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A Brief History of Made in Germany

The British officials who coined the phrase “Made in Germany” intended it as an insult. In 1887, alarmed at an influx of low-priced German products, the British government required goods imported from Germany to be labeled as such. Back then, Germany was to Britain something like China is to Europe or the United States today. It was an aggressive emerging economy with a large store of cheap labor and ambitions to become an economic superpower. But Britain’s attempt to shield domestic companies from competition backfired. Made in Germany became a synonym for quality.¹ The story of how Germany succeeded within a few decades still tells us something about the German mindset and tradition.

The Industrial Revolution came late to Germany, but transformed the economy with astonishing speed once it did. Well into the nineteenth century, Germany had been politically fragmented and economically backward. Serfdom, the system that tied farmers to landowners and gave the nobility far-reaching powers over farmers’ lives, persisted until the beginning of the 1800s in some regions, including Prussia, the most powerful German state. Centuries after the end of feudalism in Britain, a significant percentage of the German population was locked into an agrarian economy, miserably poor and uneducated, unavailable as factory labor much less as a source of entrepreneurship.

What we know as Germany today did not yet exist. The German-speaking world then revolved around two empires, Prussia and Austria, German-dominated but with a polyglot citizenry, with a patchwork of fiefdoms sandwiched in-between. Goods traversing the region were subject to duties each time they crossed the borders of independent states like Württemberg or Bavaria. The barriers suppressed trade, and were deep enough that some of their legacy persists today. While high German is the language of the educated classes and business interchange, many regional dialects survive and are still the everyday means of communication