## Lecture Timetable:

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<th>Week 1</th>
<th>(1) Introduction</th>
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<td></td>
<td>(2) Eighteenth-century foundations</td>
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<td>Week 2</td>
<td>(3) Hungarian agriculture</td>
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<td>(4) 1848; an economic turning point?</td>
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<td>Week 3</td>
<td>(5) continued</td>
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<td>(6) The railway, banks and economic integration</td>
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<td>Week 4</td>
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<td>(8) Nationalism and regional disparities</td>
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<td>Week 5</td>
<td>(9) continued</td>
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<td>(10) Austrian capitalism</td>
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<td>Week 6</td>
<td>(11) The impact of World War I</td>
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<td>(12) Political and economic nationalism: nostrification</td>
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<td>Week 7</td>
<td>(13) Inflation and hyperinflation</td>
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<td>(14) Czechoslovakia 1918-38</td>
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<td>Week 8</td>
<td>(15) The interwar crisis</td>
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<td>(16) German economic penetration</td>
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### DEADLINES - ALL STUDENTS -

Minor assignment - 10 November 2003
Essay 1 - 8 December 203, with the essay title to be taken from List 1.

Students following the module in its 20 credit mode are required to submit a second essay from List 2 by 12 January 2004.
The economic transformation of Eastern Europe, 1740-1938

Although often considered a part of the European economy’s ‘periphery’, the Habsburg Empire experienced economic structural change from the second quarter of the nineteenth century. This module is designed to introduce its participants to this large region’s gradual and partial modernization. An examination of the temporal pattern of economic development is the central theme, but with an emphasis upon the hurdles that had to be surmounted: regional diversity, ethnic antipathy, together with political and social conservatism. The extent to which these various factors constituted impediments is brought out by an examination of the largely bleak experiences of the successor states to the Empire during the interwar years. The course involves an engagement with a ‘new’ and ‘old’ historiography that, respectively, places emphasis upon quantification and an appreciation of political forces. Students’ abilities as economic and social historians will be further developed through, particularly, tutorial presentations, and the completion of assignments for continuous assessment – the minor assignment and the essay. Deepening of their capabilities as historians will be further cemented by individual wider reading accompanying the lecture programme.

Learning Outcomes:

Subject-specific skills:
By the end of the module you should have developed your knowledge and understanding of the economy of eastern Europe during the period c.1750 – 1938, and, in particular:

a. have gained an understanding of the interaction between economic and political forces during industrialisation;

b. have explored definitions, interpretations and approaches taken by historians and social scientists in their analyses of this process;

c. be able to appreciate economic and sociological terminology, and quantitative data;

d. have acquired an appreciation of the significance of industrialisation in the overall experience of humankind; and

e. be able to assess the consequences of economic structural transformation for members of society, whether as groups or as a whole.

In addition, by successfully completing the module, you should have further developed a number of key skills, particularly:

a. written communication, through the submission of an assignment and an essay;

b. oral communication, through the delivery of a presentation, being a required component of the tutorial programme, and by interaction with members of the tutorial group; and

c. independent study, involving the production of summaries of complex information and argument, the meeting of deadlines and time management.
**Skills development at Finals level:**

<table>
<thead>
<tr>
<th>Subject Specific Skills</th>
<th>How Developed</th>
<th>How Assessed</th>
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<tbody>
<tr>
<td>Read, analyse and reflect critically and contextually upon historical texts and other source materials</td>
<td>Through background reading, together with more specific reading for tutorials and essays.</td>
<td>Through tutorial presentations; by completing continuous assessments – minor assignment and essay - and formal examination.</td>
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<tr>
<td>Develop an understanding of the varieties of approaches to understanding, constructing and interpreting the past and of comparative perspectives on the past</td>
<td>Through reflecting upon lectures and by background reading, together with more specific reading for tutorials and essays.</td>
<td>Through tutorial presentations; by completing continuous assessments – minor assignment and essay - and formal examination.</td>
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<tr>
<td>Gather and deploy evidence and data to develop and sustain historical arguments</td>
<td>Through background reading, together with more specific reading for tutorials and essays.</td>
<td>Through tutorial presentations; by continuous assessment – minor assignment and essay - and formal examination.</td>
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<tr>
<th>LTS Skills</th>
<th>How Developed</th>
<th>How Assessed</th>
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<tr>
<td>IT Skills</td>
<td>By the presentation of tutorial papers, minor assignment and essay</td>
<td>Assignment and essay formally assessed.</td>
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<tr>
<td>Numeracy</td>
<td>By the presentation of tutorial papers, minor assignment and essay</td>
<td>Assignment and essay formally assessed.</td>
</tr>
<tr>
<td>Written Communication</td>
<td>By the presentation of minor assignment and essay</td>
<td>Assignment and essay formally assessed.</td>
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<tr>
<td>Oral Communication</td>
<td>Tutorial presentations</td>
<td>Tutor’s response</td>
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<tr>
<td>Team Working</td>
<td>Tutorial</td>
<td>Tutor’s response</td>
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### OUTLINE CHRONOLOGY*

