "stimulus" these old-fashioned resistances were overcome, a rail fever seized hold of Germany and the railway businessmen

were able to obtain “through the corruption of high up officials –such as the Minister of Interior von Rochow, or even members of the royal family- the construction licenses, expropriation and numerous concessions” (Droz, 1973: 130) that before, in the name of “public health” or “national interest”, had been denied them.

During the entire first half of the 19th century, just like Latin America, Germany was a rural region,¹ fragmented into numerous states, politically powerless and completely subordinated to the hegemonic structure of world power that had as one of its main objectives to maintain her economically as a raw material producing region and politically as a balkanized region in a plurality of rival states. Germany was, without a doubt, just another part of the periphery of the international system.

Nevertheless, after 1812 and in the middle of the disunity of the German states, the rampant corruption of the political elite, the economic under-development and the ideological subordination of the university sectors to the ideas produced in England, an anti-hegemonic political current began a process of ideological insubordination that took the country, first into economic integration, and then on to political unification in order to, through these two transcendental steps, allow it to almost “miraculously” and in a very short span of time, reach the current threshold of power. Germany is, maybe, one of the clearest examples that ideological insubordination turns out to be, in all peripheral countries, the first and foremost condition for reaching the threshold of power paves the way for political autonomy and economic development.

The Awakening of National Conscience & the First Industrialization

After the Peace of Westphalia in 1648, Germany was left divided in micro-states and the disunity became a chronic disease. For years the territory that was inhabited by the people of the German tongue was a battle field for the French,

Swedish, Austrian, Spanish, English and Russians. In 1792 the French army invaded the territories of the ancient German Holy Roman Empire and, after a series of easy victories, towards the end of 1794 the whole of German territory to the west of the Rhine fell under French rule. This situation carried on until 1814 (Fullbrook, 1995). Thus, while England and France were unified States since the 16th century, Germany was nothing more than a “geographic idea”.

Germany suffered through, as much physically as morally, the French domination. Nevertheless, and at the same time, the foreign occupancy carried out a progressive policy tending to eliminate the bad aftertaste of feudalism and to introduce greater levels of justice and freedom:

That produces a sort of division of spirits, some oriented towards collaboration with the overcomer, and others headed towards resistance. (Droz, 1973: 42)

The French occupancy contributed to the development of a national sentiment and to the birth of the idea of *founding insubordination* of modern Germany.²

Nevertheless, as Jacques Droz well points out, given that France engrained the essences of progressive ideas, “the national movement could not stop making reference to revolutionary and imperial France, but the fact that it was a role-model and enemy at the same time truly complicated the problem. There were many Germans of progressive tendencies that thought that the ideas of liberty and equality, of which France had made itself unworthy, should be taken by the Germans and aimed against the oppressor. To this group the philosopher Fichte belonged, who had never hid his Jacobian sympathy and that, in his famous speech, *Speech to the German nation*, spoken during the winter of 1807-1808 in occupied Berlin, invited his compatriots to continue on in a new spirit of political liberation, rejecting at the same time the universal hegemony of Napoleon and the restoration of the Holy Empire” (Droz, 1973: 67).

It is important to point out that the confusion of spirits was also favored by the positive economic effects of the presence of revolutionary France on German soil. If, on one hand, the French policy promoted the particularism of each German state, applying the old policy of dividing in order to rule, and on the

other hand, the simplification of domestic customs allowed new and important movements of labor and capital, closing the gaps between east and west Germany and, more importantly, the continental block decreed by Napoleon --- that hindered the entrance of English industrial products into the continent- allowed some industries to be freed from British competition, allowed the cotton industry of Saxony to modernize and grow, and that through the planting of sugar beets –that replaced cane sugar that the English sold to Germany as middlemen- made the region of Magdeburg grow rich.³ Without a doubt, as List highlights (1955: 86): “As a consequence of the blockade, all German manufactured goods received for the first time a huge impulse”.

