

## Roman Empire 271

### Chapter 271: Comprehensive Overhaul of Safety and Hygiene

Whether it was ahead of its time or not, the New Holy Roman Empire's Health and Safety Law was enacted, enforcing nationwide compliance as a law.

Factories are the first to be impacted. They must improve workers' living conditions to meet the minimum standards set by the Health and Safety Law.

This is where the advantage of not having factories in cities becomes apparent, as it's effortless to acquire land from the surrounding areas.

With the ongoing development of African colonies, a large influx of cheap timber entered the domestic market, making the construction of wooden houses very cost-effective. It only takes 10 days to half a month to solve this problem.

This is of course disruptive for factories located in urban areas, where land acquisition costs are much higher in densely populated urban areas.

Franz can't do anything about these problems. The government has already ordered factories to move to the suburbs to ease the burden on the cities.

Those who moved earlier received government relocation subsidies. Since they didn't listen, they had to figure it out for themselves.

Safe urban drinking water is also on the agenda. Once the reconstruction is complete, the water company will provide a steady supply, and the dirty underground wells can be phased out.

To cultivate the habit of drinking boiled water, the government has mandated that factories, businesses, public places, and government institutions must provide only boiled water for consumption.

The excuse given is the prevention of cholera. Two years ago, the British confirmed the link between the spread of cholera and water consumption and hygiene. This triggered a hygiene revolution on the European continent.

Cholera has not disappeared; it still appears from time to time and remains the most terrible and common epidemic of this era.

Anyone who dares to obstruct the enforcement of the Health and Safety Law would be charged with the crime of deliberately spreading the epidemic. Labeling individuals with such charges is a tactic at which bureaucrats have excelled in every era.

Garbage cans, common in later eras, were also introduced to the streets of Vienna. Those caught littering were not fined but forced to sweep the streets, giving the offenders an unforgettable experience.

Neubruck

The overhaul of health and safety conducted domestically differs significantly in the colonies. There are virtually no factories or enterprises, not even small family workshops, and if there are any, they are mostly mines.

Cases of capitalists mistreating workers may still occur domestically, but here no one dares to do so; workers would leave without hesitation.

In the colonies, where labor is scarce everywhere, who would be willing to drive their own workers away? The dynamics of supply and demand in the labor market determine the positions of both labor and capital.

Enforcing health and safety regulations at mining sites is not difficult. People are naturally afraid of death, and with the high mortality rates in Africa, taking precautions against infectious diseases by taking regular hot baths and drinking boiled water is a minor issue.

Anyway, there are hardly any additional costs, employee dormitories can be built by workers cutting their own timber, and fuel for boiling water can be collected by workers without having to buy it.

Lieutenant Colonel Stephen said happily: Everyone, the domestic decision has been made to officially upgrade the Neubruck Colonial Outpost to Neubruck City. Congratulations to all on your promotions.

The Austrian government intends to focus on the development of the African continent, putting this Neubruck City on the same administrative level as domestic cities.

Lieutenant Colonel Stephen himself became the city's first mayor by virtue of his meritorious governance. As for military officers assuming local administrative positions, there are no restrictions in Austria.

While a transition from civilian to military leadership might be unlikely, the reverse is quite common, with many high-ranking officials in the Austrian government having military backgrounds.

The appointment of active military officers to serve as local administrators is not uncommon. This practice is common in the homeland and even more so in the colonies.

There are not as many complicated relationships here as there are back home; it is purely based on merit. Lieutenant Colonel Stephen doesn't have any extraordinary abilities, but as a military man, his greatest strength lies in strictly following the orders from the homeland.

It could be described as rigid or stiff. The Austrian government doesn't concern itself with such matters, and the end result was that Neubruck developed in an orderly fashion, with the orders of the central government being faithfully carried out.

Amidst the high mortality rates in various colonial outposts, Neubruck stands out as an exception.

According to Franz's criteria for appointments, they deserve promotion. By incorporating several surrounding outposts, they established Austria's first city on the African continent.

After a brief pause, Lieutenant Colonel Stephen continued, However, don't celebrate too soon. With the promotion comes greater responsibility.

Our focus now is not only on promoting knowledge of hygiene and reducing mortality from disease but also on finding ways to develop the colonial economy, particularly through the expansion of farming and plantation activities.

The Chief of the Mining Department, Gold, asked in confusion: Mr. Mayor, why develop the plantation and agricultural economy instead of focusing on developing the mining industry?

Lieutenant Colonel Stephen replied, Mining is not a long-term solution. The gold mines we have now may be exhausted in a few years or a decade, and then what happens to the local economy?

The domestic plan is to occupy Guinea for the long term, so developing a sustainable farming and plantation economy is essential.

Of course, we cannot neglect the mining industry; it is currently the city's main source of income. For the colonial government to achieve fiscal balance short-term, it will have to rely on the mining industry.

Diego, the head of the Tax Department, reminded him, Mr. Mayor, excluding immigration costs, the financial balance revenue and expenses of Neubruck have already been achieved.

With the massive influx of prospectors, our city's trade has developed rapidly, trade taxes make up 7% of the fiscal revenue, customs duties make up 1% of the fiscal revenue, special industry taxes make up 6% of the fiscal revenue, income from tobacco and alcohol monopoly makes up 8% of the fiscal revenue, mining taxes make up 76%...

The total financial income for the third quarter of this year is 94,000 guilders, with total expenses of 96,000 guilders, resulting in a financial deficit of 2,000 guilders. It is expected to be balanced by the fourth quarter.

This is his political achievement that cannot be overlooked. Although the mining industry is still absolutely dominant, the income generated by the development of other industries cannot be ignored.

Despite the focus on industrial development, the ability to translate that development into fiscal revenue is the accomplishment of the tax department. In many colonial outposts, mining taxes often account for more than 90% of fiscal revenue.

Neubruck has managed to decrease this proportion to 76%, achieving fiscal balance an impressive feat, especially considering the current tax exemption for colonial agriculture.

Mayor Stephen acknowledged, Well done. The Tax Department has played a major role in bringing Neubruck to its current state. Everyone here is a contributor.

In the future, I hope that everyone will continue to strive for further progress. The potential for development here is immense, and I think everyone is aware of that.

With abundant resources and fertile land, once these areas are fully developed, Neubruck has the potential to become the wealthiest region in Africa, surpassing many cities in the homeland.

If we can make this place surpass the Bruck in the homeland, given the attention from the country, I believe there is a good chance that all of us present here will receive a title.

Getting rich in the colonies is not difficult, and a portion of the colonial fiscal revenue becomes their bonus. The higher the fiscal income, the higher their personal income.

However, it is not easy to become a noble. Even those with hereditary titles have to accumulate merits slowly. Without military achievements, it usually takes twenty to thirty years to accumulate enough merits.

Now, once the development of Neubruck is successful, everyone's merits will be achieved in one fell swoop. Concrete political achievements in hand may even lead to the possibility of obtaining a hereditary title.

Everyone who is willing to come to the colonies certainly has ambitions. Establishing your own territory may be impossible in other countries, but in the New Holy Roman Empire, it is not difficult at all.

For the major nobles in the homeland, if they were willing to exchange their territories for land on the African continent, they could immediately establish their own fiefdom. Franz doesn't mind adding a few more seats to the Imperial Parliament.

After boosting morale, Mayor Stephen said sternly: Silence! We'll now discuss how to implement the Health and Safety Law to further reduce immigrant mortality from disease.

Health Department Chief Matt Damon said, Mr. Mayor, we've already done well in promoting public health knowledge. Even compared to any city in the homeland, we're not far behind.

One area that can be improved is insect and rodent control. Many diseases are spread by flies, mosquitoes, cockroaches, rats, and other pests.

Specific measures include clearing vegetation around residential areas and establishing open buffer zones of one to two miles to effectively isolate insects.

Additionally, city garbage should be burned to eliminate the living environment for ants and other pests.

Encourage residents to exterminate rats manually, such as using rat poison, mousetraps, raising cats, and so on.

Environmental protection? Not necessary, at least not in the African colonies. To control insects, there was no vegetation in the city from the beginning.

Unfortunately, transporting cement from the homeland increases the cost of concrete too much. Otherwise, the effect of paving the city center would be even better.

Mayor Stephen expressed his satisfaction, saying, As long as your methods are effective, the city government will allocate funds for implementation.

Matt Damon, head of the Health Department, replied positively: We have conducted experiments. After clearing the vegetation and burning the land, the insect population decreases significantly.

If we promote this throughout the city and prevent foreign insects from entering, coupled with maintaining hygiene within the city, we can reduce the insect population.

Mayor Stephen made an immediate decision, stating, Since it's effective, we will immediately finalize the budget and allocate funds for implementation through the Finance Department.

The decisive and efficient style of the military is on full display.

Very well, Mr. Mayor! Matt Damon replied.

Mayor Stephen continued, Now let's talk about agricultural development. The central government requires the Neubruck region to develop 50,000 hectares of farmland or plantations within three years.

In theory, the terrain around Neubruck is flat, and clearing the trees and weeds should be enough.

Not to mention opening up 50,000 hectares of land; even if its 200,000 to 300,000 hectares, it shouldnt be a problem. The only difficulty is the lack of labor.

The homeland has promised us another 20,000 immigrants next year, but its up to us to see that these immigrants open up farms and plantations.

Agricultural Department Chief Engelbert explained: Mr. Mayor, its not that our people dont want to invest in farms, its that they dont have enough money to open farms or plantations.

The citizens have limited financial resources, so why dont we organize lumberjacks to cut down trees uniformly? The valuable wood can be sold, and the remaining wood can be left for the citizens as firewood.

Once these hurdles are overcome, the cost of developing these properties in the later stages will be significantly reduced, which should increase everyones enthusiasm.

Mining Department Chief Gold thought for a moment and said: The lack of funds is easy to solve, we can negotiate with the banks and use the farms as collateral for loans.

The only problem is the exorbitant interest rates charged by Neubrucks banks, which are beyond what the residents can bear. If it can be lowered to domestic levels, then it becomes feasible.

Engelbert explained, This is an unavoidable situation. Our Department of Agriculture has already communicated with the banks.

In Neubruck, both prices and labor costs are much higher than in the homeland, and the accidental death rate among immigrants is alarmingly high. The banks not only face higher operating costs but also bear greater risks.

