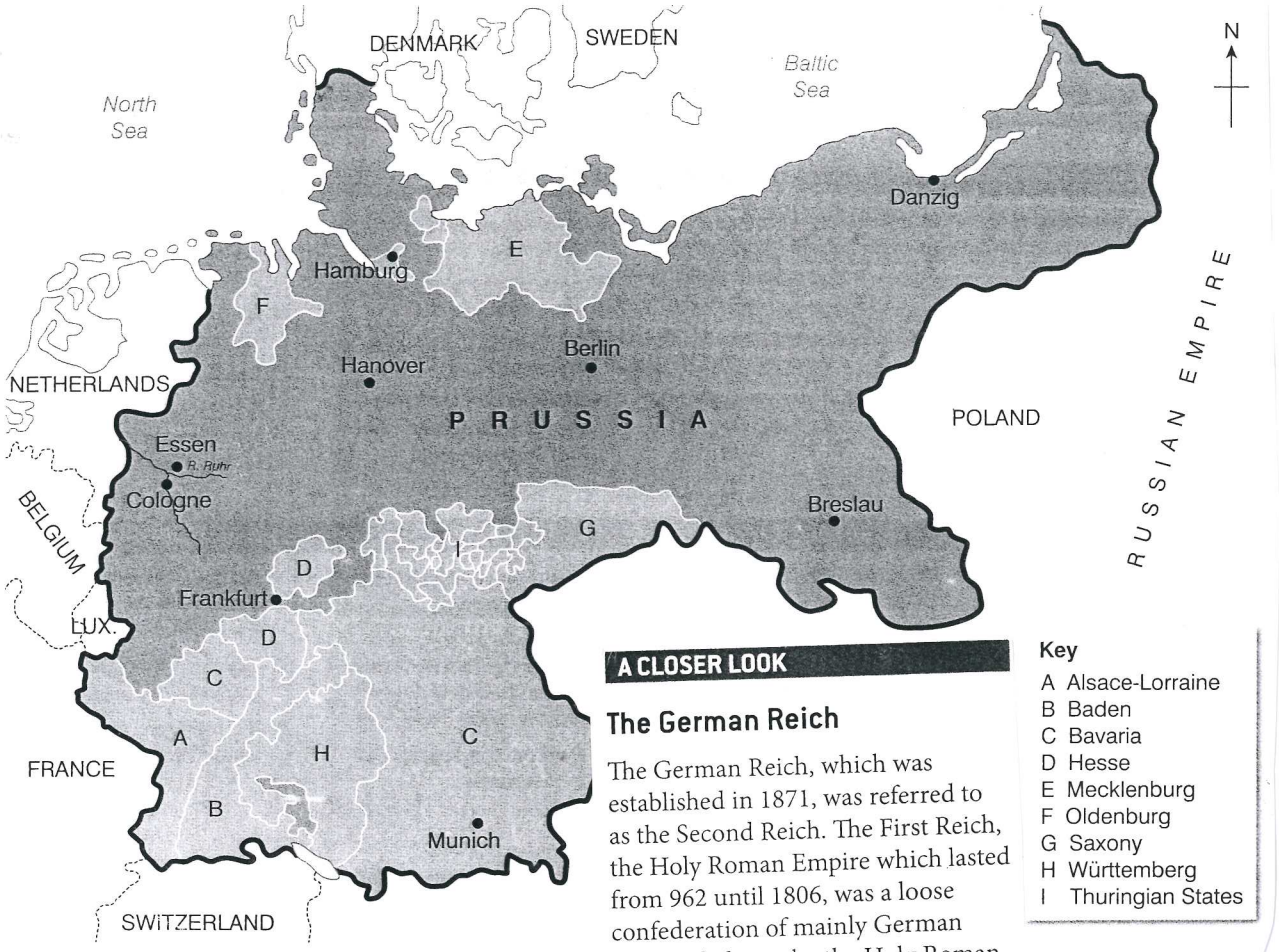
Germany before 1890



The German Reich, 1871–1918

INTRODUCTION

Revolution

In 1848 Germany, which was at that time a collection of 39 separate states, experienced a number of revolutions in many parts of the country. The revolutionaries tried to force their rulers to allow greater political freedom, more representative forms of government and the unification of the separate states into one Germany. By 1849 the revolutionaries had been defeated and across Germany the kings and princes regained their power. The revolutionaries' dreams of a united Germany appeared to be as far from realisation as ever.