Ideological Subordination and Deindustrialization

With the financing of the Napoleonic wars in 1815, Germany –made up of thirty-eight sovereign states- from an economic point of view was on the informal prizes that Great Britain received for having defeated Napoleonic France. Great Britain thus regained its position of dominion over the German economy. In order to comprehend the real importance of this “economic reconquering” it is necessary to remember that, given its important natural resources and numerous population, “the German market was from the beginning (of British industrialization) very important to British industry, and offered the best way to ship out English items” (Cole, 1985: 86). The Napoleonic customs system having been destroyed, Germany suffered a true “invasion of English manufactured products” (Droz, 1973: 128), that ruined the newborn German industry that had developed under the shelter of the continental blockade. This blockade, upon hindering the entrance of English industrial products, had provoked the industrialization of Germany through the mechanism of substitutions of imports. Until the supply of the Napoleonic customs policy, Germany had been a region that produced raw materials and imported industrial products. Until the continental blockade, she had fundamentally been a sheep herding agricultural region. As we have already affirmed, during the

duration of the Napoleonic continental blockade Germany industrialized, however, when this ended and once again an economic policy of low tariffs and free trade was imposed, it lived through a process of de-industrialization and caused it once again to become a rural country. This situation dragged it back to the stadium of raw material production.⁴ In regards to this, List notes:

When peace was restored, English manufactured goods entered back into tough competition with German goods, (the British industry) due to the large amounts of available capital, was in a preferred situation for selling goods at much cheaper prices, offering more perfect items and granting credit for much longer terms than German industry, which still had to struggle with inherent difficulties at the beginning of its development. Soon ruin ensued everywhere. (List, 1955: 86).

In Prussia, the most important German state, the economic policy, “after 1815, was inspired by the doctrines of economic liberalism. Baron Stein and Baron Hardenberg, State Chancellors, great agrarian and administrative reformers of Prussia, were convinced advocates of the doctrines of Adam Smith. [...] By way of economic policy, particularly topics touching on problems with international business, the most eminent Prussian ministers were imbued with free trade ideas [...] and this attitude of the intellectual rulers harmonized with the interests of the powerful agrarian sector, or rather *junkers*, that dominated the eastern border of the Elba river” (Friedlander and Oser, 1957: 145).

In that mosaic of German States, Great Britain was in charge of preaching – through “generous subventions” to journalists and professors- that economic liberalism and the international division of labor made up the best economic theory that those states could apply. When List comments on the hidden financing that Great Britain undertook in order to propagate the theory of international division of labor and to discredit protectionist ideas as well as the men who dared to back it affirm that:

The English Cabinet, accustomed to not scrimping when it came to the commercial interests of the country, possesses in its Secret Service Money the means to come to the rescue, at any foreign point, in help of public opinion. A multitude of correspondences and flyers appeared, coming out of Hamburg,

Brema, Leipzig and Frankfurt, against the senseless idea of German manufacturers in favor of a common customs protection and against its advice (List); they reproached, in harsh and derogatory terms, the lack of knowledge of the beginnings of the economic policy –beginnings recognized by all educated men- or, at least, of not being able to comprehend them. These spokesmen of English interest were in far more favorable positions than the prevailing theory and the conviction of the men of science that were in favor of it. [...] The struggle was visible biased: on one side, a theory finished and played-out in all its parts an of an unarguable authority [...] with speakers in all the *parliaments* [...] *but, above all, with the great leverage of money; on the other side, poverty and need, diversity of opinions, internecine discord and the complete lack of a foundational theory.* (List, 1955: XXV)

In 1814, Germany had freed itself of the political dominance of France only to fall under the cultural and economic subordination of Great Britain. It exercised a true “cultural imperialism” –in Morgenthau’s terms- over Germany. Describing the results of the English cultural dominance over Germany, List affirms: “All learned public officials, all newspaper and pamphlet writers, all the writers that dealt with economic material, educated as they were in the cosmopolitan school (in free trade and the international division of labor), saw in any customs protection a theoretical abomination”. And he adds:

The least experienced student, whose cosmopolitan notebooks have barely had time to dry, thought himself authorized to derogatorily smile each time an experience rich advisor, an able and reflexive businessman, talked of customs duties. (List, 1955: XLVI)

In order to appropriately measure the weight of the cultural domination exercised by Great Britain it will do well to remember that List himself –that unclothed the English cultural domination- was, in a certain way, a “product” of it. It was in the exercise of his teaching career in the College of Political Science of the University of Tubinga that List began to walk the road of reflection, a road that would take him to discover the scaffolding of the English cultural domination over Germany:

I had to prepare in that time a course on economic policy; I had also studied, just like anyone else, what had been thought and written on this subject, but I did not wish to limit myself to instructing youth on the state of the science; I also wanted to teach them how wellbeing, culture and power of Germany had to be propelled with the means of economic order. The theory presented the beginning of free trade. This principle seemed reasonable to me, surely and, also proved by experience [...] but the prodigious results of the continental system and the pernicious consequences of its suppression [...] gave my doctrine a complete disclaimer, and, trying to explain this contradiction to myself, I came to the conclusion that this doctrine was not right. (List, 1955: XXI)

Ideological Insubordination

The beginning of the industrial development of Germany, the Genesis of its unity and the start of the construction of its national power were only possible once the country –thanks to the pains taken by a handful of intellectuals- was able to free itself from the ideological-cultural dominance of England.⁵

The process of ideological insubordination was the necessary condition that made it possible, first, for the economic integration of the different German states and that made –once political unity was achieved- the new State thus emerged become formal and substantially independent. Amongst that handful of intellectuals the novel economist List was one that stood out. It was in the United States –where the young German was exiled from 1824 on- that List received the intellectual influence of the followers of Alexander Hamilton and it was also there that he created his system of ideas that he had learned in large part in that country. At the same time, List's proposals had a big impact in the United States. After having seen the American experience of industrialization in the flesh, the German economist began to attack head on the thoughts of Adam Smith in his speeches. List held that Smith's doctrine could not be considered

scientific. To the young German the ideas of the Englishman were pure ideological propaganda that the very same British political elite took great care so as to not apply on an internal level.

List was an advocate of German industrialization and considered protectionism to be the most rational economic policy for that end. That is why he rejected *laissez faire*, free trade and the theory of the international division of labor as a group of ideas that were inadequate for his country and for any other country that wished to industrialize. He held that economic liberalism was “something the British had tried to export together with cotton, to the detriment of less developed nations” (Lichtheim, 1972: 71). He argued that the economic blooming of Great Britain was due to the fact that “its industries had grown in the shelter of a high wall of protection, and that other susceptible to industrial development should likewise protect their national products until they had time to become equally efficient” (Cole, 1985: 82).

To List, industrial growth had to be something backed by the State, that foreign products should be hindered from entering during the “adolescent period” of the new industries. List remained in the United States until 1832 when, finally, he returned to Germany. His incessant preaching influenced, in large part, so that –after painstaking negotiations- in Germany the establishment of the Zollverein or customs union would be granted. List was, without a doubt, one of the main artificers of the German ideological insubordination, an insubordination that allowed it to break through the “ideological corset” that hindered its national unity and its industrialization.

From Fragmentation to Unity through Economic Integration

On January 1st, 1834 a treaty of tariff union went into effect between Prussia, Bavaria, Wurttemberg and the two Hesse. A few years later, Saxony, the states of Thuringia, Nassau, the Great Dukedom of Baden and the free town of Frankfurt were added to the agreement: “Without a doubt”, Jacques Droz (1973: 129), sagaciously points out, “the unifying work was not yet completed: Steuerverein was still left out of the Union, supported by England [...] however,

the Zollverein, administered by a general conference that included twenty-six million inhabitants, opened up a huge field to the development of industry and commerce". With the customs union "things quickly evolved towards a price leveling; duties that had lost all reason for being were suspended and the coordination of currencies and weights was undertaken. All of this took place to the great disgust of England and France, that for during such a long time had cultivated the inner diversion of Germany and that now feared the announced unification"(Ludwig, 1944: 324).

