In the late 1800's, nationalistic movements were creating tremendous changes in Europe. Boundaries were redrawn as areas were unifying into autonomous nation-states. However, nationalism was also a divisive force that literally tore apart nations with long histories. Nationalism involves pride in one’s country or culture, which often becomes excessive in nature. Italy and Germany became unified countries during nationalistic movements while the Austro-Hungarian Empire was torn apart by divisive nationalism.

Italy had last been unified under the Byzantine emperor, Justinian, some 1300 years before. Since then it had been a patchwork of states under Byzantine, Lombard, Norman, German, French, Spanish, and Austrian rulers. Political fragmentation brought economic and cultural fragmentation as well. Without standard gauges, railroads did not cross state boundaries, while numerous tolls and dialects also hindered trade.

Italy's reunification, or Risorgimento (literally meaning resurrection), was largely the work of Camillo Cavour, prime minister of the north Italian state of Sardinia (also known as Piedmont). Although not a fiery or charismatic revolutionary leader, he was a cool and clear-headed diplomat and brilliant organizer, one of those realistic politicians who emerged from the failed revolutions of 1848. In 1848 another leader, Giuseppe Mazzini, tried but failed to unite the country. Cavour succeeded because he skillfully gathered popular support throughout the peninsula by exploiting Sardinia's position as one of the few native ruled states in Italy.

He also saw that Sardinia must be developed internally before it could make any moves against the Austrians, who controlled most of northern Italy, and the Bourbons, who ruled the Kingdom of the Two Sicilies in the south. To that end he reorganized Sardinia's treasury, tax system, and bank system, and then got foreign loans, especially from Britain, in order to build railroads and industries. By the mid 1850's Sardinia was the most highly developed state in Italy.

Giuseppe Garibaldi, a long time revolutionary leader who was as fiery and impulsive as Cavour was cool and calculating, helped liberate southern Italy from foreign control. Garibaldi and his army of "Red Shirts" met with incredible success and swept the French from Sicily. Sardinia's king, Victor Emmanuel moved south to meet Garibaldi and in a dramatic meeting on October 26, 1860, Garibaldi turned his conquests over to Victor Emmanuel. The Kingdom of Italy was born.

The new government did three things to pull Italy together. It built a national railroad system to physically link its parts. It established a national educational system to give its people a similar cultural outlook and loyalty. And it formed a national army to enforce its policies and also unify men from all over Italy in a common cause. However, 1300 years of disunity were a lot to overcome in a few years, and Italy's efforts at forging a nation met with limited success. Despite this, a patchwork of little Italian states had been unified into a new nation, a nation with ambitions to become a great power. Such ambitions would help lead to World War I.
Germany had been fragmented into as many as 300 separate states called the Holy Roman Empire ever since the Middle Ages. In the following centuries, it had suffered repeatedly from foreign wars and aggression, most recently Napoleon's rule. However, Napoleon had inadvertently done Germany two favors in the process of his rule. Besides instilling a sense of nationalism in its people, he had also consolidated Germany into 38 states, a giant step toward unification. Since Napoleon's defeat two states had competed for leadership of Germany: Austria and Prussia. Most people would have expected Austria, with its longer imperial tradition and larger territory to dominate. But it was Prussia, with its better organization and more progressive reforms which was destined to unify Germany.

The man who would lead Prussia in Germany's unification was its chancellor (prime minister), Otto von Bismarck (1815-94). In 1858, Wilhelm I had succeeded Frederick William IV. The new king wanted to build up and reform the Prussian army. But one obstacle stood in the way: the Prussian Reichstag (parliament), formed as a result of the revolutions of 1848, refused to grant Wilhelm the needed money. In 1862, Wilhelm, on the verge of abdicating, appointed Bismarck as his chancellor.

Bismarck, among other things, was no lover of democracy, including the Prussian Reichstag, which he said bogged itself down in speeches and resolutions. He believed only clear-sighted decisive policies of "blood and iron" could build a German nation. He figured that once the nation was successfully built, German liberals, inspired by the reality of the long sought for German nation, would come around to his way of thinking. Therefore, he simply ruled without parliament and rammed through his own reforms. Prussia got its army and Bismarck could now turn to unifying Germany. Bismarck was an excellent diplomat who brilliantly manipulated alliances and played different powers off against one another. He was also a master of limited objectives, using each diplomatic step to set up the next one.