Change and continuity

By 1914 Germany had been united into a single *Reich* (Empire). This Reich had a constitution that established a *Reichstag* (Imperial Parliament) which was elected by all adult males. Germany in this period had undergone more change – political, social and economic – than any other country in Europe; many of the aims of those who led the revolutions of 1848 would appear to have been achieved. The political changes, however, had been brought about not through popular pressure but through a process of 'reform from above'. One state, Prussia, had united Germany under its leadership through a series of wars between 1864 and 1871. The constitution, which was then introduced for the new Reich, despite making concessions to demands for a parliamentary system of government, recognised the King of Prussia as the sovereign power within the state.

Challenges

After 1871 the Reich grew in military and economic strength to become one of the great powers of Europe. There were, however, many challenges to be faced.

- There were many Germans who opposed the unification of the Reich under Prussian domination. Religious differences, traditional loyalties and the presence within the Reich of non-German minorities continued to divide the people. The challenge for the government was to integrate all these groups into a single nation. The German **Reich** itself was a large, new state in central Europe which had been created by force of arms and which completely altered the balance of power in Europe. Within the Reich there were large non-German minorities: the Poles in Prussia's eastern provinces, the Danes in Schleswig–Holstein and French in Alsace–Lorraine. There were also many Germans living outside the Reich, especially in Austria.
- Social and economic change brought new tensions into German society. The most serious opposition to the monarchical system of government came from the Social Democratic (socialist) party, which, from the late 1870s, was gaining support from workers in the growing industrial areas. With its revolutionary ideology the SPD appeared to threaten the very survival of the Reich.
- The Reich had been established through Prussian military victories, especially those over Austria in 1866 and France in 1871. Once established, however, the long-term survival of the Reich depended on Germany remaining militarily powerful and on its ability to neutralise any future threats from these or other powers.

Most nationalists envisaged the unification of Germany being achieved by the German people themselves, through democratic elections and popular consent. In the event, unification was achieved by the military victories of the Prussian army in a series of wars against Denmark, Austria and France. This posed a dilemma for many German nationalists. The new German Reich was not exactly the one they had wanted: Austria was excluded, and it was ruled over by the Prussian Kaiser (Emperor), not by a government elected by the people. But the Reich did include most Germans and it gave them a sense of national pride. There was also a democratic element in the new government, with a **Reichstag** elected by **universal male suffrage**, although this had little real power. This led to growing political tension within the German Reich in the years 1871 to 1914, as the Reichstag increasingly became the focus for opposition parties to challenge the rule of the Kaiser.

KEY TERMS

Reichstag: the elected lower house of the German parliament

Universal male suffrage: a system in which every adult male has the right to vote in elections

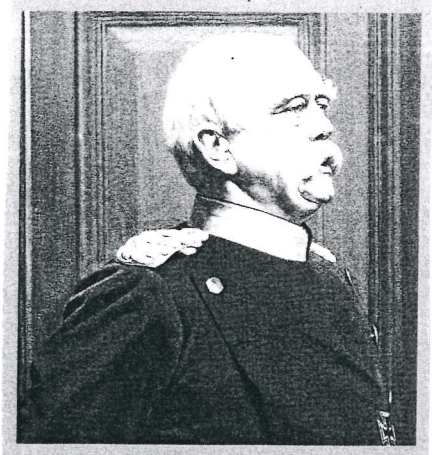
Bismarck

During the period 1862–90 one man, Otto von Bismarck, dominated German politics.

