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Volume Title: Business Annals

Volume Author/Editor: Willard Long Thorp

Volume Publisher: NBER

Volume ISBN: 0-87014-007-8

Volume URL: <http://www.nber.org/books/thor26-1>

Publication Date: 1926

Chapter Title: The Annals of Germany

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Chapter URL: <http://www.nber.org/chapters/c4641>

Chapter pages in book: (p. 200 - 218)

CHAPTER IV.

THE ANNALS OF GERMANY.

The German Republic was established on November 9, 1918, after the abdication of the Emperor. The German Empire had been formed in 1871 by treaties between the North German Confederation and the South German states, including Alsace and Lorraine which had just been won from France by Prussia. In 1890, the island of Heligoland was purchased from Great Britain.

Germany is the third largest country in Europe, and ranks second in population. The boundaries of the Empire were: on the east, Russia, on the southeast, Austria and Switzerland, on the southwest, France, on the west, Luxemburg, Belgium, and the Netherlands, and on the north, the North Sea, Denmark, and the Baltic Sea. The most important changes made by the war were the creation of the buffer states, Lithuania, Poland, and Czecho-Slovakia between Germany and Russia. The free state of Danzig and the "Polish corridor" now separate East Prussia from the rest of Germany. The larger part of Germany to the north is plain, but to the south, the topography is varied with large plateaus, fertile low plains, mountain chains and isolated peaks. Germany has about 7,000 miles of natural waterways, but few good harbors. Navigation in the Baltic Sea is closed several months each year by ice.

The present area of Germany is 182,252 square miles¹ which represents a decrease of 26,573 square miles from the pre-war area. The records of population growth are given in the following page.

Not only was there the rapid population growth shown by these data, but in addition it is estimated that during the eighty years from 1821-1900, the United States received over four and one-half million immigrants from Germany. German emigration increased during the first part of the century to the decade ending with 1860, when nearly one million persons left for the United States. However, the great boom in migration came in the decade of the eighties, the peak being

¹ Computed by multiplying by 0.3861, the data given in square kilometers in Germany. Statistisches Amt, *Statistisches Jahrbuch für das deutsche Reich, 1923*. Berlin, 1923.

December 1,—	Population ^a	Persons per Square Mile ^b	Per Cent Urban ^c
1840 ^d	32,787,150	157	... ^e
1852 ^d	35,931,691	172	... ^e
1861 ^d	38,139,410	183	... ^e
1871	41,058,792	197	36.1
1880	45,234,061	217	41.4
1890	49,428,470	237	47.0
1900	56,367,178	270	54.3
1910	64,925,993	311	60.0
1919 ^f	59,852,682	328	62.5

^a Germany Statistisches Amt, *Statistisches Handbuch*. 2 vol. Berlin, 1907, and *Statistisches Jahrbuch, 1923*. Berlin, 1923.

^b Computed by multiplying original data in persons per square kilometer by 2.59.

^c Computed from data given in *Wirtschaft und Statistik*, October 28, 1924, vol. I, p. 493. Berlin. Includes all persons living in communities with more than 2,000 inhabitants.

^d Official estimates.

^e No data available.

^f Census taken October 8, 1919.

reached in 1882, when 250,630 German immigrants reached the United States. Since that time, the movement has been on a much smaller scale.

The relative importance of different types of economic activity may be observed from the following table:

Industry	Percentage Distribution of Gainfully Employed ^a			
	June 5,	June 14,	June 12,	Dec. 31
	1882	1895	1907	1920 ^b
Agriculture	47	40	37	36
Manufacturing, Mining and Construction..	36	40	42	43
Commerce and Transportation	9	11	13	13
Other ^c	8	9	8	8
Total	100	100	100	100

^a Computed from data in *Statistik des Deutschen Reich*. Berlin, vols. 102, 202, 211.