London considered the process of economic integration started by the Zollverein so irritating to British interests –despite the fact that the common external tariff was still relatively low- that, in 1840, the researcher John Bowring "had been sent to feel out the strength of the new union" (Derry and Williams, 2000: 428). Officially, Great Britain sent the prestigious doctor Bowring to Germany with the objective of convincing the Germans to open their market to English manufactured goods in exchange for concessions in favor of German cereals and wood, in a way analogous to what took place with French wines and spirits, in 1834.⁶ For this purpose John Bowring drafted a report that tended to show that German industry was protected at the expense of agriculture, harming the German consumer, that protectionist measures had misguided many capitals, harming agricultural interests, that agriculture in Germany was the most important branch of production, that industrial interest could only prosper in a regimen of external competition and, finally, that German public opinion aspired to free trade.

Extra-officially, Great Britain had sent Bowring with the hidden objective of tempting the Prussian elite so that, guided solely by personal interests –namely tied to growing cereals and the exploitation of forests-, it would impose on the union the reduction of tariffs that protected industry. Despite the fact that the Prussian bureaucracy "was a majority of the free trade party" (Droz, 1973: 133) –as much as the class of large rural property owners, that clung desperately to their privileges-, Bowring was not able to fulfill his objective because it was not possible for him to guarantee –given the opposition of the land-holding English, well represented in the British Parliament- that Great Britain would commit to

the elimination of the cereal laws, which banned the entrance of those products into the English market.

Despite the establishment of the customs union and the failure of the free trade treaty proposed by Great Britain –an agreement that would have made it very difficult for Germany to re-industrialize-, the sectors that strived for industrialization –up against the greater part of the Prussian bureaucracy and with the majority of the sectors of the ideologically subordinated university to the ideas produced by England- would not finally win the match until 1890. Nevertheless, the Zollverein constituted the beginning of Germany's economic process of insubordination and was the foundation on which her national thought was rebuilt and after which unity was shaped.

From Agricultural Country to Industrial Power

Apart from the Zollverein, the history of what is today known as Germany is the history of a group of states, primarily agricultural ones that, through economic integration and a state impulse, became an industrial power. The Zollverein unleashed a “synergy” that allowed Germany to go from fragmentation to unity, from an agricultural level to an industrial level, from sub-development to development.

Nevertheless, it is necessary to clarify that this process of revolutionary transformation was not linear. The process of integration and industrialization of the German states was full of contradictions, of motion and counter motion, because the great fortunes of the aristocracy desired for Prussia to maintain its agricultural character and because cultural dominance, exercised from a long time before by Great Britain, had been able to make on part of German society, mainly the Prussian bureaucracy, the commercial bourgeoisie and important sectors of university thought- adhere to free trade. Proof of that, for example, were the congresses of celebrated German economists in Gotha in 1858 and in Frankfurt in 1859, that manifest themselves in favor of dismantling of the mechanisms that protected industry and that would adhere, without hindrance, to the theory of free trade. Fortunately for Germany, the economic detachment

initiated by the Zollverein was spearheaded by the *Seehandlung*, a type of bank of industrial promotion under the control of the State that “played a capital role in the financing and equipping of industry; it was that in the end that the Zollverein propelled and despite the resistance of an entire people” (Droz, 1973: 138). Through the *Seehandlung*, the German industrials had the opportunity to access long-term financing with low interest that, in any other way –meaning, what we would currently denominate “market conditions”- they would never have been able to obtain. What’s more, the action of the *Seehandlung* was complemented by the state impulse aimed at the building of the railway network. The governments “participated in it, very directly, and by way of loans approved by them” (Droz, 1973: 130). As Droz well points out: “The order of the Prussian government of November 22nd of 1842, that guaranteed a minimum interest of 3.6 percent to authorized companies, gave a decisive impulse to the construction of the rails” (130) and provoked a “railway fever” to take hold of Germany between 1842 and 1845. So effective was the state impulse on construction of the railways –despite the corruption of high officials and of the members of the Prussian royal family- that its development was the largest of all of Europe.

