

## Roman Empire 521

### Chapter 521: Going Through the Motions

The Prussian government, largely composed of military leaders, has always been known for its swift and decisive actions. Once they decided to undermine Poland, they were determined not to hold back.

Due to the issue of the Polish throne, tensions between Prussia and Poland had been simmering. The newly independent Poles were unwilling to be swallowed up by Prussia.

With the intervention of international forces constantly exacerbating the Prussian-Polish contradictions, if it weren't for the existence of Russia as a common enemy, the two countries would have parted ways long ago.

Even so, the radical faction within the Polish government was eager to see Prussia's influence diminished and sought to push Prussia aside and go at it alone.

The Prussian government was acutely aware of these issues and was concerned. Dealing with these radical elements was tricky. One wrong move could lead to a severe backlash.

The Prussian government had long considered killing with a borrowed knife, but the hidden dangers of this were significant. Mishandling the situation could result in disaster.

To confront the Russian Empire, the Kingdom of Prussia needed Polish forces as cannon fodder, so they couldn't afford to weaken Poland too much.

If it weren't for the recent rift in the Russo-Austrian alliance, Moltke wouldn't have dared to propose such a plan. Otherwise, the Russians could have taken the opportunity to involve Austria, and Prussia and Poland together wouldn't have stood a chance against Russia and Austria.

Now that the Russo-Austrian alliance had some problems, Austria also needed to use Prussia and Poland to weaken Russia. In this context, the Austrian government might discipline Poland, but they wouldn't cripple them.

How much Poland would have to pay for this was of no concern to the Prussian government. Although they viewed Poland as theirs for the taking, they had to acknowledge the harsh reality.

For the Kingdom of Prussia, Poland was too large a bite to swallow in one go. If they tried, the most likely result would be choking to death.

In the First Russo-Prussian War, Poland suffered heavy losses, in part due to Prussian machinations. However, these actions were kept hidden from the public.

Inciting the young radicals was simple—just stirring up public opinion was enough. Newspapers were the most effective weapon. Overnight, the historical partition of Poland by Prussia, Russia, and Austria was dug up.

Of course, the role of the Kingdom of Prussia was conveniently omitted. The newspapers instead highlighted the partition by Russia and Austria, exaggerating Austria's involvement.

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In St. Petersburg, ever since Austria began its dumping operation, causing a catastrophic drop in international grain prices, Alexander II has been in a bad mood.

After years of hard work to resolve the land issues of the Russian Empire, the victory was within reach, only to be met with a devastating blow.

Austria's retaliation has been brutal. If Russia cannot navigate this agricultural crisis, the empire will soon face a dire situation.

The main issue is financial. Russia is not an industrialized nation. Agricultural taxes are still the government's primary source of revenue, accounting for more than half of the total annual income.

The collapse in grain prices means that the Russian government's finances are in jeopardy. The loans secured from the British were intended for railroad construction and industrial development, not for maintaining the government's day-to-day operations.

And this is assuming that the British honor their agreement. If John Bull decides to renege on their agreement, the Russian government could very well face bankruptcy again, despite having gone through one just a few years ago.

It's important to note that the loan agreement between the two countries doesn't mean the funds are disbursed all at once. The British would release the funds in installments, and so far, the Russian government has only received 5 million pounds.

For an individual, this was a huge sum, but for the Russian Empire, it was just a matter of a few hundred kilometers of railways.

It's not that the cost was too high. The complex terrain, harsh climate, and the need to import rails from Britain meant that if the final cost wasn't high, it would be surprising.

John Bull's loans weren't easy to secure and came with strings attached. Half of it must be spent on British goods, and for railroad construction, it's mandatory to purchase rails from Britain.

Foreign Minister Chris Basham handed a document to Alexander II.

"Your Majesty, the Austrians have once again sent out a 'Grain Production Reduction Proposal' to the world's major grain-exporting countries. They propose that each country reduce its grain production by 8% in 1873 to address the agricultural crisis."

A reduction of 8% in grain production refers not to the international trade market but to each country's total grain output, which translates into a global decrease of several million tons of grain.

If this could be achieved, the agricultural crisis would be largely mitigated. The 21% overcapacity figure published by Austria is a theoretical number calculated using a formula.

It only estimates the demand for food consumption, brewing, industrial use, and animal feed production.

In real life, some grain will inevitably be wasted—for example, losses during transportation, spoilage due to weather, and wastage in daily life.

If several grain-exporting countries simultaneously cut their production by 8%, the amount of grain entering the international market would basically return to the 1870 level.

Since the population is continually growing, within 2-3 years, the surplus grain currently on the market would be consumed, and grain prices would stabilize.

On the surface, Austria's proposal seems reasonable. All major grain-exporting countries reduce production proportionally to maintain market price stability, effectively accepting the Russian Empire as one of them, with Austria even relinquishing a significant portion of the market.

However, this is extremely problematic for the Russian government. Reducing production is easier said than done. If the Russian Empire were to increase grain production by 8% next year, it would be simple—just expand the cultivated area.

Russian citizens are highly motivated to grow grain, and production is steadily increasing. As long as transportation issues are resolved, replacing Austria as the world's top grain exporter would be no problem.

But reducing production is much more difficult. The government can't just ban people from growing grain, can it? Russia has tens of millions of farmers, and if they choose to expand grain production, no one can stop them.

Even if they were to imitate Austria's fallow land law, it would be useless—Russia has plenty of land. As for Austria's land reclamation laws, the Russian government wouldn't dare to copy them as it would only cause trouble.

After pondering for a moment, Alexander II turned his gaze toward the others.

“What do you all think? Is Austria's proposal feasible?”

A middle-aged man with a heavy build stood up, visibly agitated, and said indignantly, “Your Majesty, this is Austria's conspiracy. Reducing grain production by 8% in one year—how is that even possible?”

Even with the current low international grain prices, it would take a long time for farmers to adjust their planting habits on their own.

The government can't directly dictate what farmers should plant. Agricultural overproduction is similar to industrial overproduction—after a crisis, the market will naturally adjust through survival of the fittest.

If we forcibly reduce production, it would only cause chaos without any real benefit. The Austrians are trying to intimidate us. They want to use low grain prices to force us into compromising with them.”

Manilov wasn't foolish. As the Minister of Agriculture, he was well aware of how eager Russian farmers were to grow grain. Asking them to reduce production at this time would be a thankless task.

Russia and Austria were entirely different. The two countries' national conditions were vastly dissimilar. After the Austrian government enacted laws, they successfully curbed the increase in land used for grain cultivation.

In Austria, if the high-ranking nobles led the way by converting their land to grow cash crops, many would follow suit. But in Russia, it's a different story. While converting to cash crops might seem easy, the problem is—who would they sell them to?

This highlights the difference between an agricultural country and an industrial one. Austria has a well-established industry, with developed transportation and communication networks, and relatively transparent information.

The upper-class nobility in Austria could easily understand market trends and know what crops would sell.

But in the Russian Empire, domestic industry was just beginning to take off, and the poor state of transportation isolated communication. Forget about telephones. Even telegraphs hadn't yet reached every city.

Even if someone wanted to switch to growing cash crops, they wouldn't know what to plant. And even if they did manage to grow something, they wouldn't know where to sell it.

Lacking effective sales channels, people naturally stick to conservative farming. Regardless of the grain price, at least grain is easy to sell and merchants come to buy it.

If someone wants to grow cash crops, they need to think carefully. If there are nearby factories, that's fine. They can plant with confidence.

But if there are no factories, then production needs to be on a large scale. If the output is too low, it might not even cover the transportation costs.

Foreign Minister Chris Basham interjected, "Marquis Manilov, please calm down. Don't forget that Austria is the largest agricultural exporter, and they have the most to lose if this continues.

After the raw grain prices crashed, the prices of processed grain products have also been steadily declining. If this continues, even these processing companies will eventually suffer.

To protect their domestic companies, the Austrian government has already reduced taxes for them, but Austria's share in the international market is still shrinking.

After acquiring cheap raw materials, grain processing companies in various countries that were previously suppressed by Austria are now beginning to flourish.

If the situation of oversupply doesn't change and raw grain prices remain low, the grain processing companies across Europe will soon rise.

From a financial perspective, Austria's proposal is more about protecting its domestic manufacturing industry.

No matter how you look at it, Austria is still our most important agricultural export market, even if we've reopened the British market. This fact remains unchanged.

If Austria refuses to accept our agricultural products, that would be the beginning of a disaster. No other European country has such a large-scale agricultural processing industry chain."

Alexander II rubbed his forehead in frustration. Even a bountiful grain harvest could be troublesome. The international grain market was oversupplied, and it was already certain that this year's grain would not sell well.

If they lost Austria, their largest buyer, the mountains of grain piling up within Russia would be impossible to deal with. Preliminary estimates suggested that the Russian Empire had an excess of tens of millions of tons of grain this year.

Aside from the uncertain contract with Britain, they had no major orders at the moment. At the same price point, no one wanted their grain.

Everyone had stable suppliers, and no one would switch suppliers without reason, especially not to someone they disliked.

It couldn't be helped. In recent years, the Russians had been heavily vilified in Europe. Currently, 70% of Europeans don't even recognize Russia as a European country, meaning that Russians themselves aren't considered Europeans.

Of the remaining 30% who did see Russia as part of Europe, 74 million were Russians. Given that the total population of continental Europe at that time was less than 300 million, this proportion was rather disheartening.

Luckily, at least half of this excess grain would be impossible to export. Otherwise, competition in the international grain market would be even fiercer.

This outcome was completely contrary to Alexander II's original plan. He had hoped to use grain as leverage to shake the continental power balance. But before he could even begin, his plan had already backfired.

There was nothing wrong with the plan itself. It was just that circumstances had changed unexpectedly. The main grain-exporting countries in Europe were Austria, Russia, Poland, and Prussia with the rest not even worth mentioning.

Overseas competitors hadn't yet become a significant threat. The countries of the Americas only exported about a million tons of agricultural products to Europe each year, so their market share was low.

This was dictated by economic interests. The Confederate States of America were still heavily focused on cotton production, and they remained the undisputed leaders in that market.

At the same price, they competed on quality. At the same quality, they competed on price. In this era, no other region's cotton could compete with theirs.

The British attempt to grow cotton in Egypt had long since failed. After the French took over Egypt, they tried to develop a cotton industry, but under the pressure of American cotton, the French eventually gave up.

The British experiment with Indian cotton was also outmatched by the Americans in terms of cost. When it came to profit, there was no room for compromise, and Indian cotton couldn't become the mainstream.

Austria's cotton-growing base in West Africa wasn't much better. Over the years, its output had barely increased, and domestic capitalists remained loyal fans of American cotton.

There was no way around it. The natural conditions in the Confederacy were simply unbeatable. If companies didn't use Confederate cotton, their products would lack market competitiveness.

The government wasn't omnipotent and simply couldn't nurture every industry. Spreading themselves too thin often led to accomplishing nothing. Since Austria had no advantage in the cotton market, the Austrian government naturally didn't invest in it.

If it weren't for the loss of this powerful competitor, everyone's days would be even harder.

Currently, the main grain-exporting countries in the Americas are Brazil and Argentina, but these countries have small populations, limited land for grain cultivation, and not very high production capacity.

After pacing back and forth for a few steps, Alexander II had a sudden inspiration and made a decision.

“Reply to the Austrians and tell them that the Russian Empire is also a responsible great power. We agree to reduce grain production capacity. We’ll follow Austria’s example in our specific measures but with some adjustments.

The fallow land law is fine, we’ll adopt it as is. But we’ll change the land reclamation law. From now on, newly reclaimed land will not be allowed to grow grain for five years.”

Alexander II had seen the consequences of overproduction firsthand. Since there was no longer any profit to be made from international grain exports, he no longer wished to increase grain production capacity.

Given this, he decided to give the Austrian government some face. The Russian Empire would temporarily stop increasing grain production capacity, but as for reducing it—well, that was a challenge the Russian government couldn’t quite manage.

#### Chapter 522: The Era of Mass Consolidations

The impact of the agricultural crisis was not limited to the European continent. The Americas couldn’t escape it either. As grain prices plummeted in Europe, capitalists naturally began shipping grain abroad to sell, which in turn drove down grain prices in the Americas as well.

Advancements in shipping technology reduced the cost of sea transport, and more and more ten-thousand-ton ocean-going vessels appeared. Riding this wave, the grain Austria was dumping even reached the Japanese market.

Of course, this was just incidental. Shipping grain specifically to Japan for sale was still not profitable enough, and no one had the leisure for that.