^b Official estimate in *Wirtschaft und Statistik*, vol. 1, p. 46. However, in the report presented to the Committee of Experts of the Reparations Commission, *Germany's Economy, Currency and Finance*, the following statement is made:

"The present number of workers in agriculture and forestry may be regarded as identical with that of 1907. Mining and industry have, as may be assumed from other statistics increased by about 20%; trade and traffic have increased in at least the same proportion. . . . A decrease has taken place through the abolishment of compulsory military service (decrease of the army from about 800,000 to 100,000 men), as well as through professional persons taking up other means of earning a livelihood." p. 8.

^c Includes persons engaged in personal service, professions, public service, and other occupations.

At the time of the founding of the Empire, Germany was chiefly an agricultural country and it was only in the latter part of the nine-

teenth century that Germany became an important factor in the world of industry and trade.

About five-eighths of the territory of Germany is cultivated and an additional quarter is covered with forests. The leading crops by acreage, are rye, oats, potatoes, and wheat. In the north and east, rye, oats and barley predominate, in the south and west, wheat is the principal crop. The harvest is in the autumn. In the annals, statements are given concerning production and prices for the wheat, rye, and potato crops.

The rapid development of Germany since 1870 has been due in a large measure to abundant mineral wealth. Before the War, its coal fields represented one-half the total resources of Europe, and it controlled one-fourth the iron supply. The rapidity with which the output of coal has increased is notable, and to some extent reflects the growth of industry.

Year	Coal Output ^a (millions of metric tons)
1871	29.4
1881	48.7
1891	73.7
1901	108.5
1911	160.7
1921 ^b	136.2

^a *Statistisches Jahrbuch.*

^b New area.

A further indication of the rapid growth of German manufacturing industry can be obtained from the census records of industrial establishments employing six or more workers: ^a

Date	Establishments	Employees
1882	94,482	2,653,252
1895	157,400	4,809,371
1907	216,107	7,652,591

^a Germany Statistisches Amt, *Statistisches Jahrbuch, 1910* and *Statistisches Handbuch.* Berlin.

The iron and steel industries are perhaps the leaders in Germany's economic development, but textiles, glass, chemicals, instruments, and toys are all important. The loss of Alsace and Lorraine, Upper Silesia and the Saar Basin have resulted in the reduction by 26 per cent of Germany's coal and 74 per cent of her iron ore resources. Though this

may retard further advance, it must be noted that, since the formation of the Empire, German industry has advanced with very rapid strides.

Railroad facilities are well developed in Germany. Ninety-three per cent of the railways are state roads. The statistical record of railway growth follows:

Year	Miles of Railway *
1851	3,761
1871	12,253
1881	21,026
1891	26,638
1901	31,715
1911	37,135
1921	34,583

* Computed by multiplying by 0.62137, data in kilometers published originally in *Statistisches Jahrbuch*.

There are also excellent inland water transportation facilities, and many state canals.

In recent years, German exports have obtained prominence in international trade. However, the trade balance of Germany is customarily unfavorable, imports exceeding exports, imports being chiefly indispensable foodstuffs or raw materials. The leading imports are cotton, wool, and wheat; leading exports are iron and steel, chemicals and dyes, and machinery.

Prior to the formation of the Empire, the banking and currency systems of the German States were very confused. There were seven different currency systems and many issuing banks. In 1876, the Reichsbank replaced the Bank of Prussia, under the superintendence and management of the government. It dominates the banking system of Germany, fixing the discount rate below which the private banks do not go.

The German Zollverein became active on January 1, 1834, and was gradually extended to include greater areas. This was the first step towards creating an economic unit out of the many German states. Steady development was checked somewhat in 1848 by the French revolution and its echoes in the German states. Depression continued to 1853, when the revival which was general throughout Europe, became apparent in Prussia. Prior to the formation of the Empire, the annals refer chiefly to Prussia or the states included in the Zollverein.

