

The Basel economy in transformation

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The railway age transformed the economy of Basel in several ways. It reduced the cost of transport and opened new markets for the city's industries. Raw materials, coal, iron and chemicals arrived more cheaply. Finished goods could be shipped faster to distant customers. The silk ribbon industry, which Part C described, gained access to new markets but also faced new competition and began its long decline. The chemical industry, whose origins Chapter II traces, profited from the cheaper supply of coal and coal tar from the Ruhr and the Saar.

The railways also changed the trading functions of Basel. The forwarding and commission business, which Part C described, adapted to the new mode of transport. Forwarding companies organised the transport of goods by rail, cleared them through customs at the border stations and arranged their onward shipment. Basel became one of the principal customs and transit points of Switzerland, with the customs offices at its railway stations handling a large share of Swiss imports and exports.

The growth of industry and transport attracted labour. Thousands of workers came to Basel from the Swiss countryside and from abroad, above all from Baden and Alsace. The working class grew, crowded housing developed in the new districts and the social question became a political issue. The labour movement organised as the first trade unions and the social democratic party were founded. By the beginning of the twentieth century the workers' movement had become a significant political force in Basel. In 1935, Basel-Stadt became the first Swiss canton with a social democratic majority in its government, a period known as *Rotes Basel*, Red Basel, which lasted until 1950.¹ The coexistence of a social democratic government with a city of private banks, chemical companies and insurers shows the capacity of Basel to combine political change with economic continuity.

1 Notes

1. On "Red Basel" (Rotes Basel), the period from 1935 to 1950 during which the Social Democrats held a majority in the government of Basel-Stadt, see HLS, article "Basel-Stadt", section on the twentieth century. Dates to be verified. ↩

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