Due to the influence of the Meiji Restoration, Japan had significantly increased its imports of machinery from Europe in recent years, making trade between the two regions more prosperous.

The advent of ten-thousand-ton transport ships, first developed in Austria, lowered freight costs but also came with an awkward issue—cargo often couldn’t fully fill the ships.

This problem didn’t stump the capitalists. They filled the remaining space with local specialties, figuring that even a small profit was better than nothing.

The Austrian government’s call for action did have some effect. The major grain-exporting countries all announced production cuts, though the effectiveness of these measures was uncertain.

From Franz’s perspective, the measures taken by various countries were full of loopholes, and whether production capacity could actually be reduced depended entirely on the farmers’ willingness to comply.

After the autumn harvest, a large influx of new grain hit the market, causing international grain prices to continue falling. The capitalists thus recognized the severity of the situation. If prices kept dropping, everyone would suffer.

To stabilize grain prices, capitalists joined forces with large landowners to pressure governments. By the end of 1872, most European countries had raised tariffs on agricultural imports.

But these measures were still not enough. To stabilize market prices, capitalists were forced to painfully destroy some of their agricultural products.

Meanwhile, grain-importing countries fared relatively well. By raising tariffs and destroying some of the surplus agricultural products, the market quickly stabilized.

However, simply maintaining “stability” was not enough to restore grain prices to normal levels—it was not something that could be achieved overnight.

Grain-exporting countries, on the other hand, were in dire straits, facing one sale failure after another. The trade disputes that erupted across Europe this year alone outnumbered those of the past five years combined.

The hardest hit were the four countries of Russia, Austria, Prussia, and Poland. To alleviate the crisis, in October 1872, the Austrian government announced the purchase of 2.7 million tons of wheat, 4.8 million tons of rye, 3.8 million tons of corn, and 1.9 million tons of soybeans for strategic reserves.

Of course, there were conditions attached: this purchase was limited to newly harvested domestic crops and would be bought at the government-mandated minimum grain protection price.

First, they cleared the inventory, and now they were beginning to replenish it—there was no fault in that. Stimulated by this positive news, grain prices in the Austrian domestic market finally stabilized.

However, the international grain market showed no signs of improvement. The issue now was not just the price but that the market was already saturated, with many grain-importing countries halting their imports altogether.

Seeing the Austrian government buying up grain for strategic reserves, the Junker nobility couldn't sit still. They began to offer advice, urging the Prussian government to increase its strategic grain reserves.

At the Berlin Palace, a meeting on this issue was already underway. William I had no objections to increasing strategic grain reserves. The only problem was that the Prussian government lacked the funds.

Austria was using the money earned from dumping surplus grain previously to finance its grain purchases. A rough calculation showed that, in this process, the Austrian government lost over a million tons of grain.

It was difficult to calculate the exact loss, considering the price difference between new and old grain, as well as the cost at which the Austrian government had previously acquired its reserve grain.

“Prime Minister, what do you think?”

Moltke was under increasing pressure, caught between the government's empty coffers and the interests of the Junker nobility, leaving him in a difficult position. After a brief hesitation, reality forced him to make a decision.

“Your Majesty, no one knows when the Russo-Prussian War will break out or how long it will last, so it is indeed necessary to increase our strategic grain reserves.

However, the government currently has no money. To increase our strategic reserves, we would need at least hundreds of millions of marks, which is far beyond our financial capacity.

If the farmers are willing to accept credit, we could purchase some of the grain, but the government cannot guarantee when we will be able to pay for it.”

This answer left little room for rebuttal. It wasn't that the government didn't want to increase its strategic reserves—the problem was simply that it had no money to buy them.

The government could buy the grain, but only by issuing IOUs, promising to pay when funds became available. If the government never had the money, the debt would just continue to accumulate.

From a class-interest perspective, Moltke's response left many dissatisfied, but there was no way to refute what he said. No matter how eloquent the opposition, the fact remained that the government was out of funds.

“Prime Minister, this approach might not work. Growing grain has its costs. The government needs to at least cover those costs. Otherwise, many farmers might go bankrupt,” Minister of Agriculture Melanie Griffith urgently advised, worried about facing the Junker nobility if the government resorted to IOUs.

Moltke shrugged, spreading his hands in a gesture of helplessness.

“Where would the money come from? Our finances have always been tight. Even though grain prices are very low right now, with rye costing less than 100 marks per ton, buying a million tons would still amount to 100 million marks.

If your Ministry of Agriculture can solve the funding problem, there will be no issue with how much grain we purchase. I can guarantee that no one in the government would oppose it.”

The Kingdom of Prussia was already deeply in debt, and the domestic financial sector lacked the capacity to provide loans to the government. Borrowing from external sources would require selling off national interests. But anyone who dared to suggest this would have to consider whether they might be shot by a patriotic youth as soon as they left the building.

These days, Prussia was full of young hotheads, whose fervor ensured the strength of the Prussian army but also made them a potential ticking time bomb for the kingdom.

Melanie Griffith, the Minister of Agriculture, wasn't ready to risk her life by becoming a target for these patriotic youth, so she had no intention of making such a reckless proposal.

“Sorry, Prime Minister. This isn’t within my purview. You should ask the Ministry of Finance. If the government can’t stabilize grain prices, then at least it can develop more proactive agricultural policies, right?”

Moltke replied, “Of course! As long as it doesn’t involve money, we’ll do our best to address any other issues.”

“That’s great,” Melanie Griffith responded.

Having come prepared, Melanie Griffith pulled out a document and walked over to present it to William I.

“Your Majesty, this is the Ministry of Agriculture’s plan to reduce grain production. We’ve studied the experiences of Austria and are ready to implement a ‘Land Fallow Law’.”

This proposal shocked everyone, as the Prussian government had previously discussed this issue. However, the strong opposition from the Junker nobility, who controlled the Ministry of Agriculture, led to the idea being shelved.

After briefly scanning the document, William I’s expression darkened. Although the proposed land fallow law seemed harmless on the surface, a closer examination revealed that many issues were glossed over ambiguously. With some analysis, it became clear that the plan primarily served the interests of the Junker nobility.

The nobles had vast amounts of land, so even with the implementation of a strict land fallow law, they had enough land to rotate and continue farming. The real losers would be the smallholder farmers who didn’t have sufficient land.

According to the regulations in this proposal, the introduction of crop rotation techniques would reduce the time land needed to lay fallow. This would spell disaster for the ordinary farmers who had just started to see some improvement in their fortunes.

If this law were enacted, it would trigger a new wave of land consolidation in Prussia, leading to the bankruptcy of many smallholder farmers.

“Melanie Griffith, are you sure that the contents of this proposal are realistic? Has the Ministry of Agriculture not considered the consequences of such actions?” William I questioned.

In response to the king’s inquiry, Melanie Griffith remained calm and confidently replied, “Your Majesty, following the agricultural crisis, the market is bound to undergo a round of survival of the fittest.

Whether or not we implement the ‘Land Fallow Law,’ a wave of bankruptcies will occur. By taking proactive measures, we can overcome the crisis sooner and prevent more widespread damage.”

Though this reasoning was flawed, it was also grounded in reality. The failure of smallholder farmers to compete with large landowners was inevitable. Given the current situation, with grain prices having collapsed, smallholder farmers could hold out for a few years at most before going bankrupt under the weight of their debts.

This outcome couldn't be changed by human intervention. It was simply a matter of time. The Junker nobility had changed their stance and agreed to reduce production, not only to protect grain prices but also to seize the opportunity to consolidate land and expand their estates.

While ordinary people might think that falling grain prices made land less valuable, the Junker nobility, who held power, saw things differently.

The population was constantly growing, while land couldn't continue to grow. From this perspective, grain prices were bound to rise eventually.

Even if international grain prices didn't recover, the Junkers could manipulate the rules to artificially raise domestic agricultural prices.

In the Second German Empire of the original timeline, where the country's grain production was insufficient, the Junker nobles dared to impose restrictions to block foreign agricultural products from entering the domestic market. How much more likely would they be to do so now?

The bankruptcy of small farmers was exactly what the capitalist Junkers wanted, as it would provide them with a larger pool of cheap labor. Analyzing the interests at stake, it was clear that this plan was unstoppable in the Kingdom of Prussia.

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After the Kingdom of Prussia introduced the "Land Fallow Law," which was essentially a move towards land consolidation, other European countries quickly followed suit.

This land grab was orchestrated seamlessly by large landowners and capitalists working together. The landowners acquired more land, while the capitalists secured cheap labor.

Austria was not immune to this trend, but it faced a significant obstacle: the "Anti-Land Consolidation Law." This law was signed by Franz after the Vienna Revolution of 1848.

The law explicitly stated: "Small parcels of land cannot be privately sold and must be sold at market value to the local government." (This specifically applied to plots smaller than 200 hectares.)

The agricultural land acquired by the local government could only be sold to farmers with less than 50 hectares of land, retired soldiers with less than 100 hectares, or noble families with military merit who owned less than 200 hectares.

(Author's Note: Once a buyer reaches these limits, they cannot purchase more land.)

Furthermore, any land purchased under these conditions could only be resold to the government, not directly to other individuals.

In simpler terms, small landowners could buy land, but large landowners who wanted to expand could only purchase farms larger than 200 hectares.

From the perspective of productivity development, the small-scale farming economy was inevitably going to be overwhelmed, with large farms becoming the dominant mode of agricultural production in the future.

This type of land consolidation would help enhance agricultural competitiveness, and Franz had no intention of stopping it. However, he didn't want to see domestic agriculture monopolized, so he enacted this law to limit the unchecked expansion of the great nobles.

According to this law, over 80% of Austria's arable land was locked in, meaning it could only be transferred among ordinary citizens.

If nobles wanted more land, they should go to the colonies. In the homeland, once their holdings exceeded 200 hectares, any further expansion would have to come from purchasing large farms.

Chapter 523: Grain = Labor

In London, due to the domestic drop in grain prices, the capitalists who had previously signed contracts with the Russians were no longer willing to fulfill their agreements.

Blatantly breaching the contract was out of the question, as it would not only violate British law but also create diplomatic issues.

Moreover, the payments for the grain were intended to repay the Russians' debts to domestic banks. Since the loans had already been disbursed, if the capitalists defaulted, the Russians could legally refuse to repay their debts, which the bankers would certainly not accept.

Take rye as an example: the current price of rye on the British market was about 6 to 7.5 pounds per ton, while the original contract with the Russians stipulated a price as high as 9.1 pounds per ton. This meant that the deal would not only be unprofitable but would actually result in a loss.

Of course, even at 9.1 pounds per ton, the capitalists wouldn't actually lose money. The added value from processing the product would still cover the difference in price.

However, no qualified capitalist would willingly take such a loss, as this would mean earning 1.5 to 3 pounds less per ton of rye.

While this might seem like a small amount, when scaled up to tens of thousands of tons or hundreds of thousands of tons, it quickly turns into a staggering figure.

Unable to default directly, the capitalists were not at a loss for options. This is where Members of Parliament came in, to guide public opinion, among other things. In short, a reasonable and legal pretext for defaulting needed to be found.

With anti-Russian sentiment on the rise, this was not good news for the newly formed Gladstone Cabinet. The "Pound-Gold System" that established Britain's monetary dominance could be undermined if the Russians were pushed out, potentially reverting the system to its previous state.

The previous government had nearly won the election based on this policy achievement. If they hadn't stirred up old grievances and incited the families of soldiers who died in the Anglo-Boer War to protest, Gladstone might never have made it to Downing Street.

Casually tossing the newspaper aside, Prime Minister Gladstone grumbled incessantly, "Damn them! They're already gone, but they still can't let us rest, leaving us with this bomb to deal with!"

Such situations were common during a change of government. Being members of the Conservative Party and the Liberal Party, respectively, their political identities naturally put them at odds with each other.

If they didn't throw a wrench into Gladstone's plans, how could their party hope to win in the next election? If the roles were reversed, Gladstone would probably make the same choice.

After all, it was all within the rules of the game of politics. The mess left by the Benjamin Cabinet was entirely legal. Apart from privately venting his frustration, Gladstone was powerless and couldn't even use this issue to criticize his predecessor.

“Prime Minister, the biggest problem right now isn't those people outside, nor the members of Parliament, but the fact that the capitalists don't want to honor their contracts.

Given the current grain prices, under the terms of the agreement with the Russians, they might lose millions of pounds each year. Even if that loss is spread out, it's still no small amount.

