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EASTERN EUROPE BEFORE AND AFTER THE GLOBAL ECONOMIC CRISIS OF 1900–1903

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Abstract

The purpose of this article is to analyze the impact of the economic crisis of 1900–1903 on Eastern Europe, identify common and specific features of the crisis in different regions, and assess the long-term consequences for economic development, social sphere, and political processes. This period marked one of the first major global economic disruptions of the 20th century, with implications that influenced economic policies and practices for decades. **The methodological basis** of the study was the application of historical and economic analysis, comparative analysis and review of the latest studies related to economic crises. The focus is on analyzing the economic conditions in Eastern Europe before and after the crisis, as well as the impact on industrial and agricultural sectors, financial systems, and social spheres. Key variables such as production dynamics, international trade, price changes, and employment rates are examined to provide a comprehensive understanding of the crisis's multifaceted effects. The study also considers the varying degrees of economic development across countries to highlight commonalities and differences in their experiences and responses.

The novelty of this research lies in the comparative analysis of the crisis's impact on different Eastern European countries, identifying both common and divergent features in the crisis's manifestation and consequences. This approach deepens the understanding of how regional and national characteristics influenced the crisis's severity and outcomes. Furthermore, the research examines the effectiveness of different economic policies and stabilization measures adopted in response, providing insights into the resilience and adaptability of their economic systems.

Conclusions. The economic crisis of 1900–1903 significantly impacted Eastern Europe, affecting various aspects of their economies. The crisis revealed structural problems, common traits, and specific features that defined events in each country. It highlighted the need for structural reforms and modernization to prevent similar crises and ensure sustainable economic growth. Long-term consequences included shifts towards more regulated economic relationships and increased government intervention. The analysis underscores the importance of learning from past disruptions to build resilient economic systems capable of withstanding future global shocks. Understanding the historical and economic contexts that shaped these experiences can help policymakers develop strategies to manage and mitigate future crises.

Keywords: economic crisis, Eastern Europe, 1900–1903, industry, agriculture, financial system, social sphere

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СХІДНА ЄВРОПА ДО І ПІСЛЯ ГЛОБАЛЬНОЇ ЕКОНОМІЧНОЇ КРИЗИ 1900–1903 РР.

Ількін Зульфугар Мустафаєв*

Анотація

Метою статті є аналіз впливу економічної кризи 1900–1903 років на Східну Європу, виявлення загальних і специфічних рис кризи в різних регіонах та оцінка довгострокових наслідків для економічного розвитку, соціальної сфери і політичних процесів. Цей період ознаменувався одним із перших великих глобальних економічних потрясінь 20 століття, наслідки якого десятиліттями впливали на економічну політику та практику. **Методологічною основою дослідження** стало застосування історичного та економічного аналізу, порівняльного аналізу та огляду останніх досліджень, що стосуються економічних криз. Основна увага приділяється аналізу економічних умов у Східній Європі до і після кризи, а також їх впливу на промисловий і сільськогосподарський сектори, фінансові системи і соціальну сферу. Аналізуються ключові змінні, такі як динаміка виробництва, Міжнародна торгівля, зміни цін та рівень зайнятості, щоб забезпечити всебічне розуміння багатогранних наслідків кризи. Дослідження також розглядає різні рівні економічного розвитку в різних країнах, щоб підкреслити спільні риси та відмінності в їхньому досвіді та реагуванні.

Наукова новизна даного дослідження полягає в порівняльному аналізі впливу кризи на різні країни Східної Європи, виявленні як загальних, так і відмінних рис в проявах кризи та його наслідки. Цей підхід поглиблює розуміння того, як регіональні та національні особливості вплинули на гостроту кризи та її наслідки. Крім того, в дослідженні розглядається ефективність різних заходів економічної політики та стабілізації, прийнятих у відповідь, що дозволяє отримати уявлення про стійкість і адаптивність їх економічних систем.