- 1853 Revival.
Improvement and expansion; speculative boom begins; big rise in commodity prices.
Money tightens slightly; new banks opened.
Crop failures.
Commercial treaty signed with Austria; neutrality declared in Russo-Turkish War.
- 1854 Prosperity.
Activity and expansion; many new companies formed, especially railroads; active speculation; further rapid rise in commodity prices.
Money eases, May.
Poor crops.
- 1855 Prosperity.
Activity continues; speculation increases despite promotion scandals; rise in commodity prices checked.
Money tightens, August.
Poor crops.
- 1856 Prosperity; bourse panic.
Great activity; marked increase in quantity of production; commodity speculation increases with collapse of security prices; feverish activity in promotion of new companies.
Money tight, especially autumn; security prices rise rapidly, first half-year, and collapse, September, with bourse panic.
Excellent crops.
- 1857 Prosperity; panic; recession.
Continued activity in industry; commodity prices reach peak, summer; severe check to foreign trade late in year.
Tight money market leads to financial panic, November, with many failures, especially in Hamburg; bourse depressed, with falling prices.
Good crops.
Prussia obtains Neufchâtel from Switzerland.
- 1858 Recession; depression.
Continued activity in industry, slackening but slowly; commodity prices fall sharply; foreign commerce deeply depressed.
Money tight.
Average crops.
William made Regent of Prussia, replacing Frederick William IV.

- 1859 Depression.
General inactivity, most severe in mining and metal industries; widespread unemployment; fall in commodity prices halted.
Money eases, second half-year; stock market panic at outbreak of war, May.
Fair crops.
Feeling against France strong, especially after her entrance into Austro-Italian war, May; neutrality maintained although troops mobilized along Rhine.
- 1860 Revival.
Gradual improvement; moderate activity with little profit; large coal output; recovery in construction and manufacturing industries most evident; foreign trade dull.
Money easy; bourse dull.
Good crops.
Protest against French annexation of Savoy.
- 1861 Mild prosperity.
Slow general improvement, hampered somewhat by foreign conditions; marked increase in coal output.
Money easy.
Crops fail.
Frederick William IV dies and William I becomes King of Prussia, January.
- 1862 Uneven prosperity.
Continued improvement in iron and coal industries; manufactures active except for paralysis of cotton industry; construction boom; commodity prices rise.
Money easy; revival in bourse activity with higher prices.
Good crops.
Prussia signs commercial treaty with France, excluding Austria, March; Bismarck becomes Chancellor, September.
- 1863 Moderate prosperity.
Continued activity; cotton industry depressed but progress made in other industries; commodity prices rise.
Money easy; political uncertainty ends bourse boom.
Excellent crops.
Revolution in Poland.

- 1864 Moderate prosperity.
Activity continues, little disturbed by war; cotton market crisis, autumn; further rise in commodity prices.
Money tightens; heavy demand for silver for export causes scarcity and minor panic, August; bourse dull.
Good crops, very low grain prices.
War with Austria as ally against Denmark; invasion of Schleswig-Holstein, January; victories and peace, August.
- 1865 Prosperity.
Greater activity and expansion of industry; cotton price falls.
Money tight after September; marked increase in activity on bourse.
Average crops.
- 1866 Prosperity; recession; depression.
Continued activity in basic industries completely interrupted during war months, and severely depressed after peace; small coal output; higher commodity prices.
Very tight money market gradually eases, last half-year; temporary bourse boom, autumn.
Fair crops.
War with Austria declared, June; rapid victories and armistice, July; peace, August; Germanic Confederation ended and North German Confederation formed.
- 1867 Depression; revival.
Dullness and inactivity, especially in coal and iron industries; marked improvement, last quarter; commodity prices higher; foreign trade dull.
Money very easy; bourse quiet.
Deficient grain crops and very high prices.
Distress in East Prussia due to crop shortage; first meeting of North German Confederation Parliament, February.
- 1868 Revival.
General improvement; active railroad construction; steady commodity prices.
Money tightens; extensive speculation in securities with rising prices.
Good crops, but cattle disease prevalent.