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1740-80</td>
<td><strong>Reign of Maria Theresa</strong></td>
</tr>
<tr>
<td>1740-8</td>
<td>War of Austrian Succession</td>
</tr>
<tr>
<td>1748-9</td>
<td>First reform period</td>
</tr>
<tr>
<td>1756-63</td>
<td>Seven Years War</td>
</tr>
<tr>
<td>1760</td>
<td>Commencement of the second reform period</td>
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<tr>
<td>1772</td>
<td>First partition of Poland</td>
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<td><strong>1780-90</strong></td>
<td><strong>Reign of Joseph II</strong></td>
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<tr>
<td><strong>1792-1835</strong></td>
<td><strong>Reign of Franz I</strong></td>
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<tr>
<td>1793-1815</td>
<td>French revolutionary and Napoleonic Wars</td>
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<tr>
<td>1795</td>
<td>Second partition of Poland</td>
</tr>
<tr>
<td>1805</td>
<td>Vienna captured</td>
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<tr>
<td>1809</td>
<td>Vienna captured</td>
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<tr>
<td>1809</td>
<td>Metternich appointed Chancellor</td>
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<tr>
<td>1818</td>
<td>Development of the Czech Renaissance with the foundation of the Czech Museum</td>
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<tr>
<td>1825</td>
<td>Beginning of the Hungarian reform movement</td>
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<tr>
<td><strong>1835-48</strong></td>
<td><strong>Reign of Ferdinand</strong></td>
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<tr>
<td>1842</td>
<td>Beginnings of liberalism</td>
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<tr>
<td>1848-9</td>
<td>Revolutions, including a Hungarian Declaration of Independence. Fall of Metternich.</td>
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<tr>
<td><strong>1848-1916</strong></td>
<td><strong>Reign of Franz Joseph</strong></td>
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<tr>
<td>1853-6</td>
<td>Crimean War</td>
</tr>
<tr>
<td>1859-61</td>
<td>Empire defeated in the Franco-Austrian War – loss of Italian provinces.</td>
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<td>1866-7</td>
<td>Empire defeated in the Austro-Prussian War.</td>
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<tr>
<td>1867</td>
<td>Ausgleich (Compromise) with Hungary initiates the Dual Monarchy – the Austro-Hungarian Empire</td>
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<tr>
<td>1878</td>
<td>Austrian occupation of Bosnia-Herzegovina</td>
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<tr>
<td>1908</td>
<td>Austria annexes Bosnia</td>
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<tr>
<td>1914</td>
<td>Crown Prince Archduke Franz Ferdinand assassinated at Sarajevo</td>
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<tr>
<td>1914-18</td>
<td>First World War</td>
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<tr>
<td><strong>1916-18</strong></td>
<td><strong>Reign of Karl</strong></td>
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<tr>
<td>1918</td>
<td>Autumn – defeat of Imperial forces, and national revolutions throughout the Empire. Fall of the Habsburg Monarchy</td>
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<tr>
<td><strong>1918-</strong></td>
<td><strong>Successor states</strong></td>
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<td>1919-20</td>
<td>Paris peace treaties – St. Germain (Austria), and Trianon (Hungary), further establishing the successor states: Austria, Czechoslovakia, Hungary, Poland and Yugoslavia, with territory also ceded to Italy (Sud Tirol) and Greater Romania. Austria and Hungary – ‘rump’ states.</td>
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<tr>
<td>1931</td>
<td>Initiative for an Austro-German Zollunion; collapse of Creditanstalt</td>
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<tr>
<td>1938</td>
<td>Nazi Germany annexes Austria (Anschluß) and the Sudetenland</td>
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GUIDE TO LECTURES AND READING

This is arranged by lectures, with titles of books beginning with the author’s surname, and titles of articles, chapters etc. with author’s initials.