Висновок. Економічна криза 1900–1903 років справила значний вплив на Східну Європу, торкнувшись різних аспектів економіки цих країн. Криза виявила структурні проблеми, спільні риси та специфічні особливості, які визначили розвиток подій у кожній країні. У ньому підкреслювалася необхідність структурних реформ і модернізації для запобігання подібних криз і забезпечення стійкого економічного зростання. Довгострокові наслідки включали перехід до більш регульованих економічних відносин і посилення державного втручання. Проведений аналіз підкреслює важливість вивчення минулих потрясінь для створення стійких економічних систем, здатних протистояти майбутнім глобальним потрясінням. Розуміння історичних та економічних умов, які сформували цей досвід, може допомогти директивним органам розробити стратегії управління майбутніми кризами та пом'якшення їх наслідків.

Ключові слова: економічна криза, Східна Європа, 1900–1903 рр., промисловість, сільське господарство, фінансова система, соціальна сфера

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Introduction

The economic crisis of 1900–1903 was one of the first major global economic shocks of the 20th century, caused by many factors and had serious consequences for the economies of many countries. This period is characterized as a phase of economic recession within the framework of long-term business cycles defined in subsequent years. Among the main causes of the crisis are excessive production, speculative investments, instability of the gold standard and other factors¹.

In addition, it is important to consider the role of international trade, changes in production technologies, increased competition in world markets and the impact of these factors on economic dynamics. A detailed study of the characteristics of the crisis involves an analysis of the dynamics of production cuts, international trade, changes in prices of goods and securities, as well as changes in employment and income. Special attention should be paid to the differences in the manifestations of the crisis in different countries and regions. The analysis of the consequences of the crisis includes an assessment of its impact on economic development, social sphere and political processes in various countries. It is important to consider how the crisis has affected economic policy, including measures to stabilize the economy, and what lessons have been learned by governments and economic theorists². The long-term consequences of the crisis include the transition to new forms of regulation of economic relations, a change in the role of the state in the economy, as well as the impact on international economic relations and the formation of the world economic order. For a deep understanding of the features of the crisis of 1900–1903, it is useful to conduct a comparative analysis with other major economic crises of the 20 and 21 centuries. Such an analysis will help to identify common patterns and specific features of various economic downturns, as well as to assess the effectiveness of applied measures and adaptation to crisis phenomena³ to partially prevent them and reduce the consequences on the global economy, which is especially relevant today.

Analysis of recent research and publications

The study of the problem of economic crises in the early twentieth century, including the crisis of 1900–1903, has been widely reflected in the works of many economists and historians. For example, R. Blau⁴ and J. Roberts⁵ analyze in detail the causes and characteristics of this crisis, highlighting factors such as excess production, speculative investments and instability of the gold standard. It is important to note the role of international trade and changes in production technologies, which is also emphasized in Hansen's research (1964). The study of the economic consequences of the

¹ Блау Р. Экономический кризис 1900–1903 гг. М.: Наука, 1023. С. 45–48.

² Johnson H. Economic Policy and Social Processes. New York: Routledge, 1987. P. 134–137.

³ Schmitt P. Global Economic Trends... P. 80–92.

⁴ Блау Р. Экономический кризис... С. 45–48.

⁵ Roberts J. International Trade and Economic Dynamics. London: Macmillan, 1931. P. 112–115.

crisis includes the work of H. Johnson (1987), who examines the impact of the crisis on economic policy and social processes in various countries. The long-term consequences of the crisis, such as the changing role of the state in the economy and the impact on international economic relations, are investigated by P. Schmitt⁶. Nevertheless, many aspects of the problem remain insufficiently studied. There is a lack of comparative studies that would consider in detail the differences in the manifestations of the crisis in different countries and regions of Eastern Europe. Also, little attention is paid to the analysis of regional and national characteristics, which makes this study especially relevant.

Formulation of the purpose of the article

The purpose of this article is to conduct a detailed analysis of the impact of the economic crisis of 1900–1903 on the countries of Eastern Europe, to identify common and specific features of crisis phenomena in various regions, as well as to assess the long-term consequences of the crisis for economic development, social sphere and political processes.