Banks wont lower interest rates unless our city government steps in to guarantee the loans and reduce their economic risk.

Unfortunately, there are regulations in the home country that prohibit government institutions from providing guarantees to individuals or businesses, let alone guaranteeing loans.

Developing a farm is different from mining for gold. Before a farm is developed, the so-called property rights are virtually worthless; unlike gold mines, where people are willing to take over whether they are developed or not.

Lending to farmers can lead to bad debts in the event of accidents, and banks cannot take on the task of developing abandoned farms themselves.

With increased risk, of course, interest rates cannot be low; this is a normal part of business and the city government cannot intervene.

After a moment of silence, Mayor Stephen said, This problem is beyond our ability to solve. The finances of the city government are not abundant, and we cannot provide this amount of funding.

Lets unify our stance first, and then report to the country on behalf of the city government and apply for policy loans from the central bank. This should comply with the relevant regulations and be approved.

Chapter 272: Trapping Foreign Capital

The development of the colonies only took up a small portion of the Austrian governments attention. The focus was still on domestic affairs.

After the Near East War, the economic development of Austria should theoretically slow down. However, capitalist free-market economies are often irrational.

The economy of the entire New Holy Roman Empire is like an out-of-control carriage racing forward uncontrollably. At this point, the brakes can no longer stop it, and all you can do is watch the carriage go further and further down the road of no return.

Government intervention in the market economy? Franz does not want to shoulder the blame for triggering an economic crisis, nor can he afford to bear that burden.

The entire capitalist world is plagued by overcapacity, making an economic crisis inevitable no matter what measures are taken.

Taking measures can only prolong the time before the outbreak of the crisis, and the longer the delay in the outbreak of the crisis, the greater the destruction it brings.

This is not a problem for a single country in the New Holy Roman Empire but involves all capitalist countries. Unless everyone intervenes in the market together, it is impossible to overcome the crisis smoothly.

#### Vienna Palace Economic Conference

Franz took out a document and handed it to everyone, saying solemnly: This is the latest economic report, please take a good look at it.

The situation of blind investment in our country is extremely serious, and many industries are facing overcapacity, resulting in a large amount of overproduction.

In the short term, it is not possible to find a new market to absorb this excess capacity.

The newly developed Balkan Peninsula and the African colonies, while absorbing some of the excess capacity, cannot keep up with the frenzied pace of the domestic capital market.

The same situation is happening abroad, with various capitalist countries experiencing different degrees of overcapacity. At present, our situation and that of the United States are the most serious.

This is the risk we must bear with the substantial influx of foreign capital. Once an economic crisis erupts, British and French capital will undoubtedly withdraw funds. If we cannot handle it properly, the consequences will be very serious.

Finance Minister Karl said, Your Majesty, we cannot directly interfere with the free flow of capital. The best way now is to direct it to the real economy.

Once capital becomes factories, railways, infrastructure, and other real estate, it will be difficult for them to leave.

Once capital is invested in the real economy, exit would require divestment. During an economic crisis, these industries can lose value, and finding buyers becomes a challenge.

With no one willing to take over, the invested capital becomes trapped in the market, and the only way to release it is to wait for an economic recovery.

Once the economy recovers, however, many of these industries become high-value assets, and capitalists will not need to abandon these industries.

Prime Minister Felix frowned and said, The consequences of this are too great. Encouraging more foreign capital to invest in the real economy will only worsen the overcapacity situation.

Even if we retain these capital inflows, it will exacerbate the scale of the economic crisis, and ultimately we will have to bear the consequences.

Finance Minister Karl explained: There are two sides to everything. If we want to minimize the crisis, its best to encourage them to invest in urban infrastructure.

For example, we are currently supporting urban safe drinking water projects, drainage network upgrades, and urban road construction

These industries dont suffer from overcapacity, and there are over three hundred cities in the New Holy Roman Empire. Due to government funding constraints, we are currently only performing infrastructure renovations in major cities.

These regions can absorb a large amount of capital. However, once an economic crisis hits and the capitalists capital chains break, there will be a large number of unfinished projects, and the government will have to take over.

Prime Minister Felix asked worriedly, The takeover is a minor problem. The biggest problem is the construction of urban infrastructure. It has always been the government that funds these projects, and these projects basically have no way of making a profit.

To get capitalists to invest, they first have to see the profit potential. The urban safe drinking water project is fine, the water company can charge for water, but how can other infrastructure make a profit?

Finance Minister Karl said: Of course, there are no direct profit margins. Building infrastructure requires significant investment, and most projects are public welfare in nature. It is simply impossible to make money directly from the projects themselves.

Therefore, we have to take an indirect approach, such as inviting bids from the private sector. In the initial stage, the government provides only a small portion of the funds, allowing capitalists to invest in construction. And settle the project payment after the project is completed and passes the inspection.

These projects will not be completed in a short period of time, and the investment amounts are enormous. Once an economic crisis breaks out and banks tighten credit, the economic chains of most capitalists will be broken.

As long as we specify in the contract that we wont pay for unfinished projects, we can save a significant amount of money.

If the financial consortiums behind these foreign investments are willing to inject capital to complete these projects, that would be the best outcome.

With the influx of new capital, these projects can continue construction, which will inevitably boost the economies of many industries and help us overcome the economic crisis.

In any case, the money for these infrastructure projects will have to be spent sooner or later. If we can get through an economic crisis smoothly, we would consider it a win.

Franz's eyes lit up. Wasn't this a replica of Roosevelt's New Deal? But on a smaller scale, and with an initial goal not to overcome an economic crisis, but trapping foreign capital.

Yes, trapping. Infrastructure projects, as soon as the money has been invested, are essentially trapped. There's no expectation of advance payments from the Austrian government until completion.

Either the capitalists and Austria weather the storm together and overcome this economic crisis together, or they cut their losses and leave, abandoning all previous investments.

To mitigate the effects of the economic crisis, the best option now is to drag others into troubled waters. In the worst-case scenario, they'd be left with a lot of unfinished projects that the Austrian government would have to take over.

Previously, Franz could make capitalists fall into the pit of railway construction, and now he doesn't mind making them jump into the pit of infrastructure construction.

You can't even call this a pit. During normal economic development, these are solid and high-quality projects, devoid of any malicious intent.

After some thought, Franz cautioned, The plan is excellent, but we must be careful to strike the right balance. We have to make sure that only capable capitalists win the bids. If a bunch of inexperienced people with connections secure the projects, we'll be the ones left holding the bag.

Retaining foreign capital is a means, not an end. Our main goal is to navigate smoothly through this economic crisis.

Given the current situation, the capitalist world is facing severe overproduction and the outbreak of the economic crisis is imminent, probably within the next year or two.

If necessary, we can introduce a security deposit system. Let the capitalists who undertake these projects first pay a project deposit and refund it after the project is successfully completed.

The outbreak of an economic crisis leads not only to overproduction but also to a shortage of money in the market. The concentration of funds in the hands of a few individuals leads to a lack of liquidity.

In the era of the gold standard, massive currency issuance is not feasible. Franz is not willing to devalue the currency unless the economic crisis becomes unbearable.

Keeping capital in the country is therefore crucial. The implementation of regulatory measures in the financial sector, such as a ban on capital outflows, is the worst-case scenario.

Since changing the rules is beyond their capacity, adhering to the existing rules becomes essential. Blindly breaking the rules is likely to backfire.

As a participant in the established system of rules and a beneficiary of the existing order, Franz does not believe that breaking the rules is appropriate for Austria.

He wants to ensure that, within the framework of the rules, foreign capital remains in the country. In this situation, Franz does not want the second-generation aristocrats in Austria to cause trouble. If



they have strength, that's fine, but without money, coming out to undertake projects is harmful, right?

This is not a joke, but a reality. The wealth of aristocratic families does not necessarily mean that every member of the family is wealthy; in fact, many aristocratic descendants inherit only a small portion of the family fortune.

Land, titles, and core industries are not divided; otherwise, these families would decline over several generations.

The eldest son, who inherits the family business, usually has enough assets to manage and is less likely to engage in reckless behavior. However, the younger sons with fewer assets are often active in the gray area.

Franz has met many of these risk-taking young aristocrats. During the 1848 Revolution, many noble families suffered the consequences of these younger members' reckless actions, which led to the downfall of their families.

After that, the major noble families tightened their control over their descendants, and those with active minds among the younger generation faced harsh repression from their parents.

In recent years, these younger members have been more reserved, especially after experiencing the upheavals of the revolution. A third of the noble families lost their titles, and half of them experienced decline as a result of these events. As a result, there is a sense of fear and caution among the aristocracy.

Finance Minister Karl asked in confusion: Your Majesty, what is a deposit system?

This was not due to his ignorance, but rather because the concept of a deposit system did not exist at that time. The earliest deposit system would not appear for another forty years.

Such an advanced concept is understandably difficult to grasp. People have become accustomed to Franz's innovative thinking, as he often introduces new ideas.

Franz explained, It's quite simple: require the winning bidder to pay a sum of money as a deposit to guarantee that the project will be completed smoothly.

This includes guarantees for wage payments, quality assurance, and the overall successful completion of the project. If the project is completed without any problems and the workers' wages are paid, the government will refund the security deposit in full.

Prime Minister Felix asked: Your Majesty, isn't deducting this money from the project payment the same?

Franz shook his head and said: It's different. Deducting from the project payment does not determine the capitalists' financial strength.

They could easily take the contract signed with the government and seek loans from banks, relying on bank financing to complete the project.

While this may not be an issue in normal times and would not affect the normal progress of the project, once an economic crisis occurs and banks tighten the money supply, the situation is different.

Our current goal is to retain foreign capital, not to create opportunities for a few individuals to make a fortune. Once a project is abandoned, we're left to deal with the aftermath.

Taking a security deposit minimizes our risks. If the capitalists do not want to bear this loss, they will have to weather the storm with us.

This is a psychological issue. The more capital is invested, the harder it is for people to let go. The larger the trapped capital, the tighter the bond between the interests of capitalists and Austria.

To prevent the previous investments from going down the drain, capitalists have no choice but to allocate more funds to ensure the normal progress of the project.

#### Chapter 273: Capital Has No Borders

In July 1856, the Austrian government officially began implementing the Trapping Plan, increasing infrastructure investments and openly inviting bids from external parties.

At the same time, the construction of the railway network began, with railway lines planned for almost every city and then put out to bid.