In the space of nine years and through three wars, Bismarck had succeeded in uniting Germany under Prussian leadership. What is clear, is that his very presence over a period of 28 years brought a sense of stability and continuity to Prussian and German government.

- Bismarck himself occupied a pivotal position at the centre of government. He controlled the governments of Prussia and the Reich. He alone, of all the ministers, appeared before the Reichstag to explain his policies. His unique relationship with the Kaiser enabled him to control all the important affairs of state and his skill as a politician and a diplomat enabled him to balance all the competing forces in this complex structure.

Otto von Bismarck, 1815–98



- **The creator of a united Germany**
- **Became Chancellor of Prussia in 1862, then of Germany 1871–90**
- **A realistic conservative, he was prepared to accept some changes to strengthen the existing political system**
- **Led Prussia/Germany to victory in three wars 1864–71, then declared Germany a satisfied state, and worked to keep peace in Europe**
- **Argued that German interests lay in Europe and that overseas colonies were not important**

GERMANY IN 1890

The Germany of 1890 was very different from that which had existed in 1848. In the place of 39 states, loosely linked together in a German Confederation dominated by Austria, there was, in 1890, a German Reich dominated by Prussia. The economy had grown and developed and Germany was on the verge of becoming the world's second largest industrial economy. More of the German people lived in towns and cities and worked in industry. German manufacturers had established themselves as major suppliers to overseas markets. In some respects, the German political system was more advanced than most other European countries, with a Reichstag elected by universal male suffrage, and the most extensive social welfare benefits of any country.

To many observers, therefore, Germany was a modern state. Yet there were still powerful elements of the old Germany entrenched in the political and social structure of the Reich. It had a monarchical system which left ultimate power in the hands of the Kaiser. Most of the royal houses which ruled their separate states in 1848 still retained their thrones within the Reich. In Prussia, the Junker landowning aristocracy still kept their dominant position within the political system, the army and the civil service of the state. This tension between the traditional and the modern was becoming increasingly difficult to manage as Germany underwent far-reaching social and economic change.

Wilhelmine Germany

The period 1890–1914 is usually referred to as the Wilhelmine period because, according to many historians, it was characterised by the 'personal rule' of the Kaiser, Wilhelm II. During this period the strength of the main opposition group, the Social Democratic Party, increased until by 1912 it was the largest party in the Reichstag. To meet this challenge the government tried to unite all non-socialist political parties behind it (*Sammlungspolitik*) through a policy of overseas expansion (*Weltpolitik*). Neither of these strategies was successful and by 1914 there was a sense of crisis pervading the German government.

Kaiser Wilhelm II

- Born in Berlin in 1859
- King of Prussia (HOHENZOLLERN dynasty) and Emperor of Germany, 1888–1918
- Believed in the DIVINE RIGHT OF KINGS
- An unstable, impulsive character
- Had an inferiority complex, but was determined to assert both himself and German power
- Supported a more assertive *Weltpolitik*
- Abdicated in 1918
- Died in Holland in 1941

How united was the German Reich?

After the creation of the Second Reich in 1871 conflicts of economic interest, religious controversy, class conflict and political factionalism all had the potential to divide the loyalties of the German people and undermine the unity of the Reich.

THE PROBLEMS

When the German Reich (Empire) was created in 1871 it was achieved by the force of Prussian arms over the opposition of entrenched forces in other German states. Despite the charade acted out at Versailles when Wilhelm I was 'invited' by the other German princes to adopt the title of German Kaiser (Emperor), the unification of Germany was imposed by Prussia. As we have seen, there were strong forces in Germany that were pressing for greater political unity, particularly the industrial and commercial middle class, and the war against France had unleashed a wave of patriotic German feeling that revealed an underlying current of support for a united Germany. Opposition to unification, however, was also very strong, particularly among the rulers of the German states which would lose their identity within the new Reich. Particularism was present in all parts of Germany but was strongest in the southern states. If the new Reich were to fulfil its role of providing a focus of loyalty for all Germans these differences would have to be accommodated within its constitutional structure.

