

# Railway Construction (1850–1873)

## Abstract

Railway construction was a key factor in Germany's rapid industrial growth during the third quarter of the nineteenth century. Here, we see that the total length of railroad track in the country quadrupled between 1850 and 1873. Initially, German railways transported more passengers than freight cargo. By the end of the period under consideration, however, that situation had been reversed. The railway also became the largest employer in Germany: between 1850 and 1870 the number of employees increased tenfold. This table also shows that railway construction, which demanded huge amounts of capital, played a central role in the development of Germany's financial institutions.

## Source

### Figures Demonstrating the Success of German Railway Construction, 1850–1873

|   | 1850   | 1855    | 1860    | 1865    | 1870    | 1873    |
|---|--------|---------|---------|---------|---------|---------|
| 1 German Confederation/<br>German Reich             | 5,875  | 7,862   | 11,157  | 14,034  | 18,810  | 23,853  |
| 1 Prussia   | 2,967  | 3,822   | 5,762   | 6,895   | 11,460  | 14,461  |
| 2 Workers employed (Germany)                        | –      | –       | –       | –       | –       | –       |
| 2 Ad hoc basis                                      | 78,700 | 112,800 | 171,300 | 189,100 | 220,400 | 396,900 |
| 2 Permanently                                       | 26,084 | 51,480  | 85,608  | 113,570 | 161,014 | 234,114 |
| 2 In Prussia, permanently                           | 13,706 | 27,380  | 44,852  | 62,294  | 106,542 | 162,114 |
| 3 Passengers per km                                 | 783    | 1,090   | 1,733   | 2,676   | 4,447   | 5,693   |
| 3 Freight per km                                    | 303    | 1,095   | 1,675   | 3,672   | 5,876   | 10,060  |
| 4 Capital stock                                     | 891    | 1,329   | 2,152   | 2,772   | 3,945   | 5,531   |
| 5 Net investments                                   | 41     | 85      | 241     | 153     | 320     | 654     |
| 6 Average dividend of Prussian private<br>railroads | 4.4    | 6.6     | 5.4     | 8.9     | 7.6     | 5.6     |
| 7 Net domestic product                              | –      | –       | –       | –       | –       | –       |
| 7 German Reich                                      | 48.2   | 102.4   | 173.2   | 275.9   | 397.8   | 537.5   |
| 7 Prussia   | 28.9   | 56.9    | 96.1    | 157.0   | 274.5   | 365.5   |

Explanatory note:

1. Length of rail network in the German Confederation/German Reich and Prussia in km.
2. Workers employed (ad hoc and permanent) by the German and Prussian railroad companies.
3. Passengers and freight transported by German railroads in passengers per km and freight per km.
4. Capital stock of German railroad companies at purchase prices (in million marks).
5. Net investments by German railroad companies at market prices (in million marks).
6. Average dividend of Prussian private railroads in percent.
7. Net domestic product of German and Prussian railroads at market prices (in million marks).

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Source: Hans-Ulrich Wehler, *Deutsche Gesellschaftsgeschichte*, vol. 3, *Von der „Deutsche Doppelrevolution“ bis zum Beginn des Ersten Weltkrieges 1849–1914*. Table 63. Munich: Beck, 1995, pp. 69–70.

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