- 1869 Prosperity.
Activity in manufactures; construction industry booms; railroad construction notable; steady commodity prices.
Money fairly tight with great demand for capital; bourse active.
Crops below average.
- 1870 Prosperity; brief recession.
Continued prosperity until war; short period of stagnation; rapid revival, especially war industries; reduction in coal output; commodity prices decline sharply.
Money tightens, and then eases.
Fair crops.
War with France, July; invasion of France and victories.
- 1871 Prosperity.
Great activity and expansion of industry; widespread speculation and promotion of stock companies; commodity prices rise rapidly; building boom.
Money very easy; bourse exceedingly active; currency reformed, adopting gold mark standard, October.
Fair crops.
German Empire established, January; capture of Paris, January; armistice, February; treaty, May, wins Alsace-Lorraine; cholera, August.
- 1872 Prosperity.
Industry active and expanding, especially iron; commodity prices rise rapidly; continued excited promotion of new companies.
Money tightens; bourse very active.
Good crops.
Large indemnity payments received from France.
- 1873 Prosperity; panic; recession; depression.
Continued activity rapidly dwindles to stagnation, last half-year; commodity prices reach peak and collapse; many failures; foreign trade severely restricted after period of great expansion.
Money very tight; panic, April, May, and November; security prices decline extremely.
Poor crops.
Prussian Bank becomes the Reichsbank; May laws extend State control over church.

1874 Depression.

Gradual decline in industrial production; many failures; lower commodity prices; unemployment; serious railroad crisis, end of year, ascribed to small receipts; small coal output.

Money very tight; dull bourse with falling prices.

Average crops.

1875 Depression.

Stagnation in industry; widespread unemployment; commodity prices fall; larger coal output; further decline in foreign trade.

Money very tight; gold standard attained; temporary improvement on bourse, spring.

Poor crops.

Bank Act passed regulating banking system, March; Prussia adopts elaborate public works program to relieve unemployment.

1876 Depression.

Depth of depression; many failures; declining wages and prices; some revival in foreign trade.

Money eases; security prices reach minimum.

Very poor crops.

1877 Slow revival.

General industrial improvement; small coal output; commodity price fall checked; marked increase in export trade.

Money easy; bank failures and fiscal difficulties from gold speculation; stock exchange disturbed by Russian-Turkish War.

Good crops.

1878 Recession; depression.

Industry slackens to depression as commodity prices fall rapidly; reduced imports but larger exports.

Money easy.

Large wheat and rye crops, good potato yield; fair wheat price, low rye.

Severe legislative measures taken against Socialists.

- 1879 Depression; revival.
Gradual improvement, especially iron and textile industries; commodity prices decline rapidly to low point, and then rise; increased imports, exports decline slightly.
Money very easy; security markets revive, stock prices having reached low point in summer; failure of Hamburg bankers threatens colonial industries.
Fair wheat, good rye, and poor potato crops; high prices, especially wheat.
Purchase of railways by state; tariff imposed on imports, July, ending long period of free trade.
- 1880 Recession; mild depression.
Industry hampered by dullness of markets; active coal mining; unemployment; rising commodity prices; big reduction in imports, some increase in exports.
Money easy.
Fair wheat, poor rye and potato crops; high prices, especially rye.
- 1881 Renewed revival.
General industrial improvement; active railroad construction; increased foreign trade.
Money tightens; bourse booms.
Poor wheat, good rye, and excellent potato crops; high prices, especially wheat.
Active anti-Semite agitation and riots.
- 1882 Prosperity; recession.
Short period of activity and increased production turns to dullness; commodity prices decline; exports reach peak, and imports advance.
Money tight; quiet bourse booms in spring, dull last half-year.
Good wheat, excellent rye, and very poor potato crops; much lower prices, except that of potatoes.
- 1883 Mild depression.
Continued slackening of industrial activity; falling prices; increase in foreign trade checked.
Money eases; declining stock prices.
Fair wheat and rye crops, good potato; good prices, except rye.
Social insurance program adopted.
- 1884 Depression.
Dullness and inactivity; declining commodity prices; growing dullness in foreign trade.
Money easy; declining stock prices.
Fair harvests; low prices.
South-West Africa and other territories acquired.