This time, not only domestic railway companies but also overseas railway companies were allowed to participate in the bidding without any investment restrictions.

Following the usual practice, each railway line was granted exclusively to a single railway company, thus preventing redundant construction, avoiding waste of resources, and satisfying everyone's desire for monopoly operation.

It all seems very promising, on the condition that the railway companies start and finish their work on time. Failure to do so means they must get ready to face the consequences!

According to the new plan, the total railway mileage in the New Holy Roman Empire will reach an astounding 97,000 kilometers when the construction of the railway network is completed.

At present, the country's railway network is only 15,800 kilometers long, with 32,100 kilometers under construction, almost doubling the existing network.

Recognizing that some of the newly planned railway routes are too remote to be profitable, the Austrian government is promising permanent tax exemptions for these isolated sections to attract investors.

While this news could fool ordinary investors, smart people knew it was just a pie in the sky. But in the age of market frenzy, who cared?

Smart people realize that whether the project ultimately succeeds or fails, as long as they're not the last ones left holding the bag, they can still make money from it.

Even though none of the Austrian railway companies has ever turned a profit, railway stocks have been on a steady rise and are highly valued in the capital markets.

Currently, operational railways are profitable, creating the illusion for many that investing in railway companies is a foolproof venture, especially considering the potential for monopolistic operations in Austrian railways.

The Austrian government also boasted unscrupulously in the bidding for the projects, citing the current economic growth in the New Holy Roman Empire, the demand for rail transportation, and the high population growth to paint a rosy picture.

After being packaged in this way, many speculators fell for it. In theory, all these railway lines should be profitable, even the most remote ones like the one in Bosnia and Herzegovina.

These statistics are not deceptive; indeed, the profitability of railways is only a matter of time. In this era of no cars or airplanes, no mode of land transportation can compete with railways.

The territory of the New Holy Roman Empire is not vast, with no extremely remote areas or uninhabited borders. There is potential for discovery throughout the land.

Franz estimates that if the Austrian government does not restrict railway transport prices, more than 70% of the lines could be profitable after ten years. Twenty years later, over 90% of the lines could be profitable. By the thirtieth year, all lines could be profitable.

These profits are calculated without regard to construction costs, based solely on operating revenues in excess of operating costs. The return on investment may take a long time.

Before the cost of construction was recouped, repairs would be needed, no matter how well they were maintained. After decades, most of the rails and sleepers would need to be replaced.

Since it was pie in the sky, Franz didnt mind making it even more tempting, like the Austrian governments promise to subsidize heavily loss-making lines to ensure normal railway operations.

This promise was meaningless in practice. For lines where operating costs cannot be recovered, railway companies are likely to abandon them!

In the end, the Austrian government, whether it provides subsidies or not, has to ensure the normal operation of the railways. It is the governments responsibility and duty to ensure the proper functioning of essential transport infrastructure, and this expenditure is unavoidable.

Besides, it wouldnt even take that long. With economic crises, the capital chains of the railway companies would break, forcing them to accept state equity investments, so that after several crises, the Austrian government would eventually become the largest shareholder.

Why break the rules when its possible to hold majority control within the regulatory framework?

Gaining control through economic means was far superior to overturning the table and crudely declaring the nationalization of railways.

In addition, the management system of a joint-stock cooperative is much more cost-effective than the direct appointment of bureaucrats by the government.

London

Barclays Bank has now formed the embryonic structure of the Barclays Bank Consortium. Aside from not publicly announcing the formation of the consortium, it essentially relies on capitalists connected to the bank and already has the strength of a consortium.

The Banks resources alone exceed 100 million pounds, with the potential to leverage over 300 million pounds through the financial markets. Its influence extends to industries in excess of 500 million pounds, making it one of the leading consortia in the UK.

President Genos presented a stack of documents to everyone and said, Ladies and gentlemen, not long ago the Austrian government made a landmark announcement of substantial investment in infrastructure.

This includes railways, ports, municipal water projects, municipal engineering renovations, and even some water conservancy projects, all of which are eligible for bidding.

The expected total investment is a staggering 480 million guilders, or 240 million pounds, spurring related industries expected to exceed 500 million pounds. This is a feast of capital, but it also comes with some very challenging obstacles.

Our topic today is how to get the biggest piece of the pie while minimizing risk.

I distributed the information to everyone. In general, it is similar to what we already knew, but now in more detail, with specific projects.

The prominent capitalist Simon asked, Mr. Genos, as far as I know, the Austrian governments total fiscal revenue last year was only 121 million guilders, and it wont exceed 128 million guilders this year. Can they come up with such a large sum for investment?

Genos replied calmly, Austrias economy has developed rapidly in recent years. The Austrian government took advantage of the war in the Near East to get out of financial difficulties.

After the annexation of several German states, the newly formed New Holy Roman Empire now has a total population of over 50 million, and its economic output surpasses that of the French, just below ours.

Currently, their governments total debt is less than 80 million guilders, which is a relatively low debt ratio. If they seek external financing, I believe none of us would refuse, right?

Refuse? Why refuse? The British, who have a serious capital surplus, are looking for investment opportunities everywhere these days. Faced with a premium client, how could they refuse for no reason?

If loans could influence the New Holy Roman Empires financial market, then the potential benefits would be even greater.

Simon replied without hesitation, Of course, the Austrian government is now a premium client. As long as they are willing to join the pound-gold system, there is no problem providing them with loans.

However, they wont join. The Austrians would still want to maintain the guilder-gold system and wouldnt easily compromise with the British government.

In that case, should we still do this deal?

Capitalist Bernard retorted, Why not do a profitable deal? Controlling their financial market through loans, and subsequently influencing the decisions of the Austrian government through financial means to make them accept the pound-gold system, is a long-term endeavor.

Our approach is in line with the governments strategy, it just needs a little more time. The New Holy Roman Empire is also a great power. Getting them to compromise will not happen overnight. It is more prudent to take it slow.

Except for the first sentence, which was true, the rest was nonsense. Controlling the financial market through loans could work in theory.

But the Austrian capitalists were no fools either. For their own interests, they would also resist the capital invasion, with the Austrian government clearly on their side.

Its unheard of for a single loan to control the finances of a large nation.

Unless they can create financial difficulties for the Austrian government, making it heavily dependent on foreign loans, only then would they inevitably be influenced.

But in that case, the premium customer becomes a sub-par customer, and there is no need for the deal to continue.

Genos said solemnly, Let the British government proceed with their plan; we can support them, but only if it doesnt harm our interests.

Lets not forget that the bait thrown by the Austrian government is poisoned. They require investors to advance construction funds and also pay a deposit.

If unforeseen circumstances occur during the project that lead to a break in the capital chain, not only will the upfront investment go down the drain, but the deposit will also be confiscated, with all the risks borne by the investors.

This project, which requires a significant amount of funding, seems almost tailor-made for us, and thats highly unusual.

Analyzing the current economic situation, it seems that this round of economic development is reaching its limits. The fruits are ripe and the days of harvest are not far away.

As the economic crisis approached, the Austrian government came up with this grand plan. I strongly suspect that they are trying to trick investors into paying the deposits.

Bernard said without hesitation, Even if theyre ripping us off with the deposit, its based on the premise that the project will be abandoned. If it is successfully completed, they will have to pay. I dont think the Austrian government will default.

Compared to the deposit, I think a more significant risk is that they are trying to involve others. Once everyone invests in these infrastructures that cant show immediate returns, even if there is an economic crisis, it will be difficult to get money out of Austria.

Investors have no choice but to continue to invest in order not to lose their previous investments. As long as these projects continue as normal, the impact of the economic crisis on Austria will be minimized.

However, I highly doubt that Austria will experience an economic crisis.

They have never really experienced what a real economic crisis is like. Is it necessary for them to make such a fuss?

Simon sneered, Bernard, your thinking seems to be stuck a couple of years in the past! Since 1850 the Austrian market has been the most favored region for British capital.

As of now, the total investment of the British capital in the New Holy Roman Empire should exceed 180 million pounds, and the investment of the French capital there would not be less than 50 million pounds.

Even Barclays Bank has invested more than 15 million pounds in the country. If we all withdraw our funds together, Austria's economic crisis will erupt immediately.

They had reason to be arrogant. In this era, it is the pinnacle of the British Empires capital dominance. Even the French, who are closest in power, cannot compare with them.

Genos glanced at the crowd and said, Regardless of any schemes the Austrians might have, as long as it doesnt interfere with our money-making, we can continue our cooperation.

Judging their plans based on the information we have now is unreliable. Regardless of the conspiracies of the Austrian government, the projects they have proposed this time do contain many high-quality assets.

All we have to do is sift out those high-quality assets, find a way to acquire them, and let others deal with the remaining mediocre assets.

If possible, everyone can also try to see if we can throw some seemingly attractive but actually inferior projects at our competitors.

In my personal opinion, the Urban Safe Drinking Water Pipeline Project is very promising. We can take it over, and once this project is completed, you can imagine the profits of monopolizing the water supply for an entire city.

Simon said very cooperatively, Genos, youre as sharp as ever, identifying the most effective and valuable projects.

Our water companies have always been the most stable source of income, almost unaffected by market fluctuations.

However, I think as long as the Austrians offer a high enough price, we can take on some municipal engineering projects. In addition, we can help them issue construction bonds to meet the financing needs of the project.

Clearly, his interest is not in municipal construction projects, but in issuing bonds which was a profitable business come rain or shine.

These bonds are not for their own use, but to be sold on the London financial market on behalf of the Austrian government. Whether they are eventually redeemed doesnt matter to them. Theyve already earned fees for the process and the exchange.

Bernard added, Our railway companies cant sit idly by either. Domestic business growth is almost stagnant and the potential for development is limited.

Regardless, we should seize this opportunity to acquire some rail lines, drive up the stock price, and then find another buyer to take over.

Of course, everyone in this situation is aware of the crisis. But that doesnt stop them from making money. As long as the profits are substantial, who cares what the Austrian government is up to?

The different opinions among them also represent their diverse interests. Within the same consortium, everyones development direction cannot be identical.

Everyone has their own goals, and intimate cooperation can only be achieved when interests do not clash.

If this could not be achieved, then those who should split would still split. To put it bluntly, a group was just a combination of interest groups. If the conflicts of interest were too great, falling out would be natural.