What's more critical is that this isn't just for one year, but for five consecutive years. If something goes wrong during that time, they could be replaced by others.”

As he spoke, Chancellor of the Exchequer, Largo Lloyd, picked up the newspaper from the floor, folded it a couple of times, and then tore it up before tossing it into the trash.

Clearly, he wasn't as relaxed as he appeared. When it comes to matters of profit, asking capitalists to back down is incredibly difficult.

Even if the government wanted to take action, they wouldn't have a good excuse. From start to finish, these people had stayed in the shadows, while the ones on the front lines were the farmers they had incited.

The plummeting grain prices were blamed on the Anglo-Russian grain loan agreement, with people claiming it was government interference in the market that caused this fallout.

What was once the previous administration's achievement now needed to be cleaned up by them—a task where, if done well, they'd receive no credit, but if done poorly, they'd be criticized.

After calming down, Prime Minister Gladstone sat back in his chair and asked, “What do they want? Breaching the contract is impossible. We still need the Russians.”

The British pound's dominance had just been established, and Russia's gold standard reform had only just begun. Before fully binding the Russians to their system, they couldn't afford to fall out with them.

This would take at least five or six years, which is why the Anglo-Russian loan agreement was set to last for five years. The British government used this loan to bind the Russians. It wasn't really a loan, but more accurately described as a grain trade contract.

Compared to the enormous profits brought by currency dominance, the losses of these grain capitalists were negligible. Even though the previous administration took most of the credit, Gladstone had to continue with this policy.

Otherwise, the bankers in the country would send him to meet his maker. Don't think that only America has a history of assassinating presidents. British capitalists are equally capable.

However, since the British aristocracy still had some power, the capitalists hadn't completely taken control of the government. Otherwise, these grain capitalists wouldn't even bother with roundabout methods.

The era of monopolies was approaching, and the time for capitalists to fully assert themselves wasn't far off. Once various financial groups were established, the country would fully enter an era of oligarchy.

In comparison, British prime ministers of this era were relatively fortunate. In the age of oligarchy, politics would become a mere game of capital, and that would be the real tragedy.

“They want the government to purchase this batch of grain, following Austria's example of establishing a strategic grain reserve. In theory, there's no problem with that. After all, Britain is just an island nation with limited grain production, so building up a reserve makes sense.”

At this time, Britain was at the peak of its power, and “wealthy and powerful” were the most fitting words to describe it.

Even though the war had left the British government deeply in debt, they weren't worried at all. The immense wealth from the colonies was more than enough to help them manage the situation easily, and they even had enough resources left to establish a strategic reserve system.

Gladstone didn't oppose the idea. Although he didn't believe that Britain needed to establish a strategic grain reserve, he also wasn't going to stand in the way of others making money.

Britain's most glorious era was also its most corrupt. Once a large project like this gets underway, it brings with it a flood of wealth.

Gladstone smiled faintly, placed his hands palm-up on the table, and said, “If they can convince Parliament to allocate the funds, I have no objections.”

Clearly, that was unlikely. If they had the confidence to persuade Parliament to allocate the funds, the capitalists would have done it already, without all this maneuvering.

In truth, the grain capitalists had limited influence in the British capital market. They didn't even represent the grain processing industry as a whole.

While they had allies in Parliament, it was still very difficult to sway parliamentary decisions. For one thing, their competitors wouldn't let them succeed easily.

The current momentum was only possible because of the prevailing social conditions. If not for the domestic grain price collapse, they wouldn't have been able to organize so many farmers to participate in protests.

Chancellor of the Exchequer Largo Lloyd shook his head and said, “If they could persuade Parliament, they wouldn't have come to us. They've made a promise: if this plan passes in Parliament, they'll sponsor us with 200,000 pounds in campaign funds. Besides that, there are other benefits. The specific details can't be discussed openly. They'll need to be negotiated privately.”

Politics requires financial support, and every election is backed by numerous behind-the-scenes deals. If there was only investment without return, who would fund these campaigns?

Without revenue, how would a political party survive? Without money to support the campaign team or to boost public approval, how could they win elections?

In reality, politicians often compromise their principles. Prime Minister Gladstone was no exception. Political parties need monetary support, and from the very beginning, the two sides have been intertwined.

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Under the promotion of the Liberal Party, on October 21, 1872, the British Parliament passed the proposal of “Establishing a Strategic Grain Reserve” by a narrow margin.

On October 24, the British government halted the Anglo-Russian grain loan agreement, citing the need to stabilize the domestic grain market.

After some token negotiations, a week later, the British government reluctantly purchased the grain within the scope of the agreement at prices higher than the market rate.

There was no doubt that this was all for show, aimed at appeasing the public. The real reason was to clean up the mess for the grain capitalists, with the government taking on their losses.

The Anglo-Russian transaction still proceeded smoothly, and Franz was not disappointed. The benefits of monetary hegemony were greater, and the British government naturally knew how to make trade-offs.

The only unexpected development was that he hadn't anticipated the British would establish a strategic grain reserve. After all, the Royal Navy dominated the seas, and there was no nation in the world capable of challenging Britain. There simply wasn't an enemy that could blockade the British Isles.

These changes were minor issues as the ultimate goal was still achieved. Although they hadn't managed to disrupt the Anglo-Russian trade, the collapse of the international grain market had still severely weakened European agriculture.

In this era, the concept of agricultural subsidies didn't exist, and taxes couldn't be avoided. If a government reduced agricultural taxes, it was considered highly attentive to public welfare.

For large landowners, an agricultural crisis was an excellent opportunity for land consolidation. Why would they want to reduce agricultural taxes? Without these taxes, how could farmers go bankrupt quickly? And without bankrupt farmers, how could they acquire more land?

Tax cuts were inevitable, but they would come only after the land consolidation was complete. Otherwise, it would cut off their financial prospects.

The large-scale bankruptcy of European farmers was something Franz was eager to see, as Austria's colonies were in dire need of people.

He wasn't interested in British or French immigrants, nor did he expect much from Portuguese, Spanish, or Dutch immigrants. But there were other countries he could consider.

Times had changed, and now Austria's control over its colonies was stable enough to absorb some foreign immigrants.

Unlike in the early days when Franz only accepted domestic and German immigrants in large numbers since he was wary of accepting a lot of immigrants from other countries.

He was concerned that they might overwhelm the local population and take control. In matters of national assimilation, it is usually the larger group that assimilates the smaller one, and the reverse is not easy.

In essence, it was like trading grain for people, with Austria selling off a batch of grain in exchange for a new batch of labor.

#### Chapter 524: Austria-Poland Conflict

The British establishment of a grain reserve system also affected the international grain trade market, finally stabilizing the previously plummeting grain prices.

However, this had little real impact as the issue of oversupply remained unresolved. While Russia was blamed for the drastic drop in grain prices, clever observers knew that the Austrian government was also a major culprit.

Since these were smart individuals, they naturally weighed the pros and cons. Criticizing Russia was no big deal since even the Russian government had grown accustomed to being criticized.

Austria, however, was a different matter. The grain dumping by the Austrian government earlier in the year wouldn't have been as successful without the involvement of domestic capitalists in various countries.

If this were exposed, the implicated interest groups would be massive. Very few people were willing to take on such a thankless task.

As Christmas approached, Vienna was already imbued with the holiday spirit. The winter of 1872 was unusually warm, with no snow and cold winds were rare.

It was at this time that trouble came knocking. On December 21, 1872, the Polish government issued a diplomatic note to Austria, demanding the return of Polish lands that had been forcibly taken, or else there would be consequences.

Upon receiving this diplomatic note, the Austrian government was stunned, and Franz was taken aback as well. He simply couldn't fathom what terrible consequences they were threatening.

Franz was aware that anti-Austrian sentiments were running high in Poland recently. However, he didn't take it seriously. The strong never care about the thoughts of the weak.

In his view, no matter how much noise the Poles made, it would amount to nothing more than shouting slogans at home, perhaps submitting a few diplomatic protest notes, and then things would go on as usual.

In the years following the partition of Poland by Prussia, Russia, and Austria, the Polish government had repeatedly demanded the return of its lost territories from the Austrian government.

Franz understood this behavior. Whether the land could be reclaimed or not, the government had to at least go through the motions, otherwise, how could they justify themselves to the people?

The Austrian government had consistently ignored the Poles, essentially acting as if they didn't exist. What Franz never expected was that the Polish government would dare to submit a strongly worded diplomatic note.

This was no small matter. A formal diplomatic note was very different from grumbling behind closed doors—it required accountability.

There was nothing more to be said—Franz immediately convened a cabinet meeting to address the Polish government’s audacity.

“What has gotten into the Poles? Or has someone emboldened them to think they can act so arrogantly toward us?”

Those who knew Franz understood that he was angry. Austria had secretly supported Poland’s independence without asking for anything in return, yet now the Polish government was being ungrateful and pushing its luck.

A glance at history would show that the territorial disputes between Austria and Poland were a mess. In such situations, strength was the only argument that mattered.

Foreign Minister Wessenberg explained, “Your Majesty, Poland is an agricultural powerhouse. After the agricultural crisis broke out, Poland’s agricultural imports and exports sharply declined.

Recently, in response to the crisis, we increased tariffs on Polish agricultural imports, which provoked strong dissatisfaction from the Polish government.

About 34% of Poland’s agricultural products are exported to Austria, where they are processed and then sold on the international market. After the tariff increase, the agricultural trade between the two countries plummeted by two-thirds.

This has led to a significant amount of unsold agricultural products in Poland, causing a severe social crisis and destabilizing the political situation there.

The Polish government’s issuance of a diplomatic note at this time may be related to their domestic situation, as they might be trying to divert attention from internal conflicts.”

This was an unavoidable issue. With the international market continuing to shrink, Austria had no choice but to reduce production, and many capitalists involved in agricultural processing had already begun to shift their focus.

In this context, it became inevitable to protect domestic agriculture, and reducing agricultural imports was a necessity.

Even before the agricultural crisis erupted, the Austrian government was prepared to abandon the agricultural processing industry. There was no choice as this industry had little technical content and could only serve as a foundational sector for early industrialization.

In recent years, agricultural processing enterprises in various European countries have sprung up like mushrooms after rain, leading to increasingly fierce market competition. Austria had managed to maintain its dominance in agricultural processing mainly because it controlled a large portion of raw grain production.

Clearly, this situation could not continue. Since the onset of the agricultural crisis, countries no longer struggled to secure raw materials for their agricultural processing industries, and Austria’s cost advantage had disappeared.

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Given this background, continuing to invest heavily in this industry would be less effective than channeling resources into emerging industries to drive the Second Industrial Revolution and widen the gap in capabilities.

Without the government's focused support, the more profitable segments of the agricultural processing industry could still survive, but enterprises lacking technical content, like flour mills, would face tough times.

This was an inevitable outcome of economic development: the higher the technical content of a company, the more significant its competitive advantage. Companies lacking in technology would find themselves trapped in a vicious cycle of price wars, making it difficult to advance further.

At this point, businesses had to either transform or upgrade their technology. For instance, they needed to develop more new products—the variety of foods found in supermarkets in later times was all driven by such realities.

To survive, agricultural processing enterprises could no longer just process a single product. They had to increase the number of production stages, enhance technical content, and raise the added value of their products.

In the long term, this agricultural crisis also spurred the upgrading of Austria's agricultural processing industry. In 1872, the variety of biscuits, canned goods, and various junk foods available in Vienna had increased more than in the previous five years combined.

These high-value-added products brought a resurgence of life to many companies, revitalizing them. Meanwhile, slower-to-adapt companies continued to struggle.

From a modern perspective, the competition of this era was relatively mild. Even in the most competitive sector, like flour mills, companies could still generate decent profits if managed well, far from operating at a loss just to stay in business.

Prime Minister Felix sternly declared, "Regardless of the reasons, the Polish provocation must be met with a strong response, so they understand our strength. If necessary, we can take military action to bring them to their senses."

The mention of military action caused Franz to furrow his brow. He felt that the situation was not as simple as it appeared. Even if the Poles had lost their minds, there was no logical reason for them to provoke Austria.

Before Franz could speak, Finance Minister Karl voiced his opposition.

"Punishing the Poles is easy, and it wouldn't even be difficult to capture Warsaw. The problem is, what benefit would we gain from it? The current international situation isn't conducive to expansion, and the Kingdom of Poland is dirt poor. Unless we accept Polish agricultural products as compensation, we might not even recoup our military expenses."

Waging war in anger is a grave mistake in military strategy.