Germany was a large and diverse country. There were significant regional differences between north and south and between east and west. Recent economic development had widened the difference between the more industrialised western part of Germany and the more agrarian east. This gap would continue to widen in the first twenty years of the Reich's history as industrialisation gathered speed. Religious diversity also divided the nation and tended to reinforce the gap between the north and the south and the east and the west. The inclusion of small but significant national minorities within the Reich – Poles, Danes and the inhabitants of Alsace–Lorraine – added to the cultural diversity of Germany but had the potential for weakening the unity of the state. German society also exhibited wide class differences and the gap between classes was increasing because of rapid social and economic change.

The Reichstag

The Reichstag, symbolised the unity of the Reich. Elected by universal manhood suffrage, through national elections based on constituencies in every state and region of Germany, the Reichstag was the one truly national institution within the complex governmental structure of the Reich. Its ability to fulfil its role as a focus of national unity, however, was hampered by a number of factors. Firstly, the lack of genuine power over the accountability of ministers and over the initiation of legislation pushed the Reichstag into a position where opposition to the government was its only means of asserting itself. Conflict between the government and the Reichstag was a regular feature of the politics of the Second Reich and was increasing in intensity during the 1880s. This is not to say that many deputies were comfortable with placing themselves in opposition to the state. Many Germans and their parliamentary representatives from a wide spectrum of politics would have agreed with the influential historian Treitschke, who wrote that undeviating support for the state was the only correct way for a true German to behave in politics. Deputies from many parties were reluctant to challenge the political establishment and were unable to exercise their proper function of helping to determine the national interest. This role was assumed by Bismarck who did not hesitate to label any opposition which he encountered as unpatriotic and fractious.

The deputies

Secondly, the prestige of the Reichstag was diminished by the lack of ability on the part of the majority of deputies and by the unrepresentative nature of their social origins. The lower classes were effectively prevented from becoming deputies by the device of not paying them a salary. In the 1870s a high proportion of deputies came from the upper middle class and the landowners. Increasingly thereafter their places were filled by more professional politicians. Although there were some very able minds among the leaders of the political parties, the majority of the rank and file deputies had mediocre minds. They lacked the intellectual ability and the breadth of imagination to envisage a more positive role for themselves within the political life of the nation.

Political parties

Thirdly, political parties in the Reichstag represented sectional interests. Not one of the main political parties could claim to be a truly national party. The German Conservative party was the party of Prussianism, the aristocracy and the landed interest. Its main support came from the area east of the river Elbe. The Free Conservatives drew support from both landlords and industrialists. Neither of these two parties was ever in a position to command a majority in the Reichstag. The National Liberal party, which was the main supporter of unification in the late 1860s and of modernisation in the 1870s, drew its support from the wealthy middle class and higher officials. It was strong in Saxony, Hanover, Baden and the industrial areas of the Rhineland, but weak elsewhere. The Centre party represented Catholic interests and had support in the south, the Rhineland, Silesia and the Polish provinces. Of these parties, the National Liberals and the Centre had the broadest bases of support but the National Liberals were divided and in decline after 1879 and the Centre could only ever speak on behalf of one section of the German people. In the 1880s the fragmentation of politics grew worse as the socialist Social Democratic party (the SPD) attracted an increasing number of working-class votes and the middle-class vote was divided between the National Liberals and the Freisinnige party.

In these circumstances it is not surprising that many Germans saw the Reichstag as symbolising the conflict of interests and the antagonism between parties that were destructive of national unity. It was left to the executive to determine and to represent what were considered to be the true interests of the nation.