#### Chapter 274: Turmoil in Central Asia

Thanks to Franz's butterfly effect, the Russians were able to capture Constantinople despite heavy losses in the Near East War. In the face of victory, domestic crises were temporarily suppressed.

After two years of recuperation, the Russian government became restless again. However, there were no more opportunities for expansion on the European continent with the reconstruction of the Vienna System. The Russian government had to turn its sights to Asia.

In October 1856, at the instigation of the Russians, the Persian dynasty captured Herat. Stirred by this, the British immediately declared war on the Persian dynasty, leading to the outbreak of the Anglo-Persian War.

With its special geographic location west of the Persian Gulf, north of the Caspian Sea and the Amu Darya River, and east of the Indus River, Herat had strategic importance and became a key link in the Anglo-Russian struggle for dominance over the Asian continent.

During the Near East War, the Russians had planned to send troops for a distant expedition to India to pressure the British to withdraw from the war. Herat was an unavoidable obstacle to this plan.

At the time, the Herat government, fearful of offending the British, denied the Russian request for passage, leading to a deterioration in relations between the two countries.

To remove this obstacle, the Russian government shifted its support to the Persian dynasty, even supporting the Persian invasion of Herat.

Influenced by the outbreak of the war in Central Asia, the negotiations in the Gulf of Guinea also took a turn. The British government had to make concessions to win the support of international public opinion.

Without that troublemaker, Great Britain, the subsequent negotiations were much easier. As a late entrant, France had no major interests there, and the French government did not fight hard for them. The other countries simply lacked the strength to compete.

On November 1, 1856, Great Britain, France, Austria, Russia, America, Portugal, and the Netherlands signed the Treaty of the Gulf of Guinea, also known as the Treaty of the Seven Nations, in Vienna.

The treaty stipulated that the coastal areas of the Gulf of Guinea would be divided along the lines of actual occupation by each country. The colonies of each country could not attack each other, and any gold mines discovered inland would belong to the discoverer.

On the surface, it seemed that no one was at a disadvantage; however, this had effectively established Austrian hegemony in the region, as Austria, with its manpower advantage, enjoyed absolute dominance.

America, Spain, and France jointly occupied Liberia; Austria, Britain, and Portugal jointly occupied Sierra Leone; Austria, Portugal, France, and the Netherlands jointly occupied the Ivory Coast; Austria, Britain, and the Netherlands jointly occupied Ghana; Britain and Austria jointly occupied Togo; and Austria exclusively occupied Guinea.

The influence of various powers in the Guinea Gulf intersected, making it the most chaotic region in the world. The Treaty of the Seven Nations only temporarily suppressed tensions among the nations and did not eliminate them.

Looking at the distribution of power among the nations, Franz had no words to say. It was a complete entanglement, such as in the case of Togo, where the British had only a few hundred men in a stronghold, yet they refused to leave.

There was no solution. At that time, the British Empire was simply so powerful at sea that it could not be expelled, even with Austrias advantage on the ground.

Franz did not feel uneasy. Since diplomatic matters were within the range of cannons, if they couldnt act openly against the British colonies, why not covertly?

Despite the complex power dynamics among the nations in the Gulf of Guinea, the intense competition was largely the result of British interference. They didnt want Austria to dominate the Gulf alone, which led to the involvement of several countries to counterbalance Austria.

If it werent for the influence of these nations, the likelihood of the British being pushed out of the Gulf of Guinea would be high. After all, their advantage was at sea, and once they set foot on land, their superiority diminished.

Unless they were holed up in their colonies and never ventured out, any colonial activity was fraught with danger. This was the African continent, accidents were normal.

To avoid this, the British government brought in other countries to share the Gulf of Guinea. Of course, since they were already getting the maximum benefit, Franz would not go to extremes.

Despite the weak presence of these countries, it was still a matter of face. Expelling them directly would ruin Austrias international standing.

Metternich said, Your Majesty, the Anglo-Persian war has broken out. The Russians hope that we can support their actions.

Support, they must offer support! Or at least verbal support. No matter how unruly the Russians may be, as long as they dont cause trouble on the European continent, Franz doesnt care.

Negotiations in West Africa were already at an impasse. The British, with their naval superiority, were not likely to give in easily. But when the Russians took action, they immediately made concessions.

Now, as the British secure their hold on colonial India, the Russians are inciting the Persians to take Herat. Can there be any doubt about their motives?

Without the French acting as a vanguard to possibly confront the Russians, even with the advantage of making the first move, the British government did not dare to let its guard down.

Franz thought for a moment and said, The Russian government wants to make trouble for the British, which is perfect for our overseas expansion. What kind of support do they want?



Metternich calmly replied, In addition to diplomatic support, they also want a loan.

Another loan. Franz understood why the German-Russian alliance collapsed historically. It wasn't because the government of Wilhelm II was stupid, they simply couldn't afford the Russians.

Although the German Empire was developing well and seemed very wealthy, as a new empire, they actually had little capital accumulation.

No matter how fast the economy grew, it did not change the fact that they lacked money. During the gold standard era, when the British controlled most of the world's gold, the German government had to be very careful about issuing currency.

The economic scale was there in the market, but unfortunately, the government reserves were insufficient. The currency they were issuing was only enough to meet their own needs, there was no spare money to lend to the Russians.

To restrain the British, Franz decided to agree. After some thought, he said, The Ministry of Foreign Affairs will negotiate with the Russians. If the amount of the loan is small, we can agree, but there must be collateral.

Huge loans were impossible. The Austrian government was not wealthy either. Even if there were conditions attached to the loan, it wouldn't work.

Franz did not dare to recklessly increase the supply of currency. Even with sufficient gold reserves, flooding the market with a large amount of currency would cause inflation. Despite not being well-versed in economics, he understood this common knowledge.

Metternich explained, Your Majesty, Russia is unlikely to personally take the field in this war, so their financial gap may not be too great.

Although victory in the Near East War made many in the Russian government arrogant, there were also many wise individuals who recognized the limitations of their strength and sought to promote serf reform, gaining the support of Tsar Nicholas I.

After the war, Nicholas I planned to grant all soldiers the status of free citizens. However, the nobility, citing inadequate compensation, united to reject the proposal.

Now the reformists and conservatives are in intense conflict, making it difficult for the Russian government to focus on external expansion in the short term.

Franz asked anxiously, Is it possible for the Russian government to use the opportunity of war to divert domestic attention and carry out serf reform?

After pondering for a moment, Metternich replied, Your Majesty, that is almost impossible. The financial situation of the Russian government is very difficult at the moment, and they cannot raise the necessary funds for such a war.

India is the most important colony for the British, and the British government is not likely to give it up easily. Once this war breaks out, it is likely to be protracted.

The Russian government is probably aware of this, and its current approach is simply to obstruct the British, thus delaying the time it takes for them to annex India.

Of course, the Russian government was well aware of Britain's strength. As their biggest competitor, if they didn't get in their way, how could they still be called enemies?

Starting a proxy war was a good choice. If it succeeded, it would be a great victory, and if it failed, it didn't matter. Selling out allies was something the Russian government was very experienced at.

## Chapter 275: Birth of the Eldest Son

Just as one wave subsides, another rises.

At the beginning of the 19th century, the great powers began to compete fiercely for the North African market, and the international situation became increasingly unfavorable for the Moroccan government.

In the 1840s and 1850s, large quantities of cheap European goods flooded into Morocco, wreaking havoc on the economy of the Kingdom of Morocco.

To reverse this situation, the Moroccan government raised tariffs in 1852, increasing the average import tariff by 20% in an attempt to protect the domestic market through high tariffs.

Clearly, this damaged the interests of the major European powers. In December 1856, the British pressured the Moroccan government into signing the Anglo-Moroccan Treaty.

The treaty gave the British extraterritoriality, the right to trade throughout Morocco, and a reduction in tariffs to 10% of the price of goods.

Once Pandora's box was opened, the situation spiraled out of control as powers rushed to gain the same rights.

The Moroccan government, believing that it had the support of the British, unequivocally rejected the demands of other countries, causing great dissatisfaction among them.

Colonial Minister Josip Jelai suggested: Your Majesty, the Moroccan government has rejected proposals from various countries. France and Spain could invade Morocco at any time. Should we also take action?

The main reason why Morocco attracted so much attention from various countries is that it was so fertile, with abundant mineral resources, 220,000 square kilometers of arable land suitable for agricultural development, and it was a major agricultural exporter in Africa with very good climatic conditions.

A man's wealth is his own ruin by causing others greed. Without poisonous insects and ferocious beasts to protect it, the Kingdom of Morocco became a fat sheep in everyone's eyes.

Franz shook his head and said, Our interests in the Kingdom of Morocco are too small to justify our involvement. In recent years, we have already gained too many benefits, causing dissatisfaction among various European countries. What we need now is to digest the gains.

Although Morocco is good, it faces exploitation by Britain, France, and Spain. Instead of wasting time here, developing the ownerless African continent would be better.

Now Austria has followed in the footsteps of other countries, continuously sending exploration teams to Africa in preparation for colonization. Many private colonization groups have independently established colonies outside.

There are also some colonial teams from the German Federal Empire and the Kingdom of Prussia, which have affiliated themselves with the New Holy Roman Empire. Franz also accepted them without discrimination.

Why bother to differentiate between Germans? As long as everyone recognizes him as emperor, everything is negotiable.

For example, the colonial outpost in Cameroon was originally established by Prussian nobles, but now the Prussian government shows no interest in colonial activities.

There's no other option. In the age of colonization, it's very dangerous to colonize overseas with only personal power without the support of a country. To counter the British colonizers, they naturally united under the banner of the New Holy Roman Empire.

Another example is that capitalists from Hamburg established outposts in the Comoros Islands. The German Federal Empire, preoccupied with internal integration, neglected overseas colonization. They eventually hoisted the flag of the New Holy Roman Empire.

In short, according to the statistics of the Colonial Ministry, the number of overseas colonial outposts has reached 41, 27 of which are run by the Austrian government to establish rule over the natives.

The remaining outposts are merely nominal, set up by private colonial teams of limited strength. Often they just arbitrarily claim a piece of land and set up so-called outposts, or simply persuade a native tribe to sign a so-called protection treaty.

Under the current standards of various countries, mutual recognition is generally assumed in the absence of conflicting interests.