In 1848, the railway network reached 5,500 kilometers. In the decade of 1850 Germany experienced rapid economic growth whose most notable manifestation was the increase in the production of textile, iron and coal, as well as the construction of railways:

The longitude of the railway network tripled between 1850 and 1870; the percentage of the population working in factories went from 4 percent in 1850 to 10 percent in 1873, and gross national product per capita increased a third between 1855 and 1870. (Fullbrook, 1955: 170)

The German industrial bourgeois responded positively to the state impulse and correctly used “soft credits” that it obtained from the State and from private banking. Common economic space and long-term credits allowed the steel industry to develop considerably. Moreover, in Prussia measures were taken to introduce and divulge the manufacturing of modern machinery. The Prussian State created the Gewerbe Institut, the model Polytechnic Institute of Berlin,

where, at the cost of the State, the technicians that the blooming German industry needed were educated. In the Polytechnic Institute, the Prussian government exposed its most advanced machinery made in Great Britain or the United States so that they could literally be copied, without paying for patents, by German technicians and later introduced, at the expense of the State – through long term credits-, by the German industrials into the process of industrial production. In 1863 the Krupp firm installed the first iron factory in Germany capable of employing the modern Bessemer method. Four years later, Krupp astounded the world exhibiting a five ton canon in the World Expo in Paris of 1867. As soon as 1865 Germany occupied second place in worldwide production of iron and was only surpassed by Great Britain, being “escorted” by France and the United States. In 1867 the Borsig firm manufactured two-thousandth locomotive in Berlin, while agricultural machinery production, especially in Saxony, increased considerably. In 1870, Germany recovered third place in world production of cast iron.⁷

It is necessary to point out, also that –in order to adequately value the magnitude of the impulse that from the State received the process of industrialization-, that after the Frankfurt truce, the unified German state began the organization of scientific investigation and the application of scientific methods to industrial development with in energy that no other State in Europe showed signs of up to that moment. The German state took it upon itself, more than any other state of its time, to unceasingly sow and harvest “the fruit of knowledge”.

By way of the establishment of a system to uphold and pay the men of science, Germany not only created a true “army of scientific researchers” but it also carried out a true “policy of grey matter importation”. Tempted by this “policy of importation of brains”, many English scientists emigrated to Germany. Thus the powerful German chemical industry set its foundations on the works of the Englishman Sir William Perkins, who was unable to find in England a single division of the State nor a single practical negotiator that would support him.

After national unification, if in the superior level of the German educational system, through public universities, it educated the most qualified researchers

and scientists in Europe, then in the inferior levels State education produced one of the most modern, most literate and educated labor forces on the European continent. Finally, it is necessary to point out that in 1890 the German tariff, that had not been high if considered from the point of view of modern standards, was considerably raised: "Germany was able to grow in this way during the last decades of the 19th century under the shelter of an economic system based on the doctrines of List" (Cole, 1985: 88). Through the adoption of the ideas preached for so long by List, the ideological-cultural subordination – that had halted its development until that moment- was then defeated and Germany then lived through "a second wave of relatively quick industrialization, quintupling its production of manufactured items in a period in which England's only doubled. In this era it went from the older industries –steel, coal and heavy engineering- to the newer chemical and electric companies" (Fulbrook, 1995: 191).