1. Introduction
   Outline of the course, with familiarisation of the ethnic, political and spatial dimensions of the Habsburg Empire

   i) All students should read at least one of the following four chapters during the first two weeks of the course in order to gain the necessary general background:

   and/or
   and/or
   3) ‘The powers of deprivation: Italy, Austria-Hungary, Spain’, chapter 5 of Trebilcock, C., The industrialization of the continental powers 1780-1914 (1981);
   and/or

   ii) For an outline political history providing background, see Okey, R., Eastern Europe 1740-1980. From feudalism to communism (1982).

   iii) Other general surveys of the eighteenth and nineteenth centuries:


2. Eighteenth-century foundations
   The growth of rural and urban production - in villages, towns and Alpine regions;
   The beginnings of the importance of manufactures in the Czech Crown Lands - Bohemia and Moravia;
   Proto-industrialisation and the mercantilist policies of Maria Theresa;
   The disruption of the French Revolutionary wars.

   [For the political context, see C. W. Ingrao, The Habsburg Monarchy, 1618-1815 (2nd ed., 2000)].


3. Hungarian agriculture

The completion of peasant emancipation in the wake of the 1848 revolution, and its possible role in the growth of agricultural production and productivity.

Rising urban incomes from 1830 and their effect upon agriculture.

Hungarian agriculture after the Ausgleich [Compromise] (1867) with regard to landownership, productivity and possible changes in cropping patterns induced by the arrival of the railway.


4-5. 1848; an economic turning point?

‘Old’ and ‘new’ interpretations of the importance of the post-1848 liberal economic reforms for industrialisation -

peasant emancipation, the privatisation of the railway system, liberalisation of internal and foreign trade policy, and the establishment of a modern banking system.


6-7. The railway, banks and economic integration
To what extent did the railway and the banking system overcome geographical barriers and ethnic conflict?
The development of railway networks under a liberal regime (1854-67/78) and subsequent renationalisation.
The spread of financial facilities through bank branch networks.
Economic integration in terms of domestic trade, prices and the labour market.

-----, Banking and industrialisation in Austra-Hungary (1976).

8-9. Nationalism and regional disparities
Was there a convergence of material conditions within the Dual Monarchy as a result of further industrialisation
Bohemia and Moravia as a growth pole, but the de-industrialisation of the Alpine regions.
The role of food processing in Hungarian industrialisation.
Economic change after 1900 at the periphery.
Measures of convergence.


10. Austrian capitalism
   The scale of economic enterprises; the late acceptance of the joint-stock company; banks as the ‘missionaries’ of capitalism; and the overt control of the ‘invisible hand’ of the market.


11. The impact of World War I
   War-induced debilitation - a problem of food production and distribution, or logistics and transport policy?
   War weariness and political disintegration.
   National revolutions


Grebler, L. & Winkler, *The cost of the war to Germany and Austria-Hungary* (1940).


Rothschild, K. W., *Austria’s economic development between the two wars* (1947).


12. Political and economic nationalism: nostrification
   The break-up of an economic entity
   The successor states and ethnic antipathy
   From imperial to national economic structures and institutions - nostrification.


13. Inflation and hyperinflation

The varying experiences of the successor states 1918-1924.

- Inflation - rising prices (Czechoslovakia, 1918-20);
- Hyperinflation (Austria, 1921/2, and Hungary, 1923/4) - steeply rising prices @ 50% per month (P. Cagan).

Causes of monetary disruption - fiscal policies, post-war disruption, floating exchange rates and societal consensus.

Inflation as a means of bringing about reconstruction.