The education system

The education system did not provide a means of escape from the poverty and degradation of working-class life in the cities. Germany had the most developed state system of elementary education of any country in Europe. Due to the establishment of state elementary schools in most German states in the 18th century, Germany had the highest rate of literacy in Europe; its economic success was partly due to this. Many Prussian conservatives feared that the education of the children of peasants and workers would be subversive of the hierarchical social structure, but, in fact, the school system reinforced it. In elementary schools the emphasis of teaching was on order and discipline and obedience to authority. The inclusion of history in the curriculum after 1870 was designed to nurture 'nationalistic young Germans' by concentrating on the glories of recent German history. The organisation of the school system did not encourage or facilitate upward social mobility. Only an elementary education was available to the children of the peasants and the working class. Secondary education, which was the route to higher qualifications and social advancement, was far too expensive for working-class families. **Craig** (1981) has written that the education system was 'structured in a way that effectively kept the masses in their place'.

The rise of the Social Democratic party (SPD) – the Socialist party

Social and economic change added to the tensions and conflicts in German society. Despite the efforts of the churches and the availability of education, the conflicts grew in intensity, particularly during the 1880s. This was reflected in the rise of the Socialist party, which was regarded by Germany's rulers as the greatest threat to the unity and cohesion of the Reich that they had so far encountered. Bismarck after 1879 became increasingly obsessed with the apparent threat posed by the SPD as the party continued to gain in strength despite his efforts to suppress it. The rise of the SPD with its revolutionary philosophy undermined many of the assumptions on which the 1871 constitution had been based, especially the idea that the masses could be relied upon to support the monarchy. The presence of a sizeable group of deputies in the Reichstag who demanded greater democracy and parliamentary control over the executive greatly exacerbated the inherent contradiction in Bismarck's constitution between monarchical power and parliamentary rule. It was a conflict that could not be resolved by Bismarck's usual techniques of threats and concessions. The way in which Germany's rulers dealt with the SPD, therefore, was the main test of how well they coped with the consequences of social and economic change.

Political reform

Once the constitution of 1871 had been introduced no provision was made to keep it under review. In the context of a society which was undergoing rapid social and economic change and in which the context of political debate was shifting, this was a serious omission. The Reichstag elections of the 1880s were still conducted on the basis of the electoral boundaries drawn up in 1871, despite the fact that there had been significant changes in the distribution of the population. The result was that the Reichstag became increasingly unrepresentative.

Restatement of the Kaiser's power. Few attempts were made by Bismarck to reform the system of government, despite the growing pressure for change. Such changes as were made were intended to strengthen monarchical power. In 1882, for example, a royal decree reiterated the position that the Kaiser was personally responsible for the direction of his government's policy and that civil servants were bound by their oath of loyalty to the monarch to support that policy. Although primarily of symbolic importance this decree was, nevertheless, a reminder to the increasingly fractious Reichstag that royal power was a permanent reality.

Economic and social change, 1871–90

One of the driving forces behind the unification of Germany in the years before 1870 was the expansion of trade and industry across the frontiers of the separate states and the growth of a middle class which could see unification as bringing positive economic benefits to the business world. After unification, which created a large internal market within the new Reich, German industry continued to grow and to expand its trade with the outside world. This expansion of industry and the wealth it created helped to lay the foundations for the growing military power of the Reich. Economic change, however, also stimulated far-reaching changes in German society.

INDUSTRIAL EXPANSION

The rapid growth in output, which had been a feature of the German economy in the 1850s and 1860s, continued until 1873. In that year German businesses, in common with those in other industrialised nations, suffered a serious slump in which many companies failed, prices began to fall, unemployment began to rise and wages were forced down. In the view of some economic historians, the collapse of 1873 was the start of a 'Great Depression' which lasted until 1896. In some respects it is true that the economic conditions in which businesses were operating were less favourable in this period than they had been in the previous twenty years. Prices continued to fall and profits were reduced. On the other hand, industrial output had recovered to its 1873 level by 1876 and thereafter continued to rise. Between 1870 and 1890 the output of the key commodities of an industrialised nation – coal, iron and steel – all increased by leaps and bounds. Coal output, for example, more than doubled; pig-iron production increased by almost three times; and steel production showed a phenomenal rate of expansion, growing by a factor of almost thirteen. The main German centres of industry at this time, especially the Ruhr valley and Silesia, were booming.