Comparing the English economic model –adequate for an already-developed economy- to the one Germany –ideologically and culturally insubordinate- used to cease being an essentially agricultural country and to become an industrial power, Cole states:

In Great Britain, according to the ideas of the *laissez-faire*, the States would interfere as little as possible in industry and commerce, where as in Germany industry had grown under the stimulus directly granted by the State, and for the most part under state tutelage. The English railways were private property and their different company owners competed amongst themselves, whilst German railways were State owned and managed. [Another huge differentiating element was that] while Germany considered itself as the definitive aide to industrial and commercial development of Germany. (Cole, 1985: 92)

From 1890 on, as the result of a true national strategy of development whose cornerstone was also *state impulse*, "Germany soon became a rival of Great Britain much more important than France, as much because beforehand the German market had been very important for the English manufacturer, as also due to the fact that German industry developed in parallel branches to that of the English [...] and in Lorena and Ruhr an iron industry grew rapidly, in the

eighties and nineties, based on cutting edge production methods, threatening more and more the position of English iron in the continental markets. [...] The metallurgical industries thus came to make up the main field of economic rivalry between the English and Germans. [...] The German process, as much in riches as in industry, was, therefore, surprising, and it is not necessary to go any further to locate the main source of Anglo-German hostility” (Cole, 1985: 88, 90-91).

The German Lesson

The analysis of the historic German process clearly shows us how, thanks to the success of the *process of insubordination*, German went from being a fragmented and under-developed region –that produced handmade goods and food products and bought industrial products- to being an industrial power. Likewise, this teaches us how the German states went from being passive objects of international policy to being an indispensable active subject. For centuries the country was the battle field of the Spanish, Swedish and French that disputed predominance on German soil. It was only when Germany freed itself from “ideological bindings” –that hindered it from reaching national unity and its industrial development- that it was able to change its destiny. As Arturo Jauretche sagaciously points out, Germany owes much to the thinking of List that warned that Adam Smith’s liberalism, when professing the international division of labor and free trade, what it was looking for was to take advantage of the momentary conditions of superiority that England had achieved by creating an industry and a marina, thanks to the customs protection and Navigation Law. List headed up a process of ideological insubordination thanks to which Germany learned that Adam Smith, the teacher of liberalism, was a more

dangerous conqueror than Napoleon Bonaparte. The process of ideological insubordination made economic integration possible which, in its own turn, gave way for political integration. The political genius of Otto von Bismark sealed the unification and made Germany an industrial power starting from an economic policy that, following the teaching of List, defended itself from English competition through customs protection at the same time as, using the State as a promoter, it subsidized industrial production and exports. The success of the industrialization process hastened through imports substitution and state impulse allowed Germany to overcome the state of subordination and made its helplessness a great power. The same land that had been a battle field and object of dispute between France, Russia and England among others, later became in such a way a main actor on the international stage.

It does not turn out to be difficult to conjecture that if Germany had not had success in its industrialization process –vertiginously done thanks to the triumph of the ideological insubordination headed up by List-, its destiny would not have been very different from that of Poland, a country that practically remained occupied and under-developed until the end of the Cold War and the caving in of the Soviet Union. Lastly, it is necessary to remember that after the defeat of the Nazi barbarity, when the United States offered itself to dismantle Germany industrially to convert into, once again, an agricultural shepherding country, the outbreak of the Cold War and the Soviet threat forced it to rebuild Germany as a first defense of Europe and to substitute the Morgenthau Plan –of deindustrialization- for the Marshall Plan, that meant a new –and enormous- state impulse toward the reconstruction and reindustrialization of Germany.⁸

The industrial reconstruction of Germany thanks to the state impulse, made it possible in 1952 for the Federal Republic of Germany to propose to itself together with France –just seven years after the end of the Second World War- the strategic objective of building European unity in order to reach, long-term, the new threshold of power, then set by the United States of America.