Even in the case of colonial disputes, negotiations usually precede any conflict, with the outpost often being purchased for a sum of money. Violence is only used when negotiations fail. If these outposts are not supported by a nation, they are often treated as pirates and wiped out.

In this era, it is common for capitalists engaged in international trade to occasionally dabble in piracy, so the accusations are not entirely unfounded.

Compared to major colonial powers like Great Britain and France, Austria can only be considered a small fry. Even small countries like Portugal and the Netherlands have colonial outposts numbering in the hundreds.

Many of these are not so much colonies as they are commercial outposts. These outposts vary in population from over a thousand to none.

Nothing is surprising about this. If there's not enough profit, it's normal for private colonial teams to abandon these outposts. If someone is willing to pay, they can even be bought.

If colonization relied entirely on official promotion, with bureaucrats managing colonial outposts, the wealthy British would become the first bankrupt colonial empire. That's because they control too much territory and too many outposts!

Franz naturally wants to learn from the successful experiences of others, while at the same time directing ambitious domestic figures abroad. There's a saying on the European mainland that a prince has no shortage of generals and ministers, yet some may still suffer a failure of wisdom.

Even if there is room for advancement at home, Franz could not possibly allow them to form independent kingdoms. Overseas colonies, on the other hand, are a different story they can roam freely.

As long as they have the ability, if someone has the ability to conquer a kingdom, Franz will recognize it. Its just one throne, there are already several in the New Holy Roman Empire, and one more wont make any difference.

He is not afraid of people declaring independence overseas. In the European cultural system, the first consideration is not power, but bloodline. Without a bloodline, there is no legitimacy. Even the boastful Napoleon was troubled by this.

Even now, Napoleon III's legitimacy is questioned by outsiders. Despite the apparent stability of the French regime, its rule is actually very fragile.

No matter how powerful they become overseas, without his canonization as emperor, their regime cannot be stable.

Franz doesn't believe that anyone would willingly become president if they had the chance to be king. Even if they did, wouldn't his subordinates still want to become nobles?

In the evening, the lights were bright at Schnbrunn Palace, and important members of the House of Habsburg, located in Vienna, gathered there. The great nobles of Austria also hurried over to await the arrival of a new life.

In anxious anticipation, the usually composed Franz began to pace, beads of sweat forming on his forehead despite the winter chill in Vienna.

Franz, go back and sit down quietly. Don't pace around in front of me; you're making me uneasy.

There were only four people at the Viennese court who dared to scold Emperor Franz, and it was clear that it couldn't be Ferdinand I and his wife, who had abdicated and were living in seclusion. The answer was obvious.

Yes, Mother! Franz replied casually and then returned nervously to his seat.

The Empress is giving birth!

The doctor's voice rang out, and everyone rushed into the delivery room. It was customary; to ensure the legitimacy of the prince's lineage, supervision was essential.

This supervision directly affected the legitimacy of the bloodline of the next generation. Without witnesses, legitimacy would be called into question.

After all, medical technology was limited in that era, and many nobles lost their ability to bear children for various reasons, or, after much difficulty, produced an heir who turned out to be stillborn.

To ensure family succession, European nobles often borrowed seeds from outside sources.

However, these attempts were rarely successful. Those who could not prove their lineage directly lost their inheritance rights.

The supervision is imposed on the offspring of nobles, and even more so on the offspring of emperors. If it's a prince, he would be the heir to the Habsburg dynasty, deception was impossible.

Amidst everyone's anticipation, cries of wah, wah, wah filled the air, but before the gender could be determined, Franz rushed out.

Unfortunately, as soon as he took the first step, Archduke Karl grabbed him and sternly said, Don't go causing trouble!

Realizing his mistake, Franz immediately halted his steps. There was no need for him to help at this moment.

It's a healthy prince!

The doctor's voice rang out, and everyone's faces lit up with joy, signaling the arrival of the next generation of the Habsburg dynasty.

Then everyone stepped forward one by one to confirm that it was indeed a boy before the matter was considered settled. By this time a wet nurse had come forward to breastfeed while Franz continued to watch from the sidelines.

After receiving everyone's congratulations and dismissing the supervisory team, Franz inquired about the Empress, who had suffered a great deal. Only then did Franz have the opportunity to interact with the little one.

Unfortunately, he was considered clumsy by the two ladies and was deprived of the right to hold the baby. His father, Archduke Karl, was similarly shunned.

As the eldest son, everyone was extremely cautious. Most of the time, the baby prince was held by experienced nurses. Even Archduchess Sophie was reluctant to hold him for fear of accidentally hurting him.

Chapter 276: Frederick

The birth of the eldest son brought relief to many, and the entire Viennese court was filled with rejoicing and laughter, expressing the joy of new life.

Naming in Europe is extremely arbitrary, so much so that it's amazing. As far as Franz knows, there are even people who have used the same name for more than ten generations.

One really wonders how they manage daily interactions. Father and son sharing the same name is manageable since you can distinguish between the senior and junior, but if you encounter five generations with the same name, wouldn't that just drive you crazy?

Given these dire consequences, Franz decided it was best to err on the side of caution. Inauspicious names were eliminated first; names associated with historical figures who committed suicide or were killed were the first to be eliminated.

During a family meeting, Franz asked, Do you think the little one should be called Caesar, Peter, Frederick, or Leopold, or are there other names to consider?

Archduchess Sophie was the first to say, I think Rudolf would be better, to avoid too many nobles with the same name.

Finally, Franz understood the origin of the name Rudolf in history. It turned out that it was she who had decided it.

But the situation is different now. Faced with the precocious Franz, Archduchess Sophie's influence has diminished greatly.

His own opinion carried more weight in the naming of the child. Bringing it up for discussion now meant that Franz himself was also confused about what to name his eldest son.

Archduke Karl suggested, I think its best to call him Karl. Im Old Karl, and hell be Little Karl. This name sounds quite endearing!

This silly thought was immediately ignored by Franz. He still wasnt used to having the same name as others, and even if he were to share a name, it wouldnt be with his own family.

Empress Helene proposed, How about naming him Franz? It would be convenient to call him that.

Franz rolled his eyes. Why did it feel like she was picking a fight? But looking at her serious expression, Franz was sure that she wasnt deliberately making trouble.

Of the four people with a say in the court, none could convince the others. Franz decided to ignore their opinions.

Then lets call him Peter!

Why?

Why?

Why?

Having just decided on his sons name, Franz was met with collective questioning from everyone. Seeing the three people seething with anger, Franz felt that if he couldnt come up with a reasonable explanation, there was a good chance he wouldnt get dinner that night.

Since your opinions are all different, lets just exclude them all for the sake of family harmony!

Archduchess Sophie added sternly, Very well, then lets eliminate Peter as well, for the sake of fairness!

This proposal was supported by Archduke Karl and Empress Helene, leaving Peter out in the cold by a vote of three to one.

Franz nonchalantly remarked, All right, lets vote on the remaining candidate names, and the one with the most support will be the name for the little one!

Franz considered himself to have some principles, so he refrained from giving his son a bizarre name. After all, he was the heir to the throne, and his dignity had to be preserved.

In Europe, its not uncommon for people to have long strings of names. Dont be surprised its often the result of parents arguing endlessly and then adding all the suggested names to the list.

Just having a name as long as a football team could be considered childs play. Some directly copied the roster of a football team.

As for what he will be called in the future? Well, when you have parents who make such decisions, does it really matter?

Lets vote then!

Everyone agreed to a democratic vote. Finally Frederick won with two votes. Franz guessed it was probably due to the popularity of the name Frederick among the Habsburgs.

The Minister of the Navy, Filkos, exclaimed excitedly, Your Majesty, our first ironclad battleship has been completed, were just waiting for you to name it.

Its worth noting that this ironclad battleship arrived just in time to coincide with the birth of the crown prince. Of course, Franz also knew that this had been arranged on purpose.

Coincidence, how can there be so many coincidences in the world?

If things went as expected, in the days to come the Austrian government would also receive a series of good news, which just happened to coincide with the crown princes birth.

There was nothing strange about it. If the East could create auspicious signs, how could the Western world be free of them? They were all bureaucrats, no one would be much different from another.

Franz said calmly, Lets call it the Frederick.

Since his subordinates were so considerate, he certainly wouldnt object. These actions werent too excessive either; at most, it meant that the ironclad battleship was finished and waiting in the shipyard for a few days for the crown prince.

The purpose, of course, was to make its presence felt. Otherwise, as soon as the heir was born, the entire media of the New Holy Roman Empire would focus on it. Who would remember the ironclad battleship then?

The New Holy Roman Empire was a land power, and public attention to the navy was limited. If they missed the opportunity to grab attention with the ironclad, who knows when there would be another sensational story to draw everyones attention.

The birth of the crown prince drew more attention from the domestic population, while internationally, everyones focus shifted to the ironclad battleship Frederick.

While everyone else was playing with sailing warships, Austria suddenly unveiled an ironclad battleship that caught many off guard. Could this hunk of iron even float?

On December 12, 1856, the day after the crown princes birth, the ironclad Frederick embarked from the Port of Venice on its maiden voyage.

There was no media present as this was a military secret. Franz would not reveal the ships internal information just for show.

Specifications of the ironclad Frederick:

Displacement: 8,708 tons;

Length: 118 meters (107.2 meters between perpendiculars);

Beam: 17.6 meters;

Draft: 7.9 meters;

Propulsion: Steam and sail hybrid propulsion, with 1 horizontal compound steam engine, 10 coal-fired boilers, producing 5,770 horsepower;

Maximum speed: 14.56 knots (single shaft, single propeller);

Coal capacity: 860 tons;

Armament: 10110-pound stern-mounted breech-loading guns, 2068-pound bow-mounted muzzle-loading guns, 440-pound stern-mounted breech-loading guns;

Armor: Armor belt thickness of 4.5 inches, backed by 18 inches of wooden planking;

Crew: 695 personnel;

Cost: 800,000 guilders.

Franz was just a novice in naval matters and couldn't make sense of all these jumbled parameters. One thing he knew for sure, however, was that the era of sail warships had come to an end.

With the birth of the Frederick, many world records were shattered. This was currently the world's largest and most powerful warship in terms of tonnage and combat effectiveness.

Before the emergence of similar warships, bullying sailing warships would be effortless, and that was sufficient.

Originally designed to intimidate, its combat power was formidable, but a single ship couldn't close the gap between the Austrian Navy and the British and French Navies.