In order to unite Germans together in a sense of nationalism, Bismarck championed the liberties of Germans in Schleswig and Holstein, whose Danish ruler was incorporating them more tightly into the Danish state. The resulting Danish War (1864) accomplished three things for Bismarck. First of all, it won him useful popular support among the Germans since he appeared to be defending German liberties. Secondly, it gave the reformed Prussian army valuable combat experience. Finally, it dragged Austria into the war on Prussia's side, since it could not afford to let Prussia be the sole champion of German liberties. This served Bismarck's purpose, since it got Prussia and Austria hopelessly entangled by their joint occupation of Schleswig and Holstein and helped set up a showdown between the two powers: the Austro-Prussian War (1866)

The Prussian army was better trained, organized and equipped than the Austrian army. A combination of using Prussia's railroad system for rapid movement of its armies with the telegraph to coordinate those movements allowed the Prussians to converge at the point of attack with unprecedented precision and overwhelming force. As a result, the Seven Weeks War, as this was also known, was a rapid and total victory for Prussia.

Bismarck's settlement looked forward to the eventual unification of Germany. His treatment of Austria was fairly lenient, taking only Venice and giving it, as promised, to Italy. But he also excluded Austria from German affairs, thus clearing the way for Prussian dominance. For Prussia itself, he took Schleswig and Holstein as well as the lands dividing Prussia from its
holdings along the Rhine in the West. Bismarck also unified the north German states into a confederation under Prussian leadership, while expecting the south German states to follow Prussia's leadership in war. The confederation was organized along democratic lines to gain popular support, but the real power rested with the Prussian king and chancellor.

Bismarck's next move was to galvanize German support against a common enemy. He found that cause by going to war with France. Napoleon III of France had his motives for war as well. Sagging popularity at home and concern over Prussia's growing power helped drive him on a collision course with Bismarck that erupted into the Franco-Prussian War (1870-1). Few people then would have given Prussia any chance to beat the French since France was still considered the foremost military power in Europe. The Franco-Prussian War proved that assumption wrong. Prussian training, equipment, leadership, and organization quickly smashed French armies in rapid succession. Within six weeks the Prussians had surrounded Napoleon III's army at Sedan. After a day of desperate but suicidal assaults against the Prussian positions, Napoleon III was forced to surrender along with 120,000 men. The French mounted sporadic local resistance, especially in Paris whose besieged inhabitants survived on elephant meat from the zoo. In the end, it was too little too late and France had to ask for terms.

The Prussian victory had two main results. First of all, Prussia annexed Alsace and Lorraine, a bone of contention between the two countries since the Treaty of Verdun in 843 A.D. This alone was enough to spark French bitterness. Secondly, Bismarck officially unified Germany by declaring the Second Reich (German Empire) and crowning Wilhelm as Kaiser (literally Caesar or emperor). Not only that, he did this at Versailles, for 200 years the symbol of French power and now the symbol of its humiliation. This newly unified Germany would become an economic superpower by rapidly industrializing. For example, German steel production doubled every decade between 1870 and 1910, even passing British steel production after 1900. Both Prussia's treatment of France and its unification and industrialization of Germany would upset the balance of power and trigger a system of interlocking alliances that kept Europe on a knife-edge of readiness for a war that nearly everyone expected to break out. That war, World War I, would be the beginning of the end of European supremacy.

In Austria the Hapsburgs were trying to stop the spread of nationalism. The real issue in the empire was the diverse population of people located in the area known as the Balkans. Austria was in control of Hungary, the German state of Bohemia, and parts of Romania, Italy, Poland, and the Ukraine. Power was controlled by the German-speaking inhabitants of the Austrian Empire, but that group only made up about a quarter of the population. Slavic peoples including Czechs, Slovaks, Poles, Ukrainians, Serbs, Croats, and Slovenes made up about half the population. The remainder of the population was comprised of Hungarians and Italians. By the 1800's each group began making nationalist demands on the ruler Francis I and his successor Franz Josef. Unification may not have been possible as was the case in Germany and Italy. While language, culture and historical backgrounds were similar they were different enough to have each separate group demanding different things. Coupled with the fact that the leadership was unwilling to offer real reform, the Austrian Empire was not long for the world. Some reforms were attempted by Franz Josef, but it only seemed to add to the problem. He drafted a new constitution but it gave political power to German-speaking people and ignored the majority
of people. Also, after the defeat by Bismarck's Germany, the Austrian Empire was redesigned as the Dual Monarchy, also known as the Austro-Hungarian Empire. Austria and Hungary had separate governments and constitutions but Josef remained as leader of both. This satisfied some but not all. The various Slavic groups remained unrepresented in the government. Serbia and Montenegro earned their independence from the Ottoman Empire by the late 1800’s. Because Serbia was slavic, Russia, who was also a slavic country, quickly supported the new country. Emboldened by the support from Russia, war broke out in the Balkans as Serbia tried to conquer the Austrian controlled Balkan countries of Bosnia and Croatia. Serbia did this by encouraging revolutionary movements throughout the Balkans, which enraged Austria. The turmoil caused by nationalism weakened Austro-Hungary to the point of utter collapse by the end of the World War I.