KEY STATISTICS

Steel production in Germany and Britain

	Germany	Britain
1870	169	286
1880	660	1320
1890	2161	3637
1900	6645	5130
1910	13698	6374

(thousand metric tons)

German coal production

1871	37.9m tons
1880	59.1m tons
1890	89.1m tons

German pig-iron production

1870	1.4m tons
1880	2.7m tons
1890	4.0m tons

German steel production

1870	169,000 tons
1880	660,000 tons
1890	2,161,000 tons

New industries. Germany also became a world leader in the newer chemical and electrical industries. The Germans had significant advantages in these fields which were exploited to the full. Technical and science education in Germany was given a higher priority than in many other countries, notably Great Britain. In 1870, for example, there were more science graduates at just one German university – Munich – than the total number of science graduates from all English universities. Germany had abundant reserves of coal and potash which became the basis for numerous chemical products which were discovered by German scientists in the last decades of the 19th century. By the 1890s Germany had established a virtual world monopoly in the production of synthetic dyes, artificial fibres, some photographic materials, some drugs, plastics and new explosives. In the electrical field, also, German firms such as Siemens were leading the way in the production of such things as dynamos.

Cartels. One notable feature of this phase of Germany's industrial expansion was the emergence of cartels. As companies grew in size, a relatively small number of companies were able to exercise a disproportionate influence over the market. Federations of the leading firms within an industry – or cartels – could take this process one step further by establishing a monopoly position through which they were able to control prices. In the trading conditions of this period, with growing international competition and generally falling prices, the pressure to create cartels was almost overwhelming and, indeed, the process was encouraged by the government. In 1875 there were eight cartels in Germany; by 1885 there were about 90. These federations of firms gave manufacturers considerable power within the market place but they also increased their political influence. Pressure for tariffs to protect German manufacturers by artificially raising prices was exerted by the cartels.

AGRICULTURE

After 1873 there was a long-term decline in agricultural prices and, consequently, in the incomes of farmers and landowners. This situation was exacerbated by the series of bad harvests in the late 1870s. The building of new railways and roads broke down the isolation of rural communities and exposed farmers to competition from outside. The result was that a growing number of peasants abandoned agriculture and moved to the industrial towns. On the other hand, the growth of the towns and the protection given to German grain growers after 1879 did create opportunities for the more enterprising farmers to supply food to a growing domestic market. Farm machinery and fertilisers were beginning to become available and those farmers who had the money to invest in such innovations could, and did, raise their yields considerably. More than 4 million acres of land were brought under cultivation between 1880 and 1900.

SOCIAL CHANGES

Urbanisation. Germany experienced rapid population growth during these years, rising from approximately 41 million in 1871 to over 49 million in 1890. There was also significant internal migration of the population. In 1871 nearly 64 per cent of the population lived in the countryside but by 1890 this figure had fallen to 57.5 per cent and would continue to fall over the next twenty years. Although Germany still had a much higher proportion of its population living in rural areas and working in agriculture than other industrialised nations such as Great Britain, the trend towards a more urban society was clear.

- Many peasants left their farms for the towns even though they did not travel more than a few miles from their birthplaces.
- Many moved from the eastern provinces of Prussia to Berlin and the industrial towns of the Ruhr valley.
- Even in the 1860s two-thirds of the adult male population of Berlin had been born outside the city.
- The Krupp factories in Essen attracted thousands of peasants' sons, forced to leave their family farms by the decline of peasant agriculture.
- In Bochum, a town which was almost entirely the creation of the industrial revolution, the needs for labour were met by a large-scale influx of Polish peasants from Prussia's eastern provinces.