- 1885 Depression.
 Depth of depression; stagnation severe in coal and iron industries; decline in commodity prices continues; reduction in foreign trade.
 Money easy.
 Good crops, especially potatoes; low prices.
 Policy of ship subsidies adopted.
- 1886 Depression; revival.
 Continued inactivity, lessening in last quarter; commodity prices reach bottom and rise; smaller coal output; imports decline and exports increase.
 Money very easy; revival in stock prices.
 Good wheat and potato crops, excellent rye; low prices.
 Agricultural and labor distress.
- 1887 Revival.
 Steady improvement, especially in metal and mining industries; extensive construction; commodity prices rise; active foreign trade.
 Money very easy; increasing speculation in stocks.
 Excellent harvests of wheat and rye, good potato crop; low wheat, very low rye, and fair potato prices.
 Kiel Canal commenced.
- 1888 Moderate prosperity.
 General activity in industry; rising commodity prices; active promotion of kartels and joint stock companies; growing foreign trade.
 Money very easy; intense speculation with temporary relapse, autumn.
 Fair wheat and rye, poor potato crop; good prices.
 Death of William I, March, and Frederick, June, brings William II to throne.
- 1889 Prosperity.
 Widespread activity and expansion; further rise in commodity prices; feverish speculation; imports boom while exports decline.
 Money tighter, last half-year; bourse booms.
 Poor wheat and rye, good potato crops; high wheat and rye, low potato prices.
- 1890 Recession.
 Gradual decline in industry accelerated, autumn; coal and iron prices fall; some increase in foreign trade.
 Money very tight; security market depressed.
 Excellent wheat, good rye, fair potato crops; prices high.
 Fall of Bismarck, March; Heligoland acquired from Great Britain July.

- 1891 Depression.
Dullness and inactivity; year of liquidation, falling profits, and lack of confidence; commodity prices higher, exports decline, imports increase.
Money eases late in year; stock prices decline; Berlin bank panic and failures, November.
Crop failures and very high prices.
Distress; exportation of grain prohibited, August; severe uprising in East Africa.
- 1892 Depression.
Increased inactivity; severe unemployment; reduction in coal output; commodity prices decline; reduction of foreign trade.
Money very easy; dull bourse with declining values.
Large wheat and rye crops, good potato yield; lower prices, especially wheat.
Distress; riots in Berlin, February; uprisings in East Africa suppressed; policy of lower tariffs adopted; outbreak of cholera, Hamburg; legislation facilitates construction of local railways.
- 1893 Depression.
Continued pessimism and dullness; further decline in commodity prices; decrease in foreign trade.
Money tightens, summer; bourse revives, first quarter, and then returns to dullness.
Very large crops, low prices.
Tariff war with Russia, last half-year.
- 1894 Depression; revival.
Inactivity gives way to upward movement, autumn; revival of speculation; commodity price decline continues; revival in imports, exports decrease.
Money very easy; bourse revives.
Large wheat and rye, good potato crops; very low wheat and rye, good potato prices.
Russian treaty completed.
- 1895 Revival.
Steady improvement; rapid expansion in electrical industries; commodity prices reach bottom, February; marked revival in exports.
Easy money tightens late in year; great activity on bourse; gold mining stock boom; stock prices collapse, November.
Poor wheat and rye, large potato crops; improved wheat price, very low rye and potato prices.
Kiel Canal opened, June.

1896 Moderate prosperity.

General prosperity and expansion; commodity prices rise, last half-year; period of marked increase in foreign trade begins.

Easy money tightens late in year; bourse weak and unsteady.