Many ants can kill an elephant, and Franz understood this simple principle. It was enough to use it as a scare tactic; there was no need for actual combat.

London

As a maritime power, the advent of the ironclad Frederick came as a direct shock to the British government.

Prime Minister Granville shouted, I need an explanation. Why are the Austrians ahead of us? What has the Royal Navy been doing with all that military funding every year?

If it were the army being overtaken, he could leisurely enjoy his coffee. After all, they were a maritime power. If European armies were ranked, they wouldn't even make the top five.

But the Navy was a different story. The world's premier Royal Navy suddenly found itself behind in shipbuilding technology, with thousands of sail warships becoming obsolete overnight.

This kind of disparity was clearly unacceptable to the British. Even if they were temporarily overtaken, Austria shouldn't have had such a significant presence.

Navy Minister James explained: Prime Minister, the Royal Navy has also been researching ironclad warships. The fact that the Austrians developed an ironclad first doesn't mean that their shipbuilding technology is more advanced than ours; it's just that they started earlier.

Since 1850, the Austrians have been investing heavily in ironclad research, and they began formal construction in early 1855, taking nearly two years to complete.

The Royal Navy only received funding for research and development this year, so temporary lagging behind is inevitable. Within five years at most, we can catch up and surpass the Austrians.

Prime Minister Grenville shook his head and said, I don't want to hear your explanations. If you want to explain, go and explain to the members of Parliament!

What you must do now is announce our plans for the ironclad. We must build an ironclad in the shortest possible time, even if it's just a prototype. We must also have one!



This is typical of how politicians approach problems. Prime Minister Grenville isn't just worried about an ironclad warship, but also about the political chain reactions it might cause.

Proud Britons cannot tolerate a naval gap, and to be overtaken now will surely not be overlooked by the opposition parties.

Fortunately, the Grenville cabinet has just taken office, and the Navy has just started the ironclad project. So the responsibility can be shifted to the previous administration. It was their missed opportunity to develop ironclad ships that led to the temporary lag in shipbuilding technology.

Foreign Minister Thomas reminded, Mr. Prime Minister, according to the intelligence we've gathered, the ironclad built by the Austrians may have a displacement of 8500 to 9000 tons and is also equipped with stern mounted breech-loading guns.

Once this ironclad is in service, the balance of naval power in the Mediterranean will be disrupted. Our Mediterranean fleet will no longer be able to suppress the Austrian navy.

In this situation, the Austrian government might try petty maneuvers. Of course, they might not dare to provoke us directly, but they might not hesitate when it comes to the Ottoman Empire.

Grenville rubbed his forehead, realizing that being Prime Minister of the British Empire was no easy task. The Russians had just stirred up trouble in Central Asia, and now the Austrians were at it again.

In today's international order, it seemed that as a country grew stronger, it sought to gain more benefits. After gaining short-term regional advantages, it was only natural for the Austrian Navy to expand.

Can we suppress Austria's ambitions? Prime Minister Grenville asked.

Thomas analyzed, It's difficult unless we're willing to pay a high price by deploying more fleets into the Mediterranean or preemptively occupying their targets, denying them the opportunity.

Grenville denied: That is impossible. We don't have that many fleets to send to the Mediterranean, let alone attack the Ottoman Empire first.

We've promised the Ottoman Empire to guarantee its territorial integrity, if only for international prestige. We can't stand idly by at this time.

Is it possible to divert the Austrians to other areas and make them give up their actions against the Ottoman Empire?

Thomas pondered and said, "It's worth a try. If we join forces with the French to exert pressure, the Austrian government will probably give up its expansion in the Mediterranean. After all, they wouldn't want to disrupt the newly established Vienna System.

## Chapter 277: Reflection

After the outbreak of the Central Asian War, the Persian government realized that it had been deceived by the Russian government, or rather by the bureaucrats within the Tsarist regime.

The so-called aid was indeed given, but in practice, it was delayed and reduced in quantity.

Minor issues that were inconsequential in peacetime became major problems during the war, and due to inadequate support, the Persian military was initially overwhelmed by the British.

For their own safety, the Persian government decided to bring in a third force to balance the power between Britain and Russia and end this war as quickly as possible.

Unfortunately, the officials in the Persian government were not very bright. Their first thought was to rely on America to counteract the influences of Great Britain and Russia.

It was quite unfortunate that the United States at this time was not the powerful nation it would become in later years. While they may have had some influence in American affairs, who would recognize them in Central Asia?

The Americans, who only wanted to share privileges, naturally cowered at the first sight of Britain and Russias firm attitude. Of course, even if they didnt cower, no one would listen to them.

Left with no other choice, the Persian government once again turned to the European continent, seeking help from France and Austria.

Vienna

Metternich handed Franz a document and said, Your Majesty, this is a diplomatic note from the Persian government in the hope that we can mediate in this Central Asian War.

After going through it, Franz shook his head and said, Reject the Persian government. We currently have no need to involve ourselves in Persian affairs.

The Austrian government still wanted Britain and Russia to clash in Central Asia. To mediate at this time would be unnecessary meddling.

As for the economic benefits promised by the Persian government, they were actually of little value to Austria. Austrias main exports in international trade were processed agricultural products and a small amount of industrial products and machinery.

Persia could sustain itself in terms of food, and couldnt afford Austrias processed agricultural products. As a traditional feudal monarchy, Persia had little demand for industrial products and machinery, and with competition from the British, there was hardly any profit to be made.

Before the Suez Canal was dug, Franz had no intention of getting involved in Persian affairs. If he had the time, he might as well infiltrate the Arabian Peninsula, at least using the Sinai Peninsula as a foothold.

Yes, Your Majesty! Metternich replied.

Apparently, he also had no interest in interfering in Persian affairs. Perhaps it was old age that made him more conservative, or perhaps he simply decided from an interest-based perspective.

None of this mattered. In the midst of ongoing reforms, Franz still needed conservatives to act as a brake, to keep them from speeding ahead too recklessly.

Mainly because they failed to find the right balance, many old empires tended to fall faster the more they reformed. Those that needed drastic measures were already half dead, fighting a last, desperate battle.

Obviously, the New Holy Roman Empire hadnt reached that point yet. The neighboring Ottoman Empire, on the other hand, was truly in need of drastic measures, having been on life support since the loss of the Balkan Peninsula.

The Minister of the Navy, Filkos, suggested: Your Majesty, the island of Corfu has long been known as the gateway to Venice. Without securing the Adriatic, we cannot consider ourselves truly safe.

Although the British have only made the Ionian Islands a protectorate and have not stationed substantial troops there, the potential threat still exists. We must seize the opportunity to take control of this area.

Strength is always the best assurance. With the commissioning of the Frederick, the Austrian Navy began to feel restless, eager to secure this strategic gateway.

Franz nodded and said, Dealing with this issue now may be a bit cumbersome, but the Ministry of Foreign Affairs can initiate contact with the British to see if they are willing to sell it to us.

From what I have heard, the locals seem to have a strong dislike for the British. The puppet government they support in the area does not have the support of the people. If necessary, we can plan local riots to incite the local people to revolt.

Franz was not worried about whether the British would let go. Once the Indian rebellion erupted, the British government would have no choice but to compromise.

However, you cant have both fish and bears paw. By obtaining this, there would be no way to exchange interests with the British in other regions.

Metternich replied, Your Majesty, if it were only Corfu, the British would probably let it go. They are more concerned about us taking advantage of the Ottoman Empires troubles.

Recently, the British Foreign Office has been in frequent contact with the French. Theyre likely trying to win over the French to prevent us from expanding our influence in the Mediterranean.

Corfu is just one of the Ionian Islands, very important to the Austrians, but not so important to the British.

Since gaining control of the island in 1815, the British government has never stationed many troops there. This is partly to avoid provoking Austria, and partly because its simply unnecessary.

As for containing Austria? That can be done in Malta or the Strait of Gibraltar. Why bother going to their doorstep?

Each additional military base comes with enormous military expenditures. The British government may be rich, but theyre not stupid.

Prime Minister Felix said, There is little room left for expansion in the Mediterranean. The remaining areas are either British and French territories or under Ottoman influence.

The Vienna System has just been established and is still very fragile. At this time, any action on our part must be cautious and prudent.

Navy Minister Filkos analyzed: We cannot touch Egypt, that was an agreement made with Britain and France that cannot be violated.

We have already given up on Morocco. Algeria is in French hands. Tunisia is also meat on the chopping block for Napoleon III. If we dont want a conflict with France, these territories are off-limits.

As for the homeland of the Ottoman Empire, it goes without saying. If we were to defeat them, it would only benefit the Russians, and it would be more trouble than its worth for us.

The place of greatest strategic value that remains is Crete. Occupying it would extend our sphere of influence into the Aegean Sea and increase our say in the Mediterranean.

As for Cyprus, it was now of strategic value only to the Ottoman Empire. For Austria, it might be of strategic value only in the mid to late 20th century.

Libya even less so. The desert country did not deserve its reputation. With a total population of only 500,000-600,000 nomads, neither Britain nor France expanded there, not for lack of strength, but for lack of value.

In the same era, elites have similar perspectives. Places that Britain and France don't find appealing naturally do not interest the Austrian government either.

Franz casually remarked, The finances of the Ottoman Empire are in a terrible state. If they hadn't sold their remaining Balkan territories to the French, they probably wouldn't even be able to pay the interest.

Now that the Ottoman government is undergoing reforms and likely strapped for cash, the Ministry of Foreign Affairs can engage with them to purchase or lease Crete and Cyprus.

If they're willing to sell the sovereignty of Libya, that's also an option. In the future, we might even be able to build a railway line between Libya and the Gulf of Guinea, which would go a long way toward consolidating our control over the region.

Talking about anything else is pointless. Predicting the future, and having strategic foresight these are things only fools do. Without a protagonist's halo, they would be dead within three episodes.

That's fine for fooling ordinary people, but to dream of fooling the elites of this era? That's wishful thinking. They'll come to only one conclusion: the emperor has gone mad!

Talking directly about tangible benefits is the most effective approach; forcing the issue will only set you up to be isolated and vulnerable to betrayal at any time.

Just as now, Franz believes that the Congo Basin is Austria's most valuable colony, while the Austrian government considers the Gulf of Guinea Austria's most valuable colonial territory.