International intervention (League of Nations Financial Committee).


van Walre de Bordes, J., *The Austrian Crown* (1924) [Xerox copy in Library]


League of Nations, *The financial reconstruction of Austria* (1926)

League of Nations, *The financial reconstruction of Hungary* (1926)


Rasin, A., *Financial policy of Czechoslovakia during the first year of its history* (1923)


14. Czechoslovakia 1918-38
The economic reconstruction of a successor state and the subsequent challenge of the Great Slump (1929-33).


15. The interwar crisis
The causes of post-1929 economic stagnation amongst the successor states - Post-war structural change or international influences

J. Csoppus, ‘The Rome Pact and Hungarian agricultural exports to Italy (1920-44)’, *J. of European Economic History*, 11 (1982).
16. German economic penetration
German economic influence within the successor states - its long-term basis and augmentation from 1931.


TUTORIAL TOPICS

Further reading is provided for topics; otherwise refer to the bibliographies for the lectures

1. Peasant emancipation before 1848.
   Piecemeal reform under Maria Theresa, Joseph II (enlightened despotism), and the changing attitudes of the nobility from 1830.
   Inter-peasant relationships.

   -----, Noble landowners and agriculture in Austria 1815-48 (1948).

2. Proto-industrialisation
   What is ‘proto-industrialisation’?
   How useful is this concept for understanding the growth of manufactures within the Czech Crown Lands during the eighteenth century?


3. A Czech industrial revolution?
   To what extent was Bohemia on a par with Lancashire during the period 1760-1830?

-----, *The industrial revolution in the Czech Lands* (1960).

4. The role of the state
Did the Empire lack entrepreneurs?
To what extent did state initiatives act as successful substitutes for market-induced change? How appropriate are Gerschenkron’s views regarding Austria-Hungary as a ‘follower’ industrialiser?


5. When did Austria industrialise?
Revolution or evolution? ‘Old’ and ‘new’ interpretations of the industrialisation of Cisleithania.
A take-off, either 1848-1873 or 1890-1914; or the onset of modern economic growth from c.1830s?

-----, ‘The patterns of Austrian industrial growth from the eighteenth to the early twentieth century’, *Austrian History Yearbook*, 11 (1975)
----- et al., ‘Modern economic growth in the Austrian monarchy’, *East Central Europe*, 7 (1980).

   Ethnic antipathy and conflict as obstacles to economic modernisation


7. Investment banks as special institutions for economic development
   How effective were the Empire’s great banks as missionaries for capitalism during the period 1848-1914?
   How appropriate is Gerschenkron’s perspective of these banks as substitutes for the capital market and entrepreneurship?

-----, Banking and industrialisation in Austra-Hungary (1976).

8. Urban centres
   Urbanisation within a predominantly rural society. The varying urban experiences.

9. The problems of ‘Trianon Hungary’
   Economic problems arising from a country reduced to a third of its former size.

G. Ranki, ‘Problems of the development of Hungarian industry, 1900-44’, *J. of Economic History*, 24 (1964)

10. Was ‘St. Germain Austria’ unviable?
   Size pessimism and the First Federal Republic

Rothschild, K. W., *Austria’s economic development between the two wars* (1947).

11. Why was eastern Europe particularly affected by the great depression?
   Agrarian societies within the post-1918 international market for primary products

12. Which countries benefited from controlled trade during the 1930s?
   Which economies gained from the bilateral trade of the 1930s - those of the successor states or the German?
   The political dimensions of Schacht and Göring.

ASSIGNMENTS AND ESSAYS SUBMITTED FOR CONTINUOUS ASSESSMENT

Please provide two copies of all coursework. One will be returned to you, the other will be retained for possible scrutiny by the external examiner. Please follow the formatting instructions on the enclosed sheet.

For details of deadlines see the Module Information Sheet provided. If in any doubt, please check at the Office.