Good wheat and rye, poor potato crops; fair prices.

1897 Prosperity.

Steady progress, especially coal, iron and machine industries; commodity price rise halts, first half-year, and then resumes; marked increase in foreign trade.

Money eases somewhat; slow improvement in security market.

Poor crops, especially rye; good prices, except rye.

Occupation of Kiaochow.

1898 Prosperity.

Brilliant year, with great activity and rapid expansion; shortage of labor and raw materials; extensive formation of new companies; price rise halts, summer; further increase in foreign trade.

Money tightens, especially late in year; bourse dull with declining values, last half-year.

Good harvest, especially rye; fair prices, rye good.

1899 Prosperity.

Unprecedented prosperity; severe raw material shortage; construction restricted; some unemployment late in year; many new companies; rapid price rise; marked increase in foreign trade.

Money very tight late in year; revival of speculation on bourse.

Excellent wheat and potato, good rye crops; low wheat, fair rye, good potato prices.

1900 Prosperity; recession; depression.

Continued activity, first quarter; gradual decline to depression late in year; severe coal famine, spring; construction severely depressed; commodity prices reach peak, autumn, and then decline; very large foreign trade.

Gradual reduction of monetary stringency; great collapse in stock prices after April; many bank failures and minor panic, December.

Good crops, especially wheat; low wheat, fair rye, good potato prices.

Adoption of gold standard; active participation in Peking expedition against Boxers.

- 1901 Depression.
Dullness and inactivity; slow decline in commodity prices; many failures; reduction in foreign trade.
Tight money eases; stock market depressed with declining prices; financial difficulties and bank failures, summer.
Wheat and rye crop failures, very large potato yield; fair wheat, good rye, and low potato prices.
- 1902 Depression.
Continued inactivity; further increase in unemployment, first eight months, followed by slight improvement; home market restricted but some revival in foreign trade.
Money very easy; slight revival of stock prices, first quarter, followed by slow decline.
Good crops, especially wheat; low wheat, fair rye, good potato prices.
Higher tariff passed, December.
- 1903 Revival.
Steady improvement with active production; unemployment diminished; commodity prices low; marked increase in foreign trade.
Money rates firm; rising stock prices.
Poor wheat, excellent rye, and good potato crops; fair wheat, low rye, and high potato prices.
Revolt of Hereros in South-West Africa begins, lasting for several years.
- 1904 Mild prosperity; recession; depression.
Further improvement, first half-year, yields to stagnation, autumn; unemployment; commodity prices reach bottom and begin to rise; increase in imports, reduction in exports.
Money tightens late in year; stock prices rise after panic, February, with several important failures.
Good wheat, very good rye, and potato failure; wheat price good, rye fair, and potato very high.
- 1905 Revival; prosperity.
Rapid revival after Ruhr coal strike, first quarter; full employment; notable activity; speculation; rise in commodity prices; active foreign trade.
Money eases, and tightens severely late in year; great bourse activity with rapidly rising prices.
Poor wheat and rye crops, excellent potato yield; high wheat and rye, low potato prices.
Strained relations with France, last nine months.

1906 Prosperity.

Great activity, especially in coal and iron industries; full employment and rising wages; continued price rise; extensive formation of new companies; further marked increase of foreign trade.

Money very tight; moderate bourse activity with some price decline.

Excellent wheat, poor rye and potato crops; good prices.

Dispute with France over Morocco settled.

1907 Prosperity; recession; depression.

Continued activity to summer, when decline sets in; marked relapse in construction; increased unemployment and many failures, last quarter; commodity prices boom to third quarter; great activity in foreign trade.

Monetary stringency, especially late in year; declining stock prices.

Very poor wheat, fair rye, and good potato yields; high prices.

Food riots in several large cities.

1908 Depression.

Stagnation in industry and trade deepens throughout year; many failures; increasing unemployment; mining industry maintains activity until autumn and then declines; steady price decline; many new security issues; reduction in foreign trade, especially exports.