Although Poland's land is valuable, Franz found it hard to muster any ambition for it. After the war for independence, Polish nationalism had already risen, making it incredibly difficult to assimilate them.

Gaining a fertile tract of land at the cost of planting the seeds of division within the empire would be a complete loss. Franz had no intention of taking on such a ticking time bomb—whoever wanted it could have it, but it wouldn't be kept in his own house.

As for accepting Polish agricultural products as compensation, that was even more laughable. It would be like Britain and France accepting German industrial goods as reparations after World War I.

The Germans, who couldn't open British and French markets for their industrial goods through war, ironically achieved this goal through post-war reparations.

England and France, blinded by temporary gains, paid a heavy price for this. The influx of cheap German industrial products led to the decline of British and French industries.

At the start of World War II, Germany, as one of the defeated countries, had an industry that surpassed the sum of Britain and France, which was quite ironic.

The Austrian government would never do something so foolish. They were too busy protecting domestic agriculture to sacrifice it for a small gain.

“First, we should issue a warning to the Polish government, ordering them to suppress the anti-Austrian movement in their country by Christmas. Otherwise, we will hold a military parade in Warsaw.”

While Franz had no interest in Poland, that didn't mean he wouldn't use the threat of force. If the Polish government really lost its senses, Franz wouldn't hesitate to fight a war.

However, this would only benefit the Russians. If Poland were severely weakened, Franz doubted what the Kingdom of Prussia could use to fight in the next Russo-Prussian War.

Whether it was Alexander II or Alexander III, neither was an easy opponent, and the Russian Empire's war potential far exceeded that of Prussia.

Having suffered once before, the Russians would be cautious and avoid reckless attacks. As long as the Russian government fought steadily, any war would become a battle of attrition, which Prussia could not sustain against the Russians.

In this context, the Kingdom of Poland became crucial. If the Prussians were ruthless enough to conscript a million soldiers from Poland, they might avoid being overwhelmed by Russian human wave tactics.

One thing Franz was certain of. This time, the Russian government would not face a grain shortage.

Even if Russia's transportation issues remained unresolved, the Russian government would stockpile enough strategic supplies before the outbreak of war.

This time, the Prussians would not catch the Russians off guard. And the Russian government would not start a war until they were fully prepared.

The Austro-Russian alliance still had a few years left, during which Prussia could not initiate an attack without dragging Austria into the conflict.

Franz shook his head, dismissing these scattered thoughts. Why worry so much? International affairs are ever-changing, and no one can predict what tomorrow will bring.

Perhaps by the time the Russo-Prussian War breaks out, the situation will have changed again. Austria's strength is also rapidly growing. By then, Austria may have left them far behind.

As long as Austria's own power is strong enough, any challenge can be met without fear. By that time, the outcome of the Russo-Prussian War may no longer even matter to Austria.

#### Chapter 525: The Unwanted Throne

In the spirit of the approaching Christmas holiday, the Austrian government decided not to immediately confront the Polish government. The news of Poland's diplomatic note was suppressed, and the Ministry of Foreign Affairs simply conveyed Franz's warning.

There was no tradition in Europe of causing trouble during Christmas, and this year in Vienna was as lively as ever, with Franz hosting the customary court banquet.

Good times are always short-lived. Just after Christmas, Franz received bad news—King Otto I of Greece had died.

Compared to the original timeline where he was deposed in 1862, Otto I in this timeline was quite fortunate. With Austria's rise to power, this pro-Austrian king naturally avoided being ousted for aligning himself with the wrong side diplomatically.

The headache now was that Otto I, from the House of Wittelsbach, had no children, and his brothers were unwilling to convert to Eastern Orthodoxy, leaving the Greek throne without an heir.

Now the question arose: who should inherit the Greek throne? Franz sent a telegram to the House of Wittelsbach, now the ruling family of Lombardy, hoping they would send a prince to take on this heavy responsibility.

The result was awkward—no one was willing to take on the mess. This is understandable, considering Greece's dire current situation, which is burdened with heavy external debt and internal turmoil.

This was the aftermath of the Near East War. As one of the participating countries, although Greece stood on the side of the victors, it retreated midway under military pressure from Britain and France.

As a result, not only did they lose out on the spoils of war, but they were also severely punished by Britain and France, leaving them with enormous debt.

Nonetheless, Greece had shed blood in the Near East War, sacrificing thousands of lives and tying down some of the Anglo-French-Ottoman allied forces.

After the war, Russia and Austria helped Otto I retain his throne. The war left Greek public opinion strongly anti-British and anti-French, leading Otto I to naturally align with Russia and Austria.

However, with the changing international situation, Austria made deals with both Britain and France, taking over the French Balkans and securing Corfu from the British.

During the Mediterranean disputes, France and Austria jointly sidelined the British. In this context, with the support of the Austrian government, Otto I of Greece seized the opportunity to expel the British.

This "expulsion" was almost equivalent to the British voluntarily abandoning Greece. The country's interests were simply too minor. Despite its strategic importance, the British were stretched too thin and couldn't afford to focus on this peripheral area.

Ultimately, with Austria's mediation, the Greek government paid a ransom, which led to the British "withdrawing their troops" from Greece.

This outcome was inevitable. After all, who would allow others to sleep beside their bed? Since the French abandoned the Balkans, Greece's geographical position meant that the British could not maintain a long-term presence there.

Faced with constant Greek resistance, the British government lacked the energy to suppress it. The cunning John Bull decisively chose to sell for a good price, leaving the Greek government with a substantial debt to the British.

Nationalism is a double-edged sword. After driving out the British, Greek radical groups turned their attention to Austria, dreaming of restoring the Roman Empire.

This kind of radical thinking naturally led to suppression by Otto I's government. Any reasonable person would know that such a plan was impossible, but idealists are exceptions.

Unwilling to accept failure, these idealists wanted to overthrow Otto I's rule. Without a doubt, this rabble didn't pose a serious threat.

However, as the agricultural crisis broke out, Greece's domestic economy also encountered problems. Many farmers went bankrupt during the first wave of the crisis, exacerbating social tensions.

Even though Austria had taken away a significant number of immigrants, many still remained, and Greece's social order continued to deteriorate.

This created favorable conditions for the radical groups to rebel. If Otto I were still alive, suppressing this rabble would be relatively easy, but with the throne now vacant and the government in disarray, the situation was different.

The House of Wittelsbach had already invested significant resources in the Greek throne but had not received any returns, and now they were unwilling to continue investing.

This wasn't what Franz wanted to see. If the Greek throne wasn't settled quickly, it wouldn't be long before Britain, France, and Russia would get involved.

If all countries got involved, it would be difficult for Austria to take a dominant position. If an anti-Austrian government appeared in Greece, Franz's previous investments would all be in vain.

"Prime Minister, who is currently the most suitable candidate to inherit the Greek throne?"

Prime Minister Felix frowned and replied, "The best candidates would naturally be Otto I's brothers, Prince Luitpold and Prince Adalbert, but both of them have explicitly renounced their claims to the throne.

There are plenty of other heirs further down the line, but because of their age, we're not certain that Otto I's nephews would be able to maintain control of the Greek throne."

Otto I's sudden death had left a mess behind. The Greek throne was now a difficult position to hold. Without certain capabilities, it would be impossible to manage the situation.

Otherwise, Franz would just casually persuade a member of the House of Wittelsbach and forcibly enthrone them.

Europe is a place where lineage matters, and when it comes to royal succession, the closer the bloodline, the better. Closer blood ties mean more legitimacy. If a successor ranked far down the line were to take the throne, it would be difficult for them to gain public support.

After pacing for a moment, Franz made his decision, “Continue to negotiate with them. If they are willing to inherit the Greek throne, they won’t have to convert to Eastern Orthodoxy, and we will take care of all the issues.”

Even though this might be a case of them holding out for a better offer from Austria, Franz decided to go along with it. After all, the Greek throne wasn’t particularly desirable.

Understandably, the House of Wittelsbach is worried about investing too much and not getting returns, wanting to find someone to share the cost.

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There are no free lunches in this world. If they take Austria’s benefits, they’ll have to serve Austria’s interests. The more they receive, the more they’ll need to give in return.

Even though Greece is small, Franz didn’t dare to take it lightly. It was still better to keep it under control. Otto I had done an excellent job. Despite some unrest in Greece, it wasn’t a significant issue.

Franz didn’t have high demands. He just wanted to continue Otto I’s population control policies. In this era, while the populations of European countries were rapidly increasing, Greece managed to remain steady, which was a unique situation.

As long as this continued, Greece, with a population of less than a million, wouldn’t be able to cause much trouble no matter how turbulent things got.

This was all inspired by the advanced experience of France. If it weren’t for the rapid economic development under Napoleon III, France’s population growth rate might have been even lower.

The approach became very convincing with a few adjustments to the unreasonable aspects of these policies and by promoting them to the Greek government, coupled with the Malthusian population theory.

Given the current state of Greek territory, it truly couldn’t support a larger population. In the short term, the results were quite evident.

Since the introduction of a poll tax, the Greek people’s enthusiasm for having children has significantly decreased. With fewer children to support, the population’s standard of living had risen.

Foreign Minister Wessenberg shook his head and said, “Your Majesty, it might not be wise for us to intervene too much. Anti-Austrian sentiment is growing among the Greek populace, and if we meddle, it could make things even more complicated.

Moreover, we can’t ignore the positions of Britain, France, and Russia. They certainly don’t want to see us control Greece. If they decide to interfere, the Greek throne could be delayed indefinitely.

Instead of taking such a risk, it might be better to wait and see how the situation develops. We can support whoever is willing to cooperate with us. If someone fails to understand the situation, overthrowing a government is much easier than establishing one.”

Franz understood the underlying message. It was nothing more than worrying that setting this precedent would affect the political structure of the empire.

There were many states within the Holy Roman Empire, and if the House of Wittelsbach could borrow the empire’s power to fight for the Greek throne, it might imply that other royal families could do the same and use the empire’s power to expand.

This is not unfounded worry, but something that will really happen. The relationships among European royal families are a tangled mess, and having succession rights to other countries’ thrones is quite common.

Currently, both the Polish and Spanish thrones are still vacant, and there are plenty of interested nobles domestically. However, without the support of the great powers, they can’t gain an advantage in the competition.

The Austrian government hasn’t supported any domestic noble family. Now fully supporting the House of Wittelsbach to secure the Greek throne. If this brings substantial returns, it’s acceptable, but if it doesn’t, it could spark a political storm.

According to custom, if the House of Wittelsbach wants to get the empire’s support, they can, but they must offer resources in exchange.

This system was personally designed by Franz. Even for their actions in Mexico, the royal family bore a considerable part of the military expenses.

Franz frowned, “This is indeed a problem, but it’s not difficult to solve. Whatever price the Empire pays, it must receive equal returns in the future.

We can clarify the terms beforehand. If House Wittelsbach is still unwilling, then so be it. I’m sure no one would object to bringing Greece back into the Catholic fold.”

Austria may be suppressing religion, but that doesn’t mean it can’t use religion to achieve its goals. There is no law that says the King of Greece cannot be a Catholic.

Even if such a law exists, it’s outdated and must be abolished. This is the era of religious freedom. How can they tolerate religious discrimination?

Franz wasn’t worried about the issue of returns. At worst, they could promote cotton cultivation in Greece. After all, in later times, Greece became a major cotton exporter, so it should be feasible now.

This would add a source of raw materials and create a market for surplus grain, which would certainly satisfy domestic interest groups.

With this in mind, Franz suddenly found a new perspective. Perhaps this agricultural crisis could be resolved ahead of schedule.

## Chapter 526: A Big Gamble

In the Milan Palace, the House of Wittelsbach was engaged in a final discussion about whether to abandon the Greek throne.

This issue was actually easy to resolve. Unlike in the original timeline where Otto I was deposed, this time Otto I had died of natural causes, and many of the high-ranking officials in the Greek government were still those Otto I had brought over from Bavaria.

With Austrian support, these people still held significant power. House Wittelsbach's foundation in Greece remained intact, and any heir they sent could stabilize the situation in the shortest time possible.

This was also why Franz was inclined to support the Wittelsbachs. If a foreign king were to take the throne, it would be difficult to control Greece.

Although Otto I could not be considered a successful king, he was no fool either. Despite Greece's defeat in the Near East War, the king emerged as the victor.

Using the might of the Anglo-French-Ottoman alliance, Otto I successfully eliminated dissent. Even now, the radical groups in Greece have not regained their strength.

The few nobles and capitalists left in Greece were smart enough to limit their ambitions to mere slogans. Anyone who still believed in "rebuilding Rome" was certainly a fool.

