



EINLADUNG ZUR NÄCHSTEN VERANSTALTUNG DES POTSDAM RESEARCH SEMINAR IN ECONOMICS

Wir laden Sie herzlich zur nächsten Veranstaltung des Potsdam Research Seminar in Economics am 19.01.2016 ein.

Das Seminar findet von **14.00 bis 16.00 Uhr** (c.t.) in Raum **3.06.S 27** statt.

Referent/in:

Prof. Dr. Nikolaus Wolf
Humboldt-Universität Berlin

Thema des Vortrages:

How Britain unified Germany. Geography and the Rise of Prussia after 1815

Abstract:

We analyze the formation of the German Zollverein as an example how geography can shape institutional change. We show how the redrawing of the European map at the Congress of Vienna—notably Prussia's control over the Rhineland and Westphalia—affected the incentives for policymakers to cooperate. The new borders were not endogenous. They were at odds with the strategy of Prussia, but followed from Britain's intervention at Vienna regarding the Polish-Saxon question. For many small German states, the resulting borders changed the trade-off between the benefits from cooperation with Prussia and the costs of losing political control. Based on GIS data on Central Europe for 1818–1854 we estimate a simple model of the incentives to join an existing customs union. The model can explain the sequence of states joining the Prussian Zollverein extremely well. Moreover we run a counterfactual exercise: if Prussia would have succeeded with her strategy to gain the entire Kingdom of Saxony instead of the western provinces, the Zollverein would not have formed.

We conclude that geography can shape institutional change. To put it different, as collateral damage to her intervention at Vienna, "Britain unified Germany".

Wir freuen uns auf Ihre Teilnahme.