Money eases slowly; bourse inactive; security prices advance, last half-year.

Good crops; high wheat and potato prices, average rye.

1909 Depression; revival.

Continued stagnation gives way to revival, autumn; speculation; price decline halted, summer; foreign trade revives.

Monetary stringency; bourse boom sets in, September.

Good crops; good prices, high wheat.

1910 Revival; prosperity.

Gradual improvement in industry except cement; diminishing unemployment; commodity prices rise; labor troubles; marked increase in foreign trade.

Money eases, but tightens later; quiet bourse revives, summer.

Fair crops, good wheat; high wheat, poor rye, and fair potato prices.

1911 Prosperity.

Activity and expansion; full employment and large volume of production; commodity prices rise; further advance in foreign trade.

Money easier, advancing sharply in fall; active speculation, especially first half-year; stock prices decline, autumn.

Excellent wheat, good rye, and very poor potato crops; high prices, especially potato.

Morocco difficulties threaten war with France, autumn, but are settled by treaty, November.

1912 Prosperity.

Great activity and marked expansion of industry and trade; coal, metal and manufacturing industries flourishing; construction depressed; labor difficulties; increased number of failures; rapid rise in commodity prices to peak, summer; foreign trade expands.

Money fairly tight, becoming stringent, November; vigorous rise in security prices to bourse panic, October.

Excellent crops; good prices, wheat high.

1913 Prosperity; recession.

Continued activity and progress to turning point, summer; coal and iron industries slacken advance; textile and construction industries severely depressed; increased unemployment; declining commodity prices; foreign trade increases, chiefly in exports.

Money very tight; diminished bourse activity with declining prices, last half-year.

Excellent crops; good wheat, fair rye, and very low potato prices. Political disturbances.

1914 Mild depression; revival.

Continued dullness and increased unemployment but with signs of improvement to War; severe industrial disturbance gives way to great activity, October; enormous increase in unemployment; rapid rise of commodity prices; foreign trade halted.

Money easy except for temporary rise in rates, August; stocks decline and bourses are closed, last five months; marked increase in currency circulation, third quarter.

Fair crops, good potato yield; high prices.

War declared on Russia, France, and Great Britain, August; rapid advance of German armies toward Paris checked at Marne, September.

1915 War activity.

Great activity and readjustment to war demands; diminishing unemployment; commodity prices rise rapidly.

Money easy; decline in foreign exchange; gradual expansion of circulation.

Fair crops, excellent potato yield; prices controlled by government.

Increased submarine warfare; blockade pronounced, February; trench warfare on Western front; on Eastern front, Russians capture Przemysl, March, but lose it June, with further defeats; Warsaw captured, August; consumption regulated by government.

1916 War activity.

Continued feverish activity with increasing government control; further reduction in unemployment; raw material and labor scarcity; price rise halted after temporary boom, summer.

Government controls money market; further decline in exchange, with temporary revival, summer; slow increase in circulation.

Small crops, potato failure.

German advance at Verdun, spring, driven back later in year; fleet defeated by British at Jutland, June.

1917 War activity.

Further extension of government control; increasing scarcity of raw materials; commodity price rise resumed at faster rate, summer.

Money easy; rapid fall in exchange, first half-year, with recovery last quarter; more rapid expansion of currency.

Very small crops, good potato yield.

Retreat to Hindenburg line, spring, followed by trench warfare; victories on Eastern front; Riga occupied, autumn; extension of submarine warfare; United States enters war, April; Russian armistice, November.

1918 War activity; disorganization, November.

Continued organization of industry for war purposes; labor troubles and raw material shortage; commodity prices steady except for summer boom; disorganization with Armistice; eight hour maximum working day established, November.

Rapid fall in exchange, second half-year; currency expansion, especially last half-year.

Very small crops.