In the original timeline, after a series of harsh realities, Greece's strategic goals had been significantly reduced, shifting from the initial "Rebuilding Rome" to the concept of a "Greater Greece."

Even the idea of a "Greater Greece" was quite substantial, covering an area roughly seven to eight times the current size, or perhaps even larger.

King George I proposed establishing a Greater Greece with Constantinople as the capital and Athens as the economic center, but even this plan was criticized by Greek patriots.

Looking at the map, this plan would cover about one-third of the Balkan Peninsula and a quarter of Turkey, including many Aegean islands and Cyprus.

This plan was not excessive. In the original timeline, Greece came close to achieving this goal. Unfortunately, they fell just short, and thus, failed.

Now it's a tragedy—the path of expansion has been completely blocked by Austria, and whether they lower their goals or not, there is simply no hope of success.

The Greek radical groups are anti-Austrian because they can't accept that their dream of becoming a great power has been shattered. However, in the face of harsh reality, they have too few supporters.

In this context, with Austrian support, securing the Greek throne shouldn't be too difficult as long as the domestic situation is managed competently.

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In Warsaw, after receiving Austria's diplomatic response, the Polish government didn't even wait for Christmas.

They had no choice. Originally, they had issued a diplomatic note to Austria mainly to stir up a verbal dispute and use the people's patriotic fervor to distract them.

They chose Austria because they had no other options. Criticizing the Russians would have been easier, but after doing it for so long, the public had grown numb to it.

Aside from a few radicals who dreamed of expanding their territory to Moscow, most Poles had lost interest in the lands of the Russian Empire. Now, they were focused on reclaiming their lost territories.

Prussia and Austria held these territories. Since the Kingdom of Prussia was Poland's ally and the pro-Prussian faction was strong in the government, they had to team up with Prussia against Russia, leaving Austria as their only target.

The Polish government didn't expect Austria to respond so fiercely. The territorial dispute between Austria and Poland had been going on for many years, and the Austrian government had never taken extreme measures. This led many Poles to mistakenly believe that they could get away with more aggressive diplomatic language.

Unbeknownst to them, the Prussians were stirring things up behind the scenes regarding this strongly worded diplomatic note, leading to this "oversight" by the Polish Ministry of Foreign Affairs.

After receiving Austria's threat, Poland's acting Prime Minister, Dąbrowski, immediately summoned the foreign ministry officials and gave them a severe scolding.

They were obviously courting death. It was no surprise that the Austrian government responded so strongly.

As an international revolutionary fighter, Jarosław Dąbrowski was no ordinary man. Besides leading the Polish uprising, in the original timeline, he was one of the leaders of the Paris Commune.

But in the face of reality, compromise was necessary. To maintain his hold on power, Dąbrowski transformed into a "royalist."

The Polish throne remained vacant not only due to international intervention but also because the "royalist" faction, led by Dąbrowski, didn't want a king to ascend the throne. This was a significant factor.

For them, the longer they could delay the situation, the better. If the Polish people became accustomed to not having a king, then Poland would no longer need one.

The key was not to cause any trouble. Otherwise, if the great powers intervened, the situation could change. In an era where monarchy was still dominant, rashly challenging it would be a path to destruction.

Foreign Minister Walery Wróblewski had a grim expression as he said, "Prime Minister, we've investigated the matter. It turns out that the documents were altered by a patriotic youth working in the foreign ministry, who committed suicide after the incident.

He left behind a suicide note explaining his actions. He was mainly dissatisfied with the government's weak stance on the Austrian issue and took it upon himself to swap the documents before submitting the note to Austria."

The truth of the matter was no longer important. Anyone with a bit of sense could tell something was wrong. It was plausible that a patriotic youth might have switched the documents, but the idea that he would commit suicide was highly dubious.

Even though Wróblewski knew something was amiss, he couldn't pursue the matter further. Playing dumb was a politician's instinct. Digging deeper could lead to consequences that the Polish government couldn't afford.

Regardless of the reason, the Austrian government wouldn't let the matter go easily. Since a formal diplomatic note had been sent, there would be repercussions.

Dąbrowski frowned and said, "I don't need an explanation. The issue now is how to get the Austrians to back off."

The Austrian government has wanted to interfere in Poland's internal affairs for a long time, and now you've handed them the perfect excuse. Tell me, how do we clean up this mess?"

The Polish government was in a tragic position, heavily influenced by the European powers, especially Prussia, leaving them with very limited autonomy.

Even social reforms couldn't be promoted according to their own will. They couldn't even fully carry out a bourgeois revolution, let alone a proletarian one.

Dąbrowski had always wanted to free Poland from the influence of other nations, but he couldn't even take the first step. Prussia heavily influenced the Polish military, and the military's desire for more power led to fierce clashes with the government.

The Polish military had always wanted to enthrone William I and obtain the same status as the Junker nobility in Prussia.

Without a king, the officers who had distinguished themselves in battle were unable to join the ranks of the nobility.

These individuals had become entrenched in their own interests and were strongly opposed to the policies of the Dąbrowski government in an effort to consolidate their positions.

If it weren't for the support of Britain and France, the Dąbrowski administration might have already been overthrown. Prussia, not wanting to offend Britain and France, was now trying to use Austria as its tool.

From a strategic perspective, it's easy to see the chain of cause and effect. However, Dąbrowski found himself with limited options.

He could either quickly appease Austria's anger or gather his strength to fight Austria. There was no third option.

Foreign Minister Walery Wróblewski said, "We have already contacted Britain, France, and Prussia. They have indicated that they will be closely monitoring the situation."

Britain and France have suggested that we meet Austria's demands, suppress the anti-Austrian movement within our country, and issue an apology to defuse the crisis.

The Prussian government has stated that they will not stand by if Austria invades Poland, but they haven't given a clear answer on what action they would take."

In theory, accepting Austria's conditions would not be difficult. It would only be a loss of face without any real harm to the nation's interests, and most of those in power understood what needed to be done.

However, that was only in theory. If the government were to suppress the anti-Austrian movement, it would lose its popular support and the day of its collapse would not be far off.

Prussia's stance was even more of a mystery. While Prussia and Poland were allies against their common enemy, Russia, it was no secret that the Prussian government also harbored ambitions to annex Poland.

The Prussians wouldn't just stand by if Austria invaded Poland, but that didn't necessarily mean they would send troops to protect Poland. There's even a chance they might join forces with Austria to carve up Poland.

When it comes to matters of national interest, it's best not to test a country's integrity, or the results might be quite shocking.

Finance Minister Paderewski stood up and said, "The situation isn't that simple. Let's not forget about the Russians. While the Austro-Russian alliance has fractured, it hasn't completely dissolved.

If the Russians seize the opportunity to get involved, and Austria and Russia join forces, even with the support of Britain, France, and Prussia, the outcome might not be in our favor."

Paderewski advocated for compromise, arguing that losing face wasn't the worst thing that could happen. While public support is crucial for a government, it's not always the most important factor as it depends on the circumstances.

Losing popular support now is undoubtedly serious, but there's still a chance to regain it, which is preferable to having the Austrians march in.

Haven't you seen that the military, which usually likes to interfere in politics, has remained silent this time, as if they've become invisible, leaving everything to the government to handle?

"Will the Austrians really take action? I'm not so sure."

Dąbrowski smirked, "Defeating us would be easy, but would it serve Austria's interests? If we're overthrown, the next government will undoubtedly be pro-Prussian. British and French influence in Poland will diminish, and the likelihood of William I ascending the Polish throne will increase—a scenario the Austrian government surely doesn't want to see.

The Polish government is broke, and Austria wouldn't even recover the cost of military expenses. The Austro-Russian alliance hasn't dissolved yet. Even if they managed to seize some Polish territory, wouldn't they have to return it to Russia out of a sense of duty?

After all that effort, they'd be doing all the work for someone else. I don't think the Austrian government would miss this point.

From the beginning, we haven't caused any substantial harm to Austria's interests. It's only a matter of face. From a strategic perspective, it's more likely that Austria is bluffing.

As the people's government, we can't suppress the patriotic movement. However, we can issue a formal apology to the Austrians, giving them a way to save face.

I doubt the Austrian government would escalate the situation over this. At most, we could reduce tariffs on trade between our two countries and concede some economic benefits."

This is a big gamble, betting Poland's future on whether Austria will take action. Paderewski hesitated to speak further. Everyone values their reputation, and the damage to public support from suppressing a patriotic movement would be severe.

The Polish government's control over the military is weak, and in addition to British and French support, public backing is crucial. If they lose the people's support, the chances of maintaining their hold on power would be slim.

#### Chapter 527: Unlucky Fool

Due to the agricultural crisis, farmers across Europe were having a tough time. Families with savings managed, but those without were forced to take on debt.

They grew their own food, so living expenses weren't high. The biggest burden was government taxes. In most areas, agricultural taxes weren't too heavy, so people found ways to scrape together what they needed, and if they couldn't, they sometimes deferred payment.

Some countries even reduced or waived taxes or accepted goods in lieu of cash. Only a small number of farmers went bankrupt. Most managed to get by.

If the agricultural crisis had ended in 1873, it would have been nothing more than a brief episode, akin to a year of bumper crops leading to a drop in prices. It wouldn't have been enough to shake the foundation of Europe's small-scale farming economy.

However, this wasn't likely to happen. In the spring of 1873, farmers once again eagerly threw themselves into production. In some countries and regions, the area under grain cultivation decreased, but in many others, it either remained the same or even increased.

This wasn't because farmers were unaware of the low prices and poor returns from growing grain. It was simply that generations of tradition had made this method of farming the norm. If they didn't plant grain, they didn't know what else to grow.

Austria had taken relatively strong measures to reduce grain production capacity. Franz ordered state-owned agricultural companies to stop planting major grains and to switch entirely to cash crops.

If this order had been given a decade earlier, it might have been enough to help Austria through the agricultural crisis.

Unfortunately, times have changed. Many citizens had participated in land redemption, and over the years, the amount of state-owned farmland in Austria's hands had dwindled to less than a third of the nation's total arable land.

In pursuit of higher profits, agricultural companies rarely grew grain. Besides planting a small amount for their own consumption, they mainly grew cash crops.

These cash crops weren't even sold outside the companies. Agricultural companies had their own processing plants and operated fully integrated agricultural businesses.

It wasn't just the state-owned agricultural companies. Many of the major nobles were following the same development model. When it came to profit, everyone was quick to learn.

Everyone adjusted their farming methods in response to market demand, and this integrated agricultural approach was relatively less impacted by the agricultural crisis.

The Ministry of Agriculture had originally planned for a 5.2% to 8.6% decrease in grain production this year, but reality proved them wrong. Despite the government's extensive propaganda efforts, urging citizens to reduce their grain cultivation, the data collected after the spring planting season told them they were too optimistic.

In the spring of 1873, Austria's grain cultivation area only decreased by 1.3%, a result of the Austrian government's minor adjustments.

The data might not be entirely accurate. In such a short time, the Austrian government couldn't conduct a comprehensive survey, so these figures were based on sampling.

Franz didn't believe the margin of error was significant. Even if the error was as high as double, that would still only be a 2.6% decrease, far short of the intended target.

If this was the outcome in Austria, one could imagine the situation in other countries. Franz doubted they were even reducing production. If they hadn't increased their grain cultivation area, it was likely due to stronger government controls.

Franz was mentally prepared for the agricultural crisis to continue, and this was part of the Austrian government's plan.

The strategy was to use the agricultural crisis to disrupt the agricultural production systems of various European countries, push for land consolidation, and create a large number of bankrupt farmers.

The Colonial Ministry had already made plans to accept ten million immigrants from the European continent over the next 15 years, providing labor for the development of Austrian colonies.

This was necessary because the German region had already sent most of those willing to emigrate, and Austria was in a similar situation.

From a peak of hundreds of thousands of emigrants each year, Austria now produced only about 40,000 to 50,000 emigrants annually, with the German Federal Empire contributing around 5,000 to 6,000, and other regions of Europe adding another 20,000 to 30,000.

Of course, the total number of emigrants from Europe each year was much higher, but not all of them would choose to settle in the Austrian colonies. The British, French, Dutch, Prussians, and Spanish were all competing for immigrants in Europe, as were various countries in the Americas.

With an annual influx of 70,000-80,000 immigrants spread across Austria's 20 million square kilometers of colonies, it wouldn't even create a ripple.

From this perspective, Franz's idea of encouraging the German Federal Empire and Prussia to establish overseas colonies essentially meant competing with himself for immigrants.