Although he knew this, Franz had no plans to convince them.

The benefits of the Gulf of Guinea are visible and can be recouped in 1-2 years, whereas the Congo Basin will not pay for itself without sustained investment for over 3-5 years.

It was absurd to talk about the future. The international situation was changing rapidly, and the future ownership of colonies was unpredictable. What prospects for development could one speak of?

The attitudes of European countries toward colonies are generally similar: colonies that can produce short-term profits are considered valuable, while those that cannot produce returns are considered worthless.

Archduke Louis objected: Your Majesty, we don't need to invest too much effort in the Mediterranean. Apart from the island of Corfu, other areas are quite insignificant.

They lack both strategic and economic value. Why not seize the opportunity to expand our influence in the Pacific? Recently, there have been reports that Britain and France are planning major operations in the Far East, and we could get involved in that.

Franz shook his head and said, Following behind Britain and France, how much benefit can we obtain? A round trip for our Navy to the Far East would take a year, and with the time spent at war, it could take two years. Having battle lines stretched too long does us no good. Only interests that can be defended are real interests.

This reasoning was not entirely convincing, but it appealed to everyone's sentiments. There were no radicals in the Austrian cabinet. Franz felt that he was already quite radical, and any more radicals in the Austrian government would cause trouble.

Throughout world history, countries ruled by radicals have always ended tragically. Even when they succeed, it's only a temporary success that inevitably leads to significant losses.

Just like now, if radicals were in power, who would use diplomatic means? They'd go straight for it.

In many people's eyes, it was just bullying the Ottoman Empire, nothing to worry about.

But in reality? As you continue to expand and conquer territory, the number of enemies grows. With every success, failure comes ever closer.

Every country has its limits of tolerance. In the history of the First World War, it was certainly not only because countries saw Germany as a threat that they started the war.

More importantly, it was Germany's constant expansion and provocations that rattled the nerves of various countries. The first few times it didn't affect interests much, so everyone tolerated it. But after several provocations, there was nothing left to say except to give them a good beating.

If the government of Wilhelm II could have restrained itself, not antagonized the British, and bided its time for a few more years, would the situation have been so dire?

The answer is: No!

As long as the Germans didn't blindly expand their navy and rush to enlist Italy, the German-Austrian alliance and the Franco-Russian entente would have been evenly matched from an outside-world perspective. Under the European continental balance strategy, John Bull wouldn't have personally intervened.

Other situations cannot be guaranteed, but buying time for another ten years should have been possible.

What does ten years mean? It means that Germany's national strength can continue to advance, that its population can increase by ten million, and that its advantage over sluggish France will become even more pronounced. The French won't even be able to afford a war of attrition on the Western Front.

It also means that the Russian Empire will continue to decline, with more intense internal conflicts, reducing pressure on the Eastern Front.

With one side strengthened and the other weakened, even if total victory can't be achieved, it's still possible to defeat France and Russia, forcing the British to compromise and share world hegemony.

History doesn't deal with what ifs. The radical Junker aristocrats both brought the glory of the German Empire and buried it with their own hands.

#### Chapter 278: Retreat

Franz had been very busy lately. An economic crisis was coming, so he had to liquidate most of the industries in his hands. Any companies that could be publicly listed to raise funds were all put through the process.

All investments in stocks and bonds must be liquidated. How can you buy low without enough money?

Franz personally supervised everything that involved large sums of money. After all, it was his own money. If he left everything to subordinates without supervision, who could feel reassured?

Especially in the critical period before the outbreak of the economic crisis, any wrong decision would result in astronomical losses.

It wasn't just personal assets that needed to be dealt with. The industries of the House of Habsburg also had to be settled. With so many industries intertwined, Franz's scalp was tingling.

This is also a happy problem. In recent years, as the Habsburg dynasty has reigned supreme, the family's industries have also expanded rapidly, with investments in many areas.

This is a good thing in normal times. But it may not be so in an economic crisis. If decisions are made poorly, the fruits of years of hard work will all disappear.

The power of the butterfly effect was tremendous. Historically, this economic crisis began in America in the second half of 1857. With the addition of a rapidly industrializing Austria, who knew how things would turn out?

For some time now, the Austrian government has been continuously launching municipal projects to attract investor capital, which was essentially a means of delaying the onset of the economic crisis.

The launch of these infrastructure projects would naturally consume some industrial capacity, thereby alleviating the overcapacity crisis.

The Austrian government also divested itself of many unprofitable industries. To put it darkly, Franz was also buying time for his retreat, though it was also benefiting the country.

This withdrawal has to happen slowly so that enough buyers can be found to take over. Otherwise, if so much capital is taken out of the market at once, wouldn't it collapse immediately?

Uncertain as to when the economic crisis would break out, Franz began to slowly liquidate his industries from the beginning of 1856 until today.

John Stuart reported: Your Majesty, the last batch of railway stocks has been fully sold, yielding a total of 1.8 million guilders; this month five cement factories have been sold, yielding a total of 780,000 guilders

We estimate that all industries planned for divestment will be cleared in the next two months, collecting approximately 66.8 million guilders.

Franz nodded, expressing his satisfaction with John Stuart's work. Since the beginning of 1856, he has been cashing out an average of 4,000,000 to 5,000,000 guilders from the market each month.

Without causing market turmoil, John Stuart contributed greatly. About a tenth of this money was Franz's personal fortune, the rest came from family industries.

It was evident that European royalty was still very wealthy in this era, with accumulations over hundreds of years not to be underestimated.

And these funds were only part of the royal assets, with even more in real estate. Vienna itself was part of the crown's personal territory. How could the Habsburgs be poor?

Before Franz came to power, the main income of the Habsburgs came from land and real estate, so liquid assets were naturally scarce.

Since the Austrian government was implementing the land redemption policy, it was natural for the royal family to take the lead. Franz released 700,000 hectares of remote land at once, exchanging it for considerable sums of money.

Most of that money was invested in real estate and manufacturing. Currently, the liquidated portion comes from the manufacturing industries, which have become bad assets in an environment of overcapacity.

Real estate, on the other hand, is much more stable. Building houses on your own land saves on land costs. In large cities like Vienna, real estate is often rented rather than sold.

Anyway, there is no property tax, so there is no pressure to hoard real estate. When prices reach their limit and a buyer is found, a property tax will probably be introduced.

Seemingly unrelated, the tax revenue from the royal demesne belongs to the royal family. How else could Franz afford a private army?

The city guard of Vienna, including the imperial army, belonged first to the royal private army and then to the Austrian military. Otherwise, Franz wouldn't have been able to easily take control of the military back then without causing a backlash.

When it comes to reform, Franz won't touch anything that benefits his rule. If he were to surrender these rights to the government, who knows if the bureaucrats below would eventually sideline him?

No matter how powerful one person is, they can't take on the entire bureaucratic group. The best approach is to limit their power from the start.

From now on, we will tighten the money supply and conduct strict evaluations of loan customers. We will no longer accept stocks and bonds as collateral.

Franz certainly hasn't forgotten that his Royal Bank is already one of the largest banks in Austria. Once the economic crisis hits, who knows how much bad debt will surface?

He is raising funds to buy low, not to fill holes for the Royal Bank. Every loan that is not reduced now reduces the risk by that much.

John Stuart explained, Your Majesty, this could easily cause market turmoil and even trigger chain reactions. Currently, our loan approval standards are the strictest among our competitors, so the likelihood of bad debt is not too high.

For the past two years, we've been concentrating on developing the colonial lending business, making loans to those fortunate enough. To date, the Royal Bank has disbursed eight million guilders in loans.

Most of these customers repay in gold, and together with the gold acquired from the colonies, the Royal Banks gold reserves had now reached 58 tons, enough to weather any crisis.

After listening to John Stuarts explanation, Franz suddenly understood why the financial conglomerates didnt tighten the money supply before an economic crisis to reduce losses.

These losses were necessary; if they tightened the money supply in advance, it would signal to everyone that a crisis was about to erupt, and everyone would run for the exits.

There is never a shortage of intelligent people in this world; once the news leaks out early, it wont be so easy to retreat.

In time travel novels, the protagonist warns of a stock market crash before it happens, claiming to minimize losses for the public. Franz chuckled at the thought; if everyone fled, who would step in to buy?

If no one stepped in, it would crash to the bottom, ultimately vaporizing more wealth, not less.

To confuse the public, almost every day experts were predicting a stock market crash. After hearing it so often, everyone became numb. By then, who can distinguish truth from falsehood?

Franz thought for a moment and said, Since were already prepared, then proceed according to your plan. Quickly transport the gold from the colonies. When the economic crisis hits, this world will be restless again.

Yes, Your Majesty! John Stuart replied.

#### Chapter 279: Bonds

Finance Minister Karl exclaimed joyfully, Your Majesty, the 50 million pounds of bonds we issued in London have been completely sold out.

Its truly been too smooth, or perhaps its because the British have too much surplus capital. By dominating much of the international trade market, the British have accumulated too much capital.

The domestic market cannot absorb it all, so of course they have to turn to overseas markets. But even overseas markets have barriers; not everyone is qualified to participate. Those who are not strong enough can only invest in stocks and bonds.

The construction bonds issued by the Austrian government are undoubtedly high-quality assets, which naturally attracted the enthusiasm of small capitalists and the middle class.

50 million pounds sold out in less than a week; this speed clearly indicates a buying frenzy. Its worth noting that the annual interest rate on these bonds is only 6.5%, which isnt particularly high.

Of course, this is not the final cost of issuing bonds. There are still bond issuance fees, advertising fees, printing fees, and exchange fees that must be paid after the money is received.

Franz asked worriedly, What about Paris and domestically?

Of course, since this is a bond issue, it cant just target the London financial market. Paris, Vienna, and Frankfurt are also financial centers in Europe. How could Franz overlook them?

Finance Minister Karl replied, In Paris, 650 million francs have already been sold, and the remainder is expected to be sold out within a month; domestically, 94.8 million guilders have been sold, and the remainder is expected to be sold out within two months.



(1 pound = 2 guilders = 25 francs = 7.32 grams of gold)

Franz asked in amazement, Does Viennas financial market have such a strong capacity?

To put on a full show, since theyre luring the capitalists into the pit, the Austrian government must also have real money and assets. The capitalists are not fools, they will not shoot without seeing the rabbit.