MINOR ASSIGNMENT

Using the data contained in B. R. Mitchell, European Historical Statistics 1750-1970 (London/Basingstoke: Macmillan, 1975 and subsequent editions), assess the experience of the Habsburg Empire over the period c.1750-1914, with respect to ONE of the following:

Population growth
[Austria:Cisleithania, B1, p.19; B2, p.29; B3, p.57; B5, pp.81, 84, 90; B6, pp.105, 108, 114; B7, pp.127-8, 130: Hungary: Transleithania, B1, p.21; B2, p.40, B5, pp.82, 86, 92; B6, pp.110, 116; B7, pp.128, 130 (data for major cities can be found in B4, pp.76-8, and for migration B8, p.135 and B9, pp.137-9, 141-2)]; OR

Occupational structure
[Austria, C1, p.153: Hungary, C1, p.157]; OR

Agricultural output
[Austria, D1, pp.200, 210; D2, pp.238, 249; D3, pp.278, 280; D5, pp.289, 296: Hungary, D1, pp.205, 216; D2, pp.242, 256; D3, pp.278, 280; D5, pp.291, 300]; OR

Coal and petroleum output
[Austria, E2, pp.360, 362; E3, pp.371-2: Hungary, E2, pp.360, 363; E3, pp.371-2]; OR

Pig iron output
[Austria, E8, pp.391, 393: Hungary, E8, pp.392-3]; OR

Raw cotton consumption
[Austria, E14, pp.428-30]; OR

Beer output
[Austria, E26, pp.271-2, 474: Hungary, E26, pp.472, 474]; OR

Foreign trade
[Austria-Hungary, F1, pp.487, 489,493; F2, p.503]; OR

The growth of the railway system and riverine shipping
[Austria-Hungary, G1, pp.581, 583; G2, pp.589, 591; G3, pp.601, 603; Austria, G5, pp.634-5].

Your assessment should be of the order of 1,500 words, including graphs and tables (with a full page table or graph being equivalent to c.300 words), and should be informed by reference to the appropriate associated secondary literature – texts, monographs and articles (see and employ the reading lists for lectures and tutorials).
ESSAY TOPICS

Essays should be of the order of 2,500 words.

List 1: all students

1. ‘The Austrian case for industrialisation is unusual, and perhaps unique, in the inter-relation and inter-dependence between political and economic developments.’ Discuss.

2. ‘Habsburg economic policies before 1848 aimed to insure that manufacturing was a speciality of the empire’s western Lands, while Hungary was to be the bread basket.’ Comment.

3. To what extent had industrialisation got underway within the Habsburg Empire before 1848?

4. ‘While they made much impression upon contemporaries, the peasant “protection” policy of Maria-Theresa and the “emancipation” decrees of Joseph II barely touched the basic problems of tenure and of labour dues.’ Discuss.

5. What role did the railways play in Austro-Hungarian economic development?

6. ‘The 1880s were a period of economic stagnation for both Austria and Hungary.’ Discuss

7. Why have economic historians paid so much attention to the banking systems of Austria-Hungary during the 19th century?

8. Did Hungary have an industrial economy by 1914?

9. What were the causes of the post-war inflation experienced in east central Europe? With what success was this problem tackled by the governments of the successor states?

10. Why did Austrians believe that their nation had a bleak economic future during the inter-war period?

11. ‘A favourable heritage from the former Imperial economy accounts for the strength and solidity of the Czechoslovak economy during the inter-war period.’ Discuss.

12. Account for German economic penetration of eastern Europe during the 1930s.

List 2: only for those taking the course as a 20-credit module (second essay)

1. ‘Eastern Europe had been primarily an agricultural region during the mid-eighteenth century, and there was little change in its underlying economic character by 1938.’ Discuss.

2. ‘The Habsburg monarchs’ neo-mercantilist policies during the second half of the eighteenth century established the basis for the Empire’s industrialisation.’ Discuss.

3. Explain the apparent contradiction between the political repression of the ‘Vormärz’ period (1815-1848) and the initiation of sustained economic growth during the second quarter of the nineteenth century.

4. Assess the extent to which ethnic antipathy was a constraint on the Empire’s further economic transformation over the period 1848-1914.
5. Account for Bohemia’s development as the major industrial region of east central Europe during the period 1880-1929.

6. ‘It was above all nationalism that guided the economic policies of the Hungarian government.’ Discuss this judgement with respect to the period 1924-1938.

7. ‘The development of hydro-electricity was the key factor in establishing the foundations of the First Austrian Republic’s economy.’ Discuss.