Looking across European countries, Russia was the only one left with the potential to become a major source of immigrants. The potential of the German region had already been mostly exhausted.

The agricultural crisis had proven to be the best method. Alexander II's extensive land reclamation solved the land issues for peasants.

However, the Russian government's emancipation of the serfs had been too recent, and these people had not yet accumulated wealth before they encountered the agricultural crisis.

In terms of risk resistance, these newly landed Russian peasants, who still owed the government a huge debt, were undoubtedly the weakest.

The land had been newly reclaimed, with relatively lower yields. Russia's natural environment was poor, with many areas able to support only one planting season, making grain cultivation costs high. Transportation constraints also made grain difficult to move, limiting its economic value.

It was estimated that the agricultural crisis of 1872 alone had caused tens of thousands of Russian peasants to go bankrupt. But such a small number of people couldn't cause much of a stir. They were quickly absorbed by Russia's industrial and commercial sectors.

As for absorbing immigrants, that was still a long way off. It would have taken a massive wave of bankruptcies, exceeding Russia's industrial absorption capacity, for a significant outflow to occur.

Otherwise, going to Russia and competing with local Russian capitalists for labor would have been foolish. The local powers would have quickly taught you a lesson.

This plan did not include Austria itself. Although, with the times, land consolidation to reduce production costs had been the best choice, Franz had not been prepared to do this domestically.

In the face of stability, everything else had to take a back seat. A slow, gradual influence, like boiling a frog slowly, was the best choice. Directly causing farmers to go bankrupt to increase immigration was the worst strategy.

Franz put down the documents in his hand and looked at Holz, asking, "The grain reduction plan has failed. How does the Ministry of Agriculture plan to respond?"

Unable to reduce output, the only option was to increase consumption. Previously, the Austrian government had developed a plan to promote the livestock industry, which had already taken shape.

However, it hadn't been able to grow significantly, mainly because the market's purchasing power hadn't caught up. Compared to the modern era, where the per capita meat consumption exceeded 100 kilograms, Austria had only reached one-third of that amount.

It wasn't that people didn't like eating meat. The problem was that their income was limited, so they simply couldn't afford it. Being able to provide enough bread was already a significant achievement of the Austrian government's reforms.

Franz's promised plan to provide extra meals for students in compulsory education had already been implemented. After the decline in agricultural product prices, students were supplied with an additional 300 grams of pork each week.

With the addition of 550 grams of fish and 100 grams of either chicken or goose meat, this intake was sufficient to meet nutritional needs. If they continue to increase it, Austria might soon be producing a lot of overweight people.

The per capita meat consumption figure was actually a bit misleading, as it was usually averaged out. According to what Franz knew, the highest consumers of meat products in Austria were sailors and fishermen, followed by capitalists and nobility.

It wasn't that sailors and fishermen were wealthier. It was mainly because obtaining meat products at sea was relatively easy. The cheapest item in their hands was often fish, and many times their staple food was also fish.

The meat consumption in coastal areas was higher than in inland regions. For example, in the port of Venice, the price of fish was less than one-tenth the price of beef, and fish was the main meat product for common people.

However, in inland areas, this price difference wasn't as pronounced. Especially in the Hungarian plains, the price of beef was only five times that of fish, so the consumption of beef was relatively higher among the populace.

This "high" consumption was actually quite limited, and most people still couldn't eat to their heart's content. Even in Vienna, the most economically developed city, the annual per capita consumption of beef didn't exceed 20 kilograms.

However, Vienna's per capita consumption of meat products had surpassed 85 kilograms, ranking in the top five among all cities, significantly raising Austria's average level.

From a cost perspective, increasing the amount of fishing was actually the cheapest way to boost the population's meat consumption.

But many issues couldn't be considered solely from a cost standpoint. The ripple effects had to be taken into account as well. Blindly increasing the supply of fish could overwhelm the domestic livestock industry, and that wasn't a joke—it could really happen.

The reason could be summed up in one word: poverty. For most ordinary workers, price was the most important factor, and eating habits could be changed if necessary.

Minister of Agriculture Holz said, "Your Majesty, the Ministry of Agriculture plans to promote animal husbandry to increase grain consumption while also enriching the farmers' diets."

Franz caught the underlying implication: the livestock industry would be sacrificed. If animal husbandry increased significantly, overproduction in the livestock industry would be inevitable.

However, since farmers typically raised livestock on a small scale, if they couldn't sell it, they would have to eat it themselves.

Overall, this meant artificially increasing grain consumption. Along the way, it would also drive down the price of meat products, increasing the population's meat intake.

But in doing so, the farmers involved in animal husbandry would suffer. Their profits would inevitably be squeezed, and they might even lose money.

There was no way around it—someone's interests would always be harmed. Compared to the widespread impact of agriculture, Austria's livestock industry was much smaller, with even fewer large-scale operations.

This was only theoretically feasible. In practice, there were many issues to consider. After pondering for a moment, Franz shook his head and asked, "Has the Ministry of Agriculture conducted an in-depth investigation? From what I know, many farmers have a habit of raising livestock, especially poultry, which is even more widespread. Even if we promote it, would the farmers really be willing to use grain as feed?"

For example, when raising geese, they can grow just fine on grass without any grain. The same goes for cattle and sheep. If it's small-scale farming, grass alone could suffice.

In this case, while the production of meat products might increase, the consumption of grain might not necessarily rise. How does the Ministry of Agriculture plan to achieve its goals?"

Franz was not someone easily fooled. In his previous life, he had come from a rural background. When he was young, economic conditions were poor, and no one in his family used grain to feed chickens, cattle, or pigs.

Although this required more labor and extended the time for livestock to grow, everyone stuck with it.

Thinking from the farmers' perspective, the economic conditions for Austrian farmers at this time weren't much better. They had only been eating their fill for a few years, so saving grain was almost instinctual.

If economic conditions were better, the Ministry of Agriculture's plan might not face much resistance. If all else failed, they could use the grain to brew alcohol.

Europeans consumed large amounts of beer and wine, while hard liquor consumption was low. Aside from Russia, most Europeans had little interest in hard liquor.

If this weren't the case, Franz would have already used the grain to brew alcohol. Even if the market couldn't absorb it in the short term, it could be stored for a long time, and the flavor would improve with age.

Unfortunately, beer, the most widely consumed, wasn't suitable for long-term storage. Hard liquor could be stored, but there were no customers. The Russians also had a surplus of grain and had long been making their own, so they didn't need to buy from others.

Given the current level of domestic consumption, Franz thought that burning the grain might be more cost-effective than using it on a large scale to brew alcohol. At least the losses might be less.

Minister of Agriculture Holz was dumbfounded. The carefully prepared plan had such a glaring flaw. If it were implemented, the agricultural crisis wouldn't be resolved, and a livestock industry crisis would be triggered instead.

In this era of imperialism, what should be done if a crisis couldn't be resolved? The most common method was to transfer it abroad. The reality was harsh. That was just how the great powers operated at this time.

Among the great powers, Austria was the most concerned with appearances. But in essence, Austria was still one of the great powers, and now that a crisis had arisen, the Austrian government would inevitably seek a scapegoat to bear the losses.

#### Chapter 528: Poll Tax

In South Africa, since the large discovery of gold mines, the region has faced a labor crisis. Many people, hoping to get rich overnight, have joined the gold rush.

With the first wave of nouveau riche emerging, the gold fever reached new heights. Farms shut down, shops closed, and even many colonial government employees resigned to join the gold-seeking frenzy.

The shortage of manpower became the colonial government's biggest challenge. Although the population influx has increased sharply recently, it hasn't helped much. These newcomers are all gold seekers and won't settle down to work locally.

In fact, the arrival of these outsiders has disrupted the order in South Africa. To maintain local stability, Governor Falkner has doubled the police force in the region.

“Governor, last month, 386 government employees submitted their resignation letters, including 136 police officers. According to the regulations, we have already approved 194 resignations.

We can't find replacements for the remaining positions in the short term, so we've had to force some to stay on temporarily. According to the regulations, this period cannot exceed three months, which has put immense pressure on our recruitment efforts.

Due to the gold rush, the number of applicants for government jobs has sharply decreased. The Ministry of Personnel has already lowered the recruitment standards to the minimum, yet still can't meet the hiring targets.

The Ministry of Personnel suggests seeking assistance from the homeland, with the central government coordinating the transfer of personnel from other parts of Africa to take over the positions and ensure the normal operation of the colonial government.”

Colonial government employees couldn't just resign whenever they wanted. They had signed labor contracts with the government, just like any other employer. If they wanted to leave, they had to complete their work handover according to the regulations, which typically took one month, but could be extended to three months at most.

The government being unable to recruit staff was something that hadn't happened in Austria for many years. Since the Austrian government implemented compulsory education, there has never been a shortage of civil servants.

Of course, the situation in the colonies is special. Some remote areas still have positions that are not favored. However, as long as the standards are lowered and the benefits are increased, these issues are resolved.

This time is different as the impact of the gold rush is too great. Young people, eager to get rich, are simply unwilling to apply for government jobs.

It's not that the government can't find anyone, but rather that it can't find enough qualified civil servants. Regardless of how much the standards are lowered, the basic competencies still need to be ensured, and some positions require special skills.

Governor Falkner furrowed his brow. This situation persisted for several months and showed no signs of improvement.

“Follow through with your proposal to inform the homeland. Additionally, please have the Central Government's Ministry of Personnel recruit 1,000 government employees and 3,800 retired military police officers from the homeland for us.

For those who are willing to come, their salaries will be set at twice the average level for similar positions in the homeland, with bonuses and benefits following the Austrian government employee standards.”

If recruiting locally is difficult, then recruit from the homeland. With the large discovery of gold mines, the South African colonial government had also become a wealthy entity and could afford to pay.

Charlie, the Director of Personnel, said, “Yes, Governor!”

After a brief pause, Mining Director Kaspar Theim took out a report and said, “Governor, this is the latest development report. Last month, 12 new gold mines were discovered in South Africa.

The quality of these mines is relatively high, with ore gold content exceeding five grams per ton, and two of the mines have reserves of over 50 tons.

To date, 78 gold mines of various sizes have been discovered in South Africa, with an estimated total exploitable gold reserve of over 3,800 tons.

In addition, five diamond mines, seven coal mines, two copper mines, five iron mines, three manganese mines, one chromium mine, and two phosphate mines have also been discovered...

What’s even more remarkable is that the quality of these ores is excellent. Based on the current data, South Africa has become the most resource-rich region in the Empire.

This is South Africa’s advantage, but developing these resources is extremely challenging. The biggest problem is the lack of manpower, followed by transportation issues.

To solve the transportation problem, we must first address the manpower issue. According to the Ministry of Railway’s plan, at least 200,000 workers will be needed to resolve transportation issues within ten years.

Developing these mineral resources will require even more labor. Without 2,000,000 to 3,000,000 workers, it will be impossible to effectively develop South Africa’s mineral resources.

However, the current situation is dire. We can’t even find 200,000 workers in South Africa, let alone 2,000,000 to 3,000,000.

The existing labor resources are barely enough to sustain gold mining operations. To continue developing, we need a large population.”

The shortage of manpower was a common issue across all Austrian colonies as well as a challenge faced by all major colonial empires.

Well, except for the British. They have the manpower resources of India to draw from. As long as they are willing to invest capital, they have enough workers.

Austria is different. The population in Africa was never large to begin with. Coupled with the previous labor export policies, Austrian Africa has sent 4.3 million workers to the Americas and 1.1 million to Persia over the past decade.

As a result, the number of indigenous people has drastically decreased. In the early developed regions of West Africa, indigenous tribes have all but disappeared.

Currently, only in Austrian East Africa and South Africa are there still some indigenous tribes left, but the total population likely does not exceed three million.

This became apparent during the Anglo-Boer War, where, in the later stages of the war, the shortage of cannon fodder became so severe that even when pulling together all the manpower from Austrian Africa, it was still not enough to use human wave tactics to flatten Cape Town.

The drastic population decline wasn't just due to labor exports. A more significant factor was the decrease in birth rates. The infamous "poll tax" was the main culprit.

To increase financial revenue, the colonial government imposed a poll tax of one guilder per person per year on all indigenous tribes, which directly led to a decline in the local birth rate.

Governor Falkner gave a cold smile and said, "The homeland has already promised to resolve the issue of manpower shortage for us. The agricultural crisis in Europe has erupted, and it won't be long before we see a wave of bankrupt farmers. The homeland will prioritize sending immigrants to South Africa.