Great offensive, March, fails to gain objectives; severe defeats begin, August; naval mutiny, October, becomes revolution, November; Kaiser abdicates; Armistice signed; Workers' and Soldiers' Councils formed; widespread disorder and unrest.

1919 Depression.

Little activity, due to lack of raw materials, depreciation of machinery, and shortage of coal; widespread unemployment; transportation disorganized; labor troubles; rapid rise of commodity prices.

Money market freed from control at beginning of year; money easy; steady and rapid fall in exchange; gradual expansion of currency.

Very small crops; serious food shortage.

Allied blockade of imports lifted, June; repeated disturbances and bloodshed; Liebknecht killed, January; Ebert elected President, February; Treaty signed, June; Weimar Constitution adopted, July.

1920 Depression.

Continued disorganization and inactivity; unemployment; great shortage of raw materials; commodity prices rise, first quarter, and then decline.

Money easy; stock exchange boom; exchange decline checked with some recovery in summer; active foreign speculation in mark; gradual expansion of currency.

Small wheat, record small rye, and improved potato crops.

Continued unrest and riots; Kapp revolution suppressed, March; federal income tax law enacted, March.

1921 Revival, spring.

Some improvement; rapid diminution of unemployment; transportation and labor difficulties; commodity prices decline to May, but rapid rise sets in, August; revival of construction, summer.

Exchange fairly stable to July, when rapid decline sets in; speculative boom in exchange late in year; inactive stock market booms, autumn; more rapid expansion of currency.

Improved wheat and rye crops, potato smaller.

Continual unrest; Rhine sanction, reparations claims, and loss of Upper Silesia severe blows; revolt in Poland and numerous communist uprisings.

1922 Revival checked, summer; disorganization.

Continued improvement of industry to summer, when rapid fall of mark makes ordinary business impossible; little unemployment until late in year; railroad strike, February; continual commodity price rise.

Money rates very high; extensive speculation in stocks and foreign exchange; foreign exchange depreciates rapidly, last half-year; terrific increase in circulation, especially last half-year.

Wheat failure, poor rye, and good potato crops.

Rathenau assassinated, June; reparations problem still unsettled.

1923 Depression.

Disorganization becomes more severe, last half-year; stagnation; unemployment extreme; commodity prices rise to high point, November; paralysis, last two months; maximum eight hour work day breaks down, December; smaller foreign trade.

Currency stable to April, and then rapid decline in exchange; stabilized on gold basis, November; continuous rise in security prices with severe collapse, end of year; money very tight; even greater currency expansion.

Improved crops.

Ruhr occupation by French, January; passive resistance given up, September; Reparations Commission determines to appoint Committee of Experts, November.

1924 Revival; temporary check, summer.

Early improvement checked, late spring; paralysis and many failures, summer; further revival sets in, autumn; marked decrease in unemployment; decided improvement in mining and manufacturing; commodity prices relatively stable; many failures; imports increase more than exports.

Sharp restriction of credit, spring; money gradually eases, last quarter; exchange stabilized; large foreign loans floated and Reichsbank divorced from Government, October; Reichsmark introduced, October; stock prices collapse, first half-year, followed by partial recovery; slackening currency expansion.

Poor wheat, fair rye and potato crops.

Dawes plan published, April, adopted, August, and put into operation, November; economic barriers in the Ruhr removed, October.

1925 Halting revival; recession.

Continued improvement, except iron and steel industry, to relapse, last quarter; steady reduction of unemployment, first half-year, but enormous increase, last quarter; railroad strike, March; many failures after August; commodity prices reach peak, January, decline to April, rise to July, and then decline rapidly; increased foreign trade; very large unfavorable balance early in year, becomes favorable as imports shrink, December.

Money very tight; some increase in circulation; drastic decline in security prices from February peak.

Much larger harvest, especially rye.

Von Hindenburg elected President, April, after March election yields no majority; new and higher tariff, September; Ruhr evacuation completed, October; Locarno treaties ratified, November.