

**PROTECTION IN GERMANY, A
HISTORY OF GERMAN FISCAL
POLICY DURING THE NINETEENTH
CENTURY; PROTECTION IN
VARIOUS COUNTRIES: GERMANY**

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Protection in Germany, a history of German fiscal policy during the nineteenth century;
Protection in various countries: Germany by William Harbutt Dawson

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WILLIAM HARBUTT DAWSON

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PROTECTION IN VARIOUS COUNTRIES

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PROTECTION IN GERMANY

A HISTORY OF GERMAN FISCAL
POLICY DURING THE NINETEENTH
CENTURY

BY

WILLIAM HARBUTT DAWSON

Author of "German Socialism and Ferdinand
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PREFATORY NOTE.



THAT history should be written without tendency is a sound and just maxim. But when a tendency is implicit in history, it is a dishonest affectation of impartiality to omit to bring that tendency to light.

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PROTECTION IN GERMANY.

CHAPTER I.

THE PRUSSIAN TRADITION.

A REVIEW of fiscal policy in Germany must begin with the statement that protective laws in the interest of industry and agriculture have been the tradition of the States which form the present Empire. Freedom of trade has been the exception, and when it has occurred it has been a temporary lapse from continuity and custom. This is not a proposition to be argued, but an affirmation of fact, the recognition of which is necessary to the right understanding of all that follows.

But this fundamental fact, that Protection is the tradition of German policy, implies that from an early period there was a trade to protect, hence that Germany's commercial development is by no means so modern as it is commonly supposed to be. Writing of that country in the middle of the fifteenth century, the Papal Legate Æneas Sylvius said: "If this mass of great towns and territories, with their population and their wealth, were united in one purpose, what an empire and a

people the Germans would be!" "In the fifteenth and sixteenth centuries," says a German writer, "Germany was unquestionably esteemed as very rich in comparison with the other countries of Europe, and it became so principally through mining and trade. The seat of her great commerce was in the North, though in the towns of the South, too, an important and prosperous industry was developed, thanks especially to their ties with Italy, whose industries were so famous at that time." But the industry and trade which had been built up under the fostering care of guild and merchant at home, and by Hanseatic enterprise abroad, fell into decay during the Thirty Years' War of the seventeenth century. When the Peace of Westphalia ended the strife in 1648 the desolation remained. Town and country alike were depopulated; the national resources had been depleted; the working classes had to learn their arts and trades over again; the entire economic life of the nation was disordered and paralysed. Thus before the war began there were in Berlin and Kölln (old Berlin) 1,236 inhabited dwellings, but in 1653 (three years after the peace) 1,052; in Brandenburg the number fell from 1,144 to 554, in Frankfort-on-the-Oder from 1,029 to 523, in Potsdam from 191 to 101, in Rathenow from 299 to 153, and in Mittenwalde from 245 to *nil*. Once German merchants had controlled the markets of Russia and Norway, but during those terrible years of unrest and demoralisation that position of