Additionally, the colonial government in Southeast Asia has also promised to sell us 100,000 laborers over the next five years. The Governorate of the Arabian Peninsula will soon launch a major operation, and they will sell the prisoners of war to us at a low price.

In the short term, if we want to increase our workforce, we'll still have to tap into internal potential. Here's what we'll do: raise the poll tax to one guilder per person per month. Anyone who can't afford it will be sent to the mines.

The scope of the poll tax can be expanded to include all non-Austrian citizens. For new immigrants, we can offer a one-year tax exemption.

If they can learn German within a year, they can apply for citizenship. The assessment period for citizenship will still be three years, during which they can also be exempt from taxes.

If they fail the assessment, they can either leave or stay and pay taxes. It's not that easy to take advantage of us!"

To increase the labor force, Viscount Falkner was prepared to be relentless. A poll tax of one guilder per person per month would practically force the locals to work in the mines and work hard, or they wouldn't be able to gather enough poll tax for their families.

Even the prospectors from abroad couldn't escape this. If they didn't strike it rich in the first year, they would do well to learn German quickly and apply for citizenship. Otherwise, the poll tax would hurt their wallets.

Falkner didn't care whether they came or not. As a traditional aristocrat, Viscount Falkner despised speculators and nouveau riches the most.

Even though he had made his fortune in gold mining, that didn't change his personal views. Perhaps he was ruthless during colonization, but back in Austria, Viscount Falkner strictly adhered to the code of the nobility.

This kind of double standard wasn't unique to Viscount Falkner. Many colonists shared it.

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In Vienna, ever since the Austrian government decided to find a scapegoat to divert the crisis, the cabinet had been busy.

War was no trivial matter. It required careful consideration of the pros and cons. Europe had only recently stabilized, and Franz didn't want to stir up chaos, so the choice of target had to be made cautiously.

Prime Minister Felix said, "Your Majesty, the situation is somewhat complex. The only suitable targets for us are Poland and the Ottoman Empire, neither of which is ideal.

If we move against Poland, we can reduce a competitor in the international grain market and alleviate the global agricultural crisis, but the consequences would be severe.

First, the Russians might get involved, and the Kingdom of Prussia won't stay idle. Poland is very poor, so if we take military action, there's little chance of direct compensation through reparations. We'd have to rely on territorial gains to recover the cost of war.

There is a 50% chance that this could lead to a fourth partition of Poland by Austria, Prussia, and Russia, or there's 40% of a Prussian-Polish union, with only a 10% chance of maintaining the status quo.

We also have to consider the reactions of Britain and France. They wouldn't want to see us grow stronger. Moreover, Poland owes them a large debt, and if that debt is nullified, the financial sectors of both countries would cause trouble for us.

As for taking action against the Ottoman Empire, the situation is equally complex. It still involves Britain, France, and Russia, and we can't avoid the debt issues with Britain and France, not to mention the strategic conflicts.

Especially with Britain and Russia—the Russian government has been waiting for us to act so they can strike at the Ottoman Empire and reclaim the Caucasus.

If we don't seize any Ottoman territory, it's one thing, but if we take the Middle East and extend our influence to the Persian region, it could trigger Britain's sensitive nerves.

They're still holding a grudge over the South Africa issue, and if we provoke them again, the Anglo-Austrian relationship might be doomed."

Franz also found it troubling. The current situation was indeed not conducive to rash action. No matter which target Austria chose, it seemed impossible to maximize its benefits.

"You didn't get to eat the mutton, but ended up getting covered in the mutton's smell instead." No matter how Franz looked at it, Austria would be at a disadvantage, which didn't align with his usual approach.

After pacing back and forth for a while, Franz suddenly turned around and said, "To gain benefits, we must pay a price. We're not the only ones hurt by this agricultural crisis—so are the Russians and Prussians.

Either we all join forces to face pressure from Britain and France together, or we all hold back and see who can withstand the pressure longer.

Have the Foreign Ministry communicate with Russia and Prussia. Whoever offers the highest price, we'll cooperate with them. If the benefits are too low, then we'll abandon the plan.

With our resources, we can hold out for three to five years without a problem, so there's no need to rush. Russia and Prussia won't last that long. Whoever can't endure will have to be the one to make the first move!"

If it weren't for political antagonism, solving the agricultural crisis would have been quite simple. A few grain-exporting countries could have banded together, raised grain prices uniformly, and divided their export quotas, effectively resolving all the issues.

This is similar to how OPEC operates in later times, where member countries intentionally control oil production to avoid cutthroat competition, ensuring the interests of all member countries.

Unfortunately, Prussia, Poland, and the Russian Empire were already mortal enemies, and the Russian government would never agree to a reconciliation.

This was a matter of principle. Even when Alexander III, a known pacifist, came to power, there would be no compromise on this issue.

The Russian people could tolerate failure, but not submission. The Russian Empire grew strong thanks to its tenacious spirit. If that spirit were broken, the empire would crumble as well.

Reaching this point required enduring multiple failures, which made it impossible for the Russian government to yield to Prussia and Poland. If they dared to compromise, a revolution would surely erupt in their country.

The Russian government didn't collapse after the First Russo-Prussian War, thanks not only to Austrian support but also to the political legacy left by Nicholas I—a loyal army that ensured the stability of the regime.

Alexander II was no ordinary ruler. After the war's defeat, he acted decisively, using the opportunity to purge government parasites and curb the arrogance of the conservatives, laying the groundwork for reforms.

Although Austria appeared to be the biggest loser after the agricultural crisis, the real loser was the Russian Empire.

While Austria was the top grain exporter, much of what it exported was processed grain with industrial-added value, which offset some of the losses.

Moreover, certain snack producers not only avoided losses during this crisis but even increased their profits.

No matter how much raw material prices dropped, the market prices for snacks remained relatively stable. These seemingly insignificant small products actually brought in considerable profits.

If someone were to investigate the details of Austria's agricultural exports, they would find that the total sales of canned goods, biscuits, chips, chocolate, and other processed foods exported from Austria have already surpassed the total sales of raw grains.

Currently, there are thousands of registered food brands in Austria, and if these snack categories were to be further subdivided, there would be hundreds of different products.

In pursuit of profit, capitalists have invested heavily in research, leading to the emergence of new food products almost every day. Only those that withstand market scrutiny can survive. Otherwise, they quickly disappear from the public's view.

Capitalists often organize food festivals, inviting people to taste new snacks and collect data. If a product receives widespread praise, it is promoted and sold. If the public rejects it, it is promptly removed from the shelves.

In addition to independent research and development, capitalists also send people around the world to collect delicacies. In the face of profit, no one can resist, and even foreign flavors are produced locally.

Any snack that sells well in the market is also produced in Austria. These seemingly insignificant items are actually the true backbone of Austria's agricultural exports.

In contrast, the export of processed grains has become secondary, primarily relying on volume to generate profit. The profit margin is far lower compared to these processed foods.

Perhaps in the future, these small products may be produced by family workshops, but in this era, they are still considered high-tech products.

To say nothing of other aspects, just the production of food packaging bags is something that only a few countries can manage. Preservation techniques are also a challenge. In this era, it's not uncommon for capitalists to use mercury as a preservative.

This kind of large-scale food export can't afford to take such risks. If something goes wrong, it could lead to tens of thousands or even hundreds of thousands of people suffering from food poisoning—an event too large for anyone to handle.

This demands advanced chemical technology. Overall, it's still quite chaotic. Besides the commonly used table salt, there are all sorts of preservatives, which can only be said to be slightly less harmful than mercury.

The only guarantee is that the food won't cause immediate poisoning. Otherwise, it wouldn't pass Austrian customs inspections. Since this concerns the entire agricultural export industry, the Austrian government takes it very seriously.

The long-term effects of consuming these products are unknown. In any case, Franz never touches these packaged foods, and such junk food is never seen in the entire Vienna court.

These are minor issues. People's lifespans are already short, and perhaps the side effects won't even have time to manifest before they meet their maker. So far, no one has come forward to denounce the harmfulness of these junk foods.

No matter how harmful they might be, at least they taste good. These long-lasting junk foods are a favorite among sailors, becoming essential supplies for long voyages and spreading around the world during the Age of Exploration.

With these industries as support, Franz can remain calm despite the shrinking of the processed grain export market.

However, some are growing anxious. As Austria's processed grain export market shrinks, domestic processing companies naturally reduce production, and the first to be affected are Poland and the Russian Empire.

The Polish government was forced into action. With the Austrian government raising tariffs, Polish agricultural products were effectively blocked from the market.

With large quantities of agricultural products unsold, not only do the farmers suffer, but the nobles and capitalists are also struggling. The government, in an effort to navigate the crisis, deliberately stirred up Austro-Polish tensions to divert attention.

Of course, "provocation" wasn't part of the Polish government's plan. They had only intended to make some noise domestically, without actually confronting Austria.

After clarifying the positions of various countries, the Polish government, while not fully accepting Austria's terms, quickly offered explanations and apologies.

As the mastermind behind the scenes, the Prussians were not about to let the Polish government off so easily. The news soon leaked, causing an uproar in Polish public opinion.

The unfortunate soul who "committed suicide" suddenly became a national hero, with patriotic youths waving flags and protesting outside the Austrian embassy in Warsaw.

The Polish government understood the severity of the situation. Further provoking the Austrians might actually lead to an invasion. Prime Minister Dąbrowski promptly dispatched police to block the streets, leading to violent clashes between the protesters and the police.

The Polish government initially intended to deflect a crisis but instead found themselves facing a political one that spiraled out of control.

Except for some reckless and naive youths, all the political figures knew that provoking Austria at this time was suicidal.

It was no secret that the great powers liked to use war to divert internal crises. With Austria experiencing an agricultural crisis, wasn't Poland asking for a beating by provoking them at this time?

Poland is also a major agricultural country, holding a 13% share of the European grain export market.

If the Austrian government wanted to eliminate a competitor and take this opportunity to teach them a lesson, it wouldn't be difficult. As long as they didn't expand, the other European countries wouldn't even interfere.

The Polish government was forced to suppress the wave of anti-Austrian sentiments at home, and the Austrian government begrudgingly accepted their apology, making it seem as though the Austro-Polish conflict had come to an end.

However, this was only the view of ordinary people. The frequent activities of Austria's Foreign Ministry indicated that something was brewing. The atmosphere in Europe suddenly became tense, and the smell of gunpowder grew stronger.

In Berlin, the Prussian government was deeply disappointed that Austria didn't immediately take action against Poland.

As one of the victims of the agricultural crisis, the Prussian government naturally wanted to overcome the crisis as soon as possible. Stirring up the Austro-Polish conflict was a plan that could achieve multiple goals.

Not only could it alleviate the agricultural crisis, but it also presented an opportunity to annex the Kingdom of Poland. The international situation was clear: Britain and France didn't want to see Austria continue expanding on the European continent, and Austria didn't want to see Prussia and Russia grow stronger.

In the eyes of the Prussian government, Austria's wariness of the Russians should have been greater than their wariness of Prussia, or else Austria wouldn't have remained so passive during the last Russo-Prussian War.

If Austria had fully supported the Russian government, there's no doubt that at the very least, the Russian army wouldn't have lacked strategic supplies.

It would simply involve changing the marching route to move along Austria's borders. By keeping supplies within Austrian territory and transporting them when needed, the Russians could even save on stationing troops.

With that strategy, no matter how formidable the Prussian army might be in battle, they would eventually succumb to the Russian forces and their overwhelming numbers.

William I, with a complex expression, waved his hand and said, "Franz, that old fox, is really patient. We handed them the perfect excuse, and yet he still hasn't acted against the Poles.

It seems Austria's strategic focus truly isn't on the European continent anymore. Could it be that their African integration strategy isn't just a smokescreen?"

No one could answer that question, but most countries believed Austria's African integration strategy was merely a diversion, primarily to distract everyone and create opportunities for unifying the German territories.

There was no need for further reasoning. Europeans of that era were simply that proud. To them, land outside the European continent was just uncivilized wilderness, with the African continent famously known as the "Continent of Poisonous Insects."

Austria's expansion into Africa was, in reality, a tale of man's struggle against nature. The greatest enemy they faced wasn't the indigenous states or other great powers, but the harsh natural environment.

Almost no one believed there was any need for localized development on the African continent. They were stubbornly convinced that the land on the European continent was far more valuable, particularly in Western and Central Europe, which they considered the best in the world.

Prussian Foreign Minister Geoffrey Friedman said, "Your Majesty, the Austrians have already sent a political signal, hoping that we or the Russians will make the first move. It's almost certain that they don't intend to strike first."