Middle class. New wealth was being generated very rapidly in the growing industrial cities and the main beneficiaries of this process were the middle class. For the dynamic entrepreneur there was a great deal of money to be made and people like Werner Siemens, Emil Rathenau, August Thyssen, William Cuno and Carl Furstenberg built up great industrial, commercial and financial empires. The middle class, in general, experienced a long-term upward trend in their incomes which was reflected in the building of comfortable middle-class homes and the rise of the large department stores catering for a largely middle-class clientele. Some chose to spend their wealth on ostentatious country homes that could rival the grand mansions of the aristocracy in their size and opulence. The Krupps, for example, built their Villa Hugel in the 1870s on the southern fringe of Essen. The Oppenheim family from Berlin bought a country estate in Pomerania and adopted the aristocratic title of the 'Oppenheims zu Rheinfeld'. This process of upward social mobility for the middle class could be seen in the increase in the number of middle-class officers within the army, traditionally an exclusively aristocratic preserve. There were, however, limits to social advancement for the middle class. Elite regiments in the army retained an aristocratic monopoly within their officer corps. The civil service was still dominated by the Junkers and, in social and political life, the Junker elite maintained the barriers between aristocracy and 'nouveau riches'.

KEY STATISTICS

Population growth

1871	41.05m
1880	42.23m
1890	49.42m

The growth of cities

	1875	1890
Berlin	967,000	1.588m
Dusseldorf	81,000	145,000
Hamburg	265,000	324,000
Munich	193,000	349,000
Leipzig	127,000	295,000

Working class. At the other end of the social scale life for the growing working class in the industrial cities had few of the benefits deriving from the rapid creation of wealth. The raw statistics showing a long-term rising trend in the value of real wages indicate that, in general, the German working class did experience an increase in their living standards in the last decades of the 19th century. These figures, however, disguise the fact that there were wide variations in wage levels – coal miners, for example, tended to be better paid than many others – and that there were a large number of families whose standard of living was below the poverty line. The cities grew so rapidly in many cases that, in the short term, there was a desperate housing shortage.

- In Berlin in 1871, for example, 10,000 people were classified as homeless.
- Most working-class families had to spend about 25 per cent of their income on accommodation, for which they received a one or two-roomed flat.
- Working conditions were equally brutal: a ten or twelve-hour day, six days per week, was the norm in conditions that were often unhealthy and dangerous.
- In the 1880s in Germany's larger cities the average life expectancy was below 40 years.

Within this overall picture, however, there were variations. Some employers such as the Krupps of Essen were more enlightened and provided welfare benefits for their employees.

The countryside. Although the pace of change was much slower in the countryside than in the cities, even in the villages and small towns of the rural heartland society was undergoing change. The problems of agriculture have already been mentioned and the effects of the difficulties experienced by farmers were felt by landowners also, although in different degrees.

Landowners. Economically, the position of the Junker landowners was being undermined during the last quarter of the 19th century. Falling incomes from agriculture led to growing indebtedness for many Junker families. The smaller the estate, and the further east it was situated, the greater the level of debt. The result was that many Junker landowners were forced to sell their estates, either to the newly rich middle-class families from the cities or, in Prussia's eastern provinces, to Polish landowners. So alarmed was the Prussian government at the number of estates which were being bought by Poles that in 1886 a fund was established to purchase bankrupt German estates and sell them to German migrants. Another sign of the Junkers' economic difficulties was the growing level of tax evasion by landowners, a practice which was more common in the eastern provinces than elsewhere.

Junker predominance. The political and social predominance of the Junkers, however, remained as strong as ever. On the great estates in east Prussia the hierarchy of the pre-industrial age remained in place, supported by the legal rights and privileges of the Junkers. Local government was in the hands of an appointed official, the *Landrat*, who was always the son of a Junker who had gained a degree in law. Tax evasion went largely unchecked because these officials could be relied upon to show favouritism to their relatives. Their political influence was also maintained. As late as the early 1900s the Prussian Landtag contained 161 representatives from a landowning background and only 17 from trade and industry.