For this reason, the Austrian government issued 350 million guilders in construction bonds to the outside world, with the assurance that this money would be used exclusively for domestic infrastructure development.

Of these, 100 million guilders were issued in London, 80 million in Paris, and the remaining 170 million in Frankfurt and Vienna.

According to Franz estimate, given the capacity of the domestic financial market, the construction bonds would not be fully absorbed before the outbreak of the economic crisis.

As private funds buy bonds, the flow of money into the stock market decreases, and the flow into the real economy also decreases.

After the economic crisis hits, everyones losses can be minimized, and hopefully, far fewer people will jump off buildings, preserving as much strength as possible.

Karl explained, Your Majesty, Frankfurt has considerable influence in Central Europe, attracting investors from the German Federal Empire, Switzerland, Belgium, and the Kingdom of Prussia. The volume of bond sales even exceeds that of Vienna.

After pondering for a moment, Franz suddenly understood. Under normal circumstances, Frankfurt could not compete with Vienna, even if it attracted capital from the surrounding areas.

But the capital conglomerates in Frankfurt have the power to do this. They can simply buy the bonds themselves and then gradually sell them to the outside world.

This is not only to show goodwill to the government but also to demonstrate their strength to the Austrian government in order to gain higher political status.

Franz understood their intentions and, of course, knew how to reciprocate. Frankly, if Vienna wasnt the capital, with its abundant resources and a large group of wealthy individuals, it wouldnt stand a chance against Frankfurt.

In modern times, Frankfurt has always been the financial center of Germany. In another timeline, in the 21st century, Frankfurt became Germanys largest financial center.

Fortunately, Frankfurt is a free city. Despite its economic strength, it has no potential for expansion. Otherwise, Franz would have a headache.

Franz thought for a moment and said: In the navys new shipbuilding plan, add another ship named Frankfurt.

Yes, Your Majesty! replied Navy Minister Filkos with delight.

Of course, with Franz personal intervention, the increase couldnt be in sailing ships. What everyone is paying attention to now are the ironclad ships.

As a land power, the Navys military budget is naturally limited. Although the Austrian government has an advantage in this naval technological revolution, there are no grand plans to expand the navy.

The Navy Ministry fought hard for only two ironclad budgets, and not even for one year, but for a three-year shipbuilding budget.

One is the Imperial or the New Holy Roman Empire, and the other the Vienna.

Nothing is wrong with this, as everything is filled with strong political symbolism. The addition of a Frankfurt ship at this time undoubtedly demonstrated Frankfurts importance in the Empire.

This is Franz's positive acknowledgment of the goodwill of the capitalists in Frankfurt. If other state governments are willing to align themselves with the central government, he wouldn't mind adding a few more ironclads.

To put it plainly, a single ironclad costs only a few hundred thousand guilders, and the more you order, the better the deal. The first ship, the Frederick, cost 800,000 guilders. Now, with the improvements in the second batch of warships, there has been a slight increase in performance, but a decrease in cost.

The main reason for the reduced cost is the initial research and development, and the testing of new technologies, which increased the cost of shipbuilding. Now, starting to build two ironclads at once has reduced the unit price to 580,000 guilders. If three ships were started at once, the unit price would drop further.

There weren't many states in the New Holy Roman Empire, so even if they named one ship for each state, it would only increase the cost by 2,000,000 to 3,000,000 guilders, which was well within the budget.

The real money drain for the Navies would start with the dreadnought era, where a single battleship could cost several million guilders, a truly gold-devouring beast.

In addition, military costs are not borne by Austria alone; all states in the Empire must share the costs proportionally based on their respective fiscal revenues.

Franz said solemnly, Since the funds have been raised, urge the winning capitalists to begin work as soon as possible, and all projects must proceed according to the terms of the contract.

The Ministry of Finance and local governments will work together under the close supervision of the Anti-Corruption Bureau. Absolutely no irregularities or violations will be tolerated.

It is necessary to start work, otherwise, it would be embarrassing if an economic crisis broke out and the winning capitalists admitted defeat, forfeited their deposits, and left. If word got out, people might even say, The Austrian government tricked everyone into forfeiting their deposits.

To avoid such a terrible outcome, Franz must make sure that everyone gets to work. Among so many projects, there are small ones that can be completed in a few months.

Upon completion, there will be a settlement. As long as the money is received, no one can claim that the Austrian government cheated them out of their deposits.

If large projects could not be completed because of the economic crisis and the broken capital chain, the bidders themselves were to blame. There was a price to pay for biting off more than they could chew.

Yes, Your Majesty!

## Chapter 280: Encouraging Immigration

After eagerly awaiting news, reports of the Indian rebellion finally reached Vienna in July. Franz knew that trouble was brewing for the British.

During this period, 40,000 British troops and 230,000 Indian soldiers controlled the Indian subcontinent. Since early 1857, there had been reports of mutinies within the Indian army, all of which were suppressed by the British.

On May 10, three Indian regiments launched a rebellion, occupying the ancient capital city of Delhi and declaring the restoration of the Mughal Empire, sending shockwaves through India as the rebellion quickly spread across the country.

Without delay, Franz fulfilled his obligations as an ally and immediately informed the Russian government of the news. What would happen next remained uncertain.

If the negotiations between Britain and Austria went smoothly, the Austrian government would remain very quiet and do nothing in the future. However, if the negotiations failed, it wouldn't hurt to show some support for the Indian people's independence movement.

Prime Minister Felix said with a fierce tone, Your Majesty, the time has come. The British war with Persia isn't over yet, and now the Indian rebellion has broken out. Russia's ambitions for India will likely be uncontrollable.

With Britain preoccupied, it's essential for us to make a friendly state visit to the Ottoman Empire and strengthen mutual friendship.

Friendship? When did the Habsburg dynasty ever have a friendship with the Ottoman Empire?

Looking through the family history, it was a blood and tears history with the Ottoman Empire, with not just one ancestor wanting to bring down the Ottoman Empire completely.

In Franz's generation, they finally saw a glimmer of hope as the Ottoman Empire was driven away from the Balkans. The once formidable threat to the survival of the Habsburg dynasty had become a feeble shrimp.

Franz smiled and said, Then let's choose a nice sunny day for a state visit to the Ottoman government!

Given the long-standing traditional friendship between the two countries, kicking the Ottoman Empire while it was down was a sacred responsibility that the heirs of the Habsburgs could not shirk. It must be carried out without any compromise.

Colonial Minister Josip Jelai suggested: Your Majesty, we should also make a move in Africa. The French have accelerated their expansion on the continent, and if we wait any longer, we'll fall behind.

Interests have always been the best catalysts. Only three years before, the Austrian government, with Franz's support, had barely passed the national policy of overseas colonization.

By now, even the traditional conservatives no longer oppose overseas colonial activities.

Officially, Austrias colonies are still operating at a loss, but thats not the whole story. The colonies expanded the domestic market for industrial and commercial products, and the gold extracted resolved Austrias shortage of gold reserves.

The gold mines discovered during this period were rich and easily exploited. Dozens of tons of gold flow into Austria each year, stabilizing the value of the currency.

It can be said that without the gold from the Gulf of Guinea, Austrias gold standard reform would not have gone so smoothly.

In addition, there are fewer destabilizing elements domestically, as colonies provide opportunities for ambitious individuals to prosper and have made many people wealthy.

Franz thought for a moment and said, Thats fine, but the ambitious Tukulor Empire in the Nigeria region wants to expand its empire by starting a so-called Jihad (holy war). It might be best for us not to rush into involvement.

Let the locals fight among themselves first. When theyve weakened each other enough, then we can step in. We could even sell them some obsolete weapons.

Aside from underground resources, the Nigeria region near the equator has fertile soil and abundant rainfall, suitable for growing tropical crops such as peanuts, palm trees, cocoa, rubber, etc.

For those who want to start farms, its a real paradise. The available arable land extends up to sixty million hectares, enough to support over a hundred million people.

At the time, the push to move into Nigeria came from the domestic nobility. Many who had lost land in the revolution wanted to make up for it overseas.

This was the result of the guidance of the Austrian government. Its example inspired action at all levels, as it does in every country. The Austrian government has excelled in this area.

High-ranking government officials have opened plantations overseas, enticing many to see it as profitable and encouraging them to join the effort.

The royal family was among the first to stake out land in the colonies of Guinea and Congo, planning seven or eight plantations, including rubber, cotton, coffee, cocoa, and more, totaling more than 1.5 million hectares.

Of course, this is only a preliminary plan. It remains to be seen when it will be completed.

So far, the royal family has only developed over 15,000 hectares of land. The rest is still being worked on by a group of lumberjacks.

First, the trees must be cut down, the grass burned, the water drained from the swamps, and the local pests eradicated before agricultural development can begin.

Without enough workers, they were forced to use locals as laborers. In this situation, it was difficult to improve efficiency.

Franz has sent people to bring in labor from East Asia. Farming required skills, especially land clearing, which required technical expertise. The indigenous people are clearly not suited for this work.

Austria banned the use of slaves, and to ensure the long-term stability of the colonies, the colonial government also banned the use of slaves. Even labor protection laws are strictly enforced.

Of course, strict enforcement varies depending on the situation. Protection is certainly strict for immigrants from the homeland because they are valuable assets.

Supervision of local laborers was, of course, less strict, with fines for violations at most. Unless someone produced mixed-race children, they would not be imprisoned.

In essence, this is also to limit the capitalists dependence on local labor and the spread of disease.

By making it clear through labor protection laws that once the problem of labor shortages in the colonies is solved, strict enforcement of labor protection laws will be enforced, its better to use local labor as little as possible.

To reduce conflicts between the colonial government and indigenous tribes, the colonial government implemented a policy of encouraging immigration. This included two parts: encouraging domestic citizens to migrate to the colonies and encouraging local indigenous peoples to migrate to the Americas.

On this issue, the Austrian government had made immigration agreements with the United States, Brazil, Argentina, Portugal, Spain, and others.

The treaties stipulate that each country is free to introduce indigenous immigrants into the Austrian colonies and that the colonial government does not impose any restrictions.

The Austrian government also offers rewards to individuals or organizations that excel in their immigration efforts. The current standard is: for every ten local immigrants taken away, a reward of two guilders is given.

Under these favorable conditions, hundreds of thousands of black immigrants left the Austrian colonies each year, significantly reducing conflicts between the colonial government and local indigenous tribes.