The saying "the gun shoots the bird that pokes its head out" has always held true—those who make the first move are the most likely to suffer. Of course, if successful, they often reap the greatest rewards.

Austria was a large country with a stable foundation. Whether they could expand on the European continent had become irrelevant to the Austrian government.

This was not something Prussia could compare to. If possible, William I would also prefer not to continue expanding on the European continent. Europe is too complex, where even the smallest action can have far-reaching consequences.

The Kingdom of Prussia had already established a foothold in the Indochina Peninsula, and if it weren't for the threat posed by the Russian Empire, they would have joined the colonial movement as well.

This real threat forced them to continuously strengthen their power but gradually building up through farming was clearly not enough. With a population of only 22 million, Prussia's agricultural efficiency was far behind Russia's 74 million.

The fastest way to increase strength was through external expansion. Originally, the German Federal Empire was what they wanted most, but reality didn't allow it.

If the Kingdom of Prussia dared to make a move against the German Federal Empire, the Austrian government would likely compromise with the French, leading to a situation where Prussia would be attacked by a coalition of Austria, France, and Russia.

With no other options, they had to settle for targeting the Poles. At least, in this matter, Britain and France were not too strongly opposed, and Austria was keen to see them clash with the Russians, so they were not likely to intervene directly.

Looking at the map of Europe on the wall, William I sighed, "Alas!"

After pacing back and forth for a while, William I pointed at St. Petersburg and felt much better.

"We'll keep waiting! Poland is still our ally, and for now, we can't do anything. This agricultural crisis isn't something that will be resolved quickly. According to the data released by Austria's Ministry of Agriculture, the plans to cut production in various countries have all failed. Even Austria hasn't been able to meet its reduction targets.

There's no need for them to fake these figures. We're a prime example. This year, our domestic grain cultivation area hasn't decreased but has instead increased. Implementing the Fallow Law won't be easy.

Austria is strong enough to withstand the losses caused by the agricultural crisis, but the Russians are not. Their grain production is the highest in Europe, so who will they sell all that production to?

Meanwhile, Britain and France want to maintain stability on the European continent. Whoever stirs up trouble now will become their enemy."

#### Chapter 530: The Tsar's Choice

St. Petersburg became the center of the storm after the full outbreak of the agricultural crisis.

European public opinion widely accused the Russians of deliberately creating the agricultural crisis, attempting to use the opportunity to destroy Europe's agricultural production system and monopolize the continent's grain supply.

This accusation wasn't entirely wrong. The Russian government did indeed have such a plan, but the crisis erupted before they could implement it.

Agriculture is one of the hardest industries to monopolize since it has virtually no barriers to entry—anyone can farm. In this era, arable land is abundant, and any colonial empire can be self-sufficient without relying on others.

The Russian government had the ambition to monopolize Europe's grain supply, but they lacked the capability to do so. Russian agricultural production costs are not competitive, making it nearly impossible to win in the market.

Faced with the overwhelming public criticism, Alexander II decisively chose to ignore it. After all, the Russian government had always been criticized on the European continent, and he had grown accustomed to it.

While public opinion could be ignored, the reactions of European governments were not something Alexander II could afford to overlook.

As of April 1873, several politicians had publicly called for increased tariffs on imported agricultural products to protect their domestic agriculture.

On the surface, raising all agricultural import tariffs seemed fair, but there was a strong undercurrent of malice behind it.

Among the four major agricultural exporters in Europe, the Kingdom of Prussia held the smallest market share and thus faced the least impact.

The Kingdom of Poland, ranking second to last, was already embroiled in internal conflict. No matter how much the situation worsened, it couldn't get much worse.

Although the Russian Empire ranked second in total export value, in terms of volume, they were undoubtedly the leader.

Austria had the highest export value, thanks not only to domestic grain processing but also to the import of agricultural products from Russia and Poland for further processing, with much of their profit coming from added value on products.

After the outbreak of the agricultural crisis, the Russian government also prepared to process their own products, denying the Austrians the opportunity to profit from the price difference.

Unfortunately, the domestic industrial capacity was too weak, leading to high processing costs, and in the face of fierce market competition, they lost their competitive edge.

The agricultural crisis hit Austria's agricultural processing enterprises hard, leading them to reduce production capacity. Consequently, the total volume of agricultural products exported from Russia to Austria also declined, though it still accounted for more than half of Russia's total agricultural exports.

From an economic standpoint, the interests of both nations were intertwined—what harmed one would harm the other, and what benefited one would benefit the other. Alexander II had just received a telegram from the Austrian Agricultural Processing Enterprises Association, urging Russia to cut down on its grain exports.

The large quantities of cheap raw grain flooding the international market and directly entering European countries posed a life-and-death challenge for Austria's agricultural processing enterprises.

As market competition intensified, these enterprises were not about to sit idly by. They wouldn't be content with just breaking even while getting attention—they needed to make a profit.

Capitalists are shrewd, and what appeared to be an ordinary telegram was actually a final ultimatum.

Capital follows profit. If agricultural processing no longer offered profits, the capitalists wouldn't hesitate to abandon it.

Since 1872, shrewd capitalists had already been transitioning. With the Second Industrial Revolution underway, there were plenty of other investment opportunities, and there was no need to cling to a single industry.

If the Russians were willing to reduce their grain exports, everyone's profits would be secured, and business could continue.

Otherwise, things would get tricky. Due to plummeting grain prices, almost every grain capitalist's warehouse was filled to the brim, waiting for the market to recover.

If there was no hope in sight, they would have to withdraw, even if it meant taking losses. This scenario would be far from ideal for the Russians because, due to the Russo-Austrian alliance, Austrian processing enterprises had consistently prioritized purchasing Russian agricultural products.

The situation was very different on the European continent, where under similar conditions, almost no capitalist would choose to cooperate with the Russians.

This was a consequence of Russia's loss of credibility, a problem that couldn't be resolved quickly. Currently, Russia's agricultural exports rely solely on being cheap.

International grain prices kept dropping, largely driven down by Russian grain exports. To sell their grain, the Russians had to lower prices.

As Russia reduced its grain export prices, the market followed suit. The current international grain prices were at their lowest point in decades, squeezing everyone's profits to almost nothing.

Alexander II knew the consequences of this approach, but faced with mountains of grain, they had no choice but to sell, even at a loss.

Moreover, the definition of "losing money" can't be generalized. The grain exported brings in foreign currency, while what circulates domestically is paper rubles.

The paper ruble issued by the Russian government is not recognized internationally. In international trade, gold, silver, pounds, guilders, and francs are still the most commonly used currencies.

The ruble's international credibility is lower than the krone of the Nordic Federation and also doesn't compare to the Dutch guilder. Even the Swiss franc and the Prussian mark are more popular than the ruble.

From the perspective of national development, the Russian government must obtain as much foreign currency as possible, even if it means taking a loss. Otherwise, they won't be able to balance the trade deficit, which could lead to an outflow of gold and silver.

However, continuously losing money isn't sustainable. To offset the losses, the Russian government has already devalued the ruble twice.

This was a heavy blow to the ruble, which had just undergone a gold standard reform, severely damaging market confidence.

Currency cannot be devalued indefinitely. Economists have already warned Alexander II that if this continues, the market will be ruined, and they might as well go back to using gold and silver as currency!

After adjusting his emotions, Alexander II asked, "What do you think of the telegram from the Austrian Agricultural Processing Enterprises Association?"

The fact that an industry association could directly send him a threatening telegram made Alexander II very angry. If he had another choice, he would have considered cutting off trade with them altogether.

Of course, he only thought about it, but he wouldn't actually do it. Without this biggest buyer, their situation would only get worse.

Finance Minister Kristanval responded, "Your Majesty, unless all countries jointly reduce grain export volumes to collectively raise grain prices, we absolutely cannot reduce our exports.

There is still a large amount of unsold agricultural products in the country, especially in the newly developed Siberian region, where grain is not in demand at all, and the government collects grain in lieu of taxes.

The Ministry of Finance is currently organizing manpower for transportation, but if we can't sell this grain, all of this tax revenue will be lost.

If the problem of unsold grain can't be resolved, we might as well use this grain to pay off foreign debt. Whether they accept it or not, we'll only pay in grain."

In Kristanval's view, previous instances of default were something everyone could tolerate. Now that the Russian government is willing to acknowledge its past debts, that's already giving them considerable face. Expecting more might be too much.

Foreign Minister Chris Basham shook his head repeatedly, "No, we finally managed to reach an agreement with the other countries. If we act rashly, we'll quickly find ourselves in a diplomatic crisis again.

According to the previous agreement, the countries have already agreed to let us repay the debt in installments using agricultural products. There's no need to take such extreme measures."

Using grain to repay debt was the greatest diplomatic achievement of Russia's Foreign Ministry. The plan was to repay all debts over fifteen years. If they suddenly decided to repay all the debt in grain at once, it might solve the agricultural crisis for Russia, but the creditors wouldn't tolerate it!

Grain that can't be sold is worthless. Chris Basham didn't want to see the Foreign Ministry's accomplishments destroyed, as that would be a disaster for the Russian Empire as well.

When it came to reducing production, no one even brought it up. Austria's call for reduced production last year had already become a joke.

Aside from Austria reducing its grain-growing areas, Russia, Prussia, and Poland had only paid lip service and passed a few laws.

When it came to implementation, everyone realized it wasn't so simple. Laws couldn't dictate which plots of land should be used for growing grain and which shouldn't.

No decree can be implemented overnight. Even with the widely recognized fallow laws, when it came to actual execution, local officials didn't know which lands had been left fallow and which hadn't.

Without prior statistics, how could they enforce anything? Faced with reality, officials tacitly agreed to start gathering data from now on.

If the land was used to grow grain this year, then next year, it would be designated for fallowing. Everyone recorded this clearly, and no one could complain.

As a result, this year, the grain-growing areas in all countries didn't decrease but increased instead, leaving the governments powerless. It might take years for regulation efforts to take effect.

Market self-regulation might be more effective than government decrees. After several consecutive years of losses, ordinary people might not reduce the amount of grain they plant, but the nobles certainly would.

Minister of Agriculture Manilov interrupted, saying, "There's no point in arguing, gentlemen. Unless we address the agricultural crisis at its root, the situation will only worsen.

Even if we forcibly offload grain to our creditors, it's just a temporary fix and doesn't address the underlying issues. The agricultural crisis isn't something we can shake off in just a year or two.

According to data released by Austria's Ministry of Agriculture, if no measures are taken and the market is left to adjust on its own, this agricultural downturn could last for decades.

Russia is a major agricultural country, and if this crisis drags on for years, initial estimates suggest that tens of millions of farmers will go bankrupt—potentially as many as twenty or thirty million.

Although the Empire's industrialization is progressing rapidly, absorbing such a massive number of bankrupt farmers is not something that can be achieved in a short time.

Our biggest problem right now isn't just unsold grain but how to prevent farmers from going bankrupt on a large scale.

Given the current situation, the number of bankrupt farmers this year is expected to be several times higher than last year, with an estimated fifty to eighty thousand families facing bankruptcy. If the agricultural crisis continues, this number will grow exponentially each year."

He might as well have said plainly: If we can't eat all this grain, we might as well go to war!

The agricultural crisis couldn't have come at a worse time. If it had happened a few years earlier, during the Russo-Prussian War, it might have even changed the outcome of the conflict.

With plenty of cheap grain available, the Russian government could have sustained the war effort. A Tsar who can feed his soldiers is already a good Tsar and other issues can be overcome.

Even though the Russian Empire might seem somewhat diminished now, if war breaks out, Russia's war potential would far exceed what it was a few years ago.

That's the advantage of having an abundance of grain. No matter how difficult it is to sell the grain, as long as farmers don't go bankrupt en masse, the problem remains manageable. In other words, if everyone is fed, there will be no uprisings.

Despite the severity of the agricultural crisis, Russian farmers have not blamed the Russian government, and Alexander II's prestige remains intact—a benefit of keeping people fed.

After pondering for a moment, Alexander II decided to yield to reality. "Better them than us," he thought. It's always better for others to suffer misfortune than for them to do so.

"Have the Foreign Ministry engage in deep discussions with the Austrian government. This time, we must do whatever it takes to drag them down with us."

Having experienced one failure, Alexander II's arrogance had diminished significantly, and he had become much more cautious in his actions.

This is a crisis, but it's also an opportunity. If handled well, the Russian Empire could leverage Austria's strength to eliminate an enemy.