Peasants. Peasants and rural artisans were among the worst casualties of the economic changes that occurred during this period. The size of Germany and the variations between the regions make generalisations difficult to sustain but the rural depopulation which affected all areas of the country reflected the struggle for peasant farmers to make a living out of agriculture. Although **feudal dues** were a thing of the past many peasants were still indebted to their landlords through compensation payments. On the great estates there was no chance of social mobility. Peasants stayed in their places and the only escape from this rigid hierarchical structure was to move away. Although railways and roads reached into rural Germany and brought outside influences and factory-made goods, rural isolation was still a feature of the more remote areas of eastern Prussia, Wurttemberg and Bavaria in the south. As late as 1910, 40 per cent of the population lived in closely-knit communities of fewer than 2000 people. Local and regional loyalties remained strong.

KEY FACT

Feudal dues: These were the services and payments which peasants were obliged to give to their landlords. They were first introduced in the Middle Ages.

THE CONSEQUENCES OF SOCIAL AND ECONOMIC CHANGE

- In the growing industrial cities and in the coal-mining regions, the effect of poor working conditions and unhealthy living conditions was the growth of social unrest. One indicator of this phenomenon was the rise of the trade-union movement; another was the increase in support for the new Socialist party. Both of these movements provided a means through which the industrial working class could make an impact on Germany's political life.
- Independent farmers and rural craftworkers were among other groups which suffered from the economic changes of these years. Priding themselves on their industriousness, their sobriety and their piety, they were left feeling bewildered and discontented by the undermining of their economic position caused by falling prices and the influx of cheap, factory-made goods. Until the 1880s these people, especially those who were Protestants living in northern Germany, had voted for the National Liberal party, but these ties were beginning to weaken. By the 1890s a new social and political phenomenon, the **Mittelstand**, had begun to make its presence felt in Germany.
- In the 1880s, also, Germany experienced the rise of anti-Semitism as a distinct political force. Many of the victims of the agricultural depression and of the industrial revolution focused on the Jews as the cause of their difficulties. In the 1880s, about 45 per cent the banking system was owned by Jews. Many of the chain stores with which small shopkeepers had to compete were owned by Jews. Many of the horse dealers with whom peasant farmers did business were Jewish, as were some of the prominent politicians within the National Liberal party. Jewish entrepreneurs were increasingly accused of profiteering from the agricultural depression. Some sections of the press played upon these prejudices. In Wurttemberg, for example, Catholic newspapers would print the names of any Jew who had been found guilty of a criminal offence in bold type. Although anti-Semitism as a political force did not make its full presence felt until the 1890s, the foundations of this were being laid in the 1880s.

KEY TERM

Mittelstand. The term means 'middle rank'. Members of the *Mittelstand* included farmers, small shopkeepers and artisans who were economically independent but vulnerable to economic change.

German economy grew rapidly after 1871 and Germany became one of the most powerful states within Europe, and was a leading industrial nation by 1900. Industrialisation transformed German society in many ways, leading to the emergence of a wealthy middle class and an increasingly discontented working class. Many of Germany's leading industrialists saw political stability as the best guarantee of their future prosperity, and formed an alliance with the aristocratic landowners (known as Junkers) to support the Kaiser's rule. Workers, on the other hand, formed trade unions to campaign for higher wages and better conditions. They also increasingly voted in Reichstag elections for the Social Democratic Party (Sozialdemokratische Partei Deutschlands or SPD), a party which campaigned for greater democracy and social change. By 1912, the SPD had become the largest single party in the Reichstag and Germany had become an increasingly divided nation, both socially and politically. No political party was genuinely national or broadly based, and politics became fragmented, with many different parties representing different interest groups. The result was a growing sense of crisis in the German political system, and paralysis in the Reichstag.