1. "Germany continued to be, in the first half of the 19th century, an essentially rural country, since in 1849 72% of the population lived off the land" (Droz, 1973: 133).
2. The National German Movement was never, using modern terminology, a movement of the masses. "A retrospective patriotism has created a war of German liberation in 1813-1814, but it can be said with certainty that, by what respects the supposition that it was based on a popular resistance against the French, it is a merciful lie" (Hobsbawm, 2006b: 90).
3. For a British point of view of the Napoleonic customs system, see Eli Heckscher (1992).
4. This situation would carry on in time until the adoption of the Zollverein unleashed once again the dynamic of industrialization. In general it can be stated that Germany in 1815 was a predominantly agricultural and rural country. Berlin was the only city that had more than one-hundred thousand inhabitants; Königsberg and Breslau each had around sixty thousand; Dresden, Leipzig and Munich barely reached thirty thousand inhabitants. For more, see Jacques Droz (1973).
5. Commenting on the cultural ideological domination that England exercised over German society, a fact that made up the main strategic vulnerability of Germany, List (1955: 83) writes: "Nowhere has Adam Smith's theory and his young disciples found more acceptance as in Germany; in no other nation has the cosmopolitan generosity of Canning and Huskisson been more believed".
6. England quickly reacted against the German customs union because it understood completely that economic integration could easily bring on a means for the achievement of political integration and that this could lead, if Germany seriously industrialized, to the apparition of a political power in the heart of Europe and to the loss of important markets for their manufactured goods. The

mission that the English Cabinet charged doctor Bowring with –of convincing the Germans to accept a partial agreement of free trade- was not only a means of guaranteeing the German market for English industrial products but also a way to empty out the content, meaning the power, of a possibly unified German state.

7. It would do good to remember that the Krupp Group, founded in Essen in 1812 by Friedrich Krupp, employed little more than one-hundred workers in 1826 and that in 1846 and 1847 hundreds of people died in the country due to starvation and typhoid. For more on the astounding German development –that allowed Germany to cease being a miserable region punished by famine- see the works of William Dawson (1904), William Henderson (1939), Ludwig Pohle (1923).

8. During the discussions suggested in Washington about determining which policy would do best to maintain control of Germany and keep her at peace after finishing the war, two groups formed: one of advocates of repression and the other, of rehabilitation. The Treasury Secretary Henry Morgenthau, author of the plan that carries his name, held that “the only sure guarantee for avoiding future wars was not only to eliminate the German-Belgian potentiality but also all of its industrial capacity, in such a way as to convert the entire nation into a pastoral State. [...] General Eisenhower enthusiastically supported the idea of eliminating German war industry [and] Secretary of State Hull seemed to take sides with Morgenthau’s proposition. [...] The only one to express his stark opinion towards the plan would be Secretary of War Stimson”. President Roosevelt was frankly an advocate of treating Germany with harshness and he held that: “It is of vital importance that each of the inhabitants of Germany understand that this time their country is a defeated one. There exists a line of thought, as much here as in London, that upholds the need to do for Germany what this administration has done for its own citizens in 1933. I see no reason to instate a WPA in Germany [...] since the time we have been there in our condition of occupation by the army. [...] There are too many people here and in

England which thinks that the German people are not responsible for all that has happened; that only a few Nazi leaders are. Disgracefully, such an affirmation has nothing to do with the truth". Henry Morgenthau reached the height of his influence in the Quebec Conference in which Franklin Roosevelt and Winston Churchill agreed on the transformation of Germany "into a primarily agricultural State and of a pastoral character". When leaked information gave as a result the newspaper publication of the Morgenthau Roosevelt Plan it stated: "highly unlikely that the whole scandal was nothing more than the consequence of an inadequate journalistic management of information". The spirit of the Morgenthau plan achieved "surviving official defenestration" and continued "profoundly influencing the occupation policies that the United States initially implemented in Germany". All quotations were taken from John Lewis Gaddis (1989: 144-148).

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