The objectives of the study are:

1. Analysis of economic conditions in Eastern Europe before the crisis of 1900–1903.
2. The study of the dynamics of the crisis and its manifestations in various countries of the region.
3. Assessment of the impact of the crisis on the industrial and agricultural sectors, the financial system and the social sphere.
4. Identify lessons learned from the crisis and their impact on economic policy and regulation.

Research results

At the beginning of the 20th century, Eastern Europe was a region with diverse political and economic structures. The following countries and territories were part of Eastern Europe: - The Russian Empire (including modern Russia, Ukraine, Belarus, Moldova, the Baltic States and part of Poland). The Austro-Hungarian Empire (including modern Austria, Hungary, the Czech Republic, Slovakia, Slovenia, Croatia, Bosnia and Herzegovina, as well as parts of Poland and Ukraine) The Ottoman Empire (which controlled the territories of modern Turkey, Greece, Bulgaria, Northern Macedonia, Albania, Serbia and Montenegro) - the Kingdom of Romania and the Kingdom of Serbia. For a general idea of the scale of the crisis and the economic consequences for the countries of Eastern Europe, it is necessary to give a brief description of the pre-crisis period. The economy of Eastern Europe before the crisis was predominantly agrarian, with developed agricultural products and limited industrialization⁷. Before the crisis of

⁶ Schmitt P. *Global Economic Trends*. Berlin: Springer, 2005. P. 8–92.

⁷ Кляйин А. *Экономика Восточной Европы*. Москва: Прогресс, 1998. С. 23–25.

1900-1903, the Russian Empire was in a state of dynamic economic development characterized by significant changes in various sectors of the economy.

At the end of the 19th century, active industrialization began in Russia, which led to an increase in industrial production. The main industrial centers were concentrated in St. Petersburg, Moscow, the Urals and other regions. The main industries were metallurgy, textile industry, mechanical engineering and coal mining⁸. Agriculture remained the most important sector of the economy, providing employment and income for a significant part of the population. However, the agricultural sector faced problems such as land shortages, low productivity and high taxes. Crop failures in the late 1890s worsened the situation of the peasantry, which led to an increase in debt burden and social tension⁹. The social structure of the Russian Empire at the end of the 19th century was extremely heterogeneous. Peasants made up about 80% of the population and experienced significant difficulties due to agrarian problems. The working class, whose numbers grew rapidly due to industrialization, also faced difficult working conditions, low wages and a lack of social guarantees. Under these conditions, the labor struggle intensified, which led to an increase in the number of strikes and protests¹⁰. Russia's political system was autocratic, with the absolute power of the tsar and the absence of significant political freedoms. The Government of Nicholas II pursued a repressive policy against all forms of opposition and restricted civil rights. This caused an increase in revolutionary sentiments among various social groups, especially among workers and intellectuals¹¹. Even before the crisis, Russia's financial system was experiencing difficulties. Despite significant foreign investments aimed at developing industry and infrastructure, the country's financial stability remained fragile. The state budget was in deficit, and foreign exchange reserves depended on fluctuations in world prices for commodities such as grain and oil. Before the crisis of 1900-1903, Russia was a country of contrasts: against the background of industrial growth and modernization, serious agrarian problems, social inequality and political instability were observed. These factors created favorable conditions for the economic and social crisis that broke out at the beginning of the 20th century.

The Austro-Hungarian Empire

The Austro-Hungarian Empire, which included modern Austria, Hungary, the Czech Republic, Slovakia, Slovenia, Croatia, Bosnia and Herzegovina, as well as parts of Poland and Ukraine, was one of the largest multinational powers in Europe. The economy of the empire before the crisis of 1900-1903 was characterized by significant regional differences and heterogeneity. Industrial development was most intense in the western

⁸ Georgescu V. *Economic Development of Romania*. Bucharest: Humanitas, 1998. P. 45-47, 48-50.

⁹ Троцкий Л. *Аграрные проблемы России*. Москва: Политиздат, 1996. С. 23-25.

¹⁰ Каганович Л. *Социальные движения в России*. Москва: Вече, 1999. С. 78-80.

¹¹ Fitzpatrick S. *Everyday Stalinism: Ordinary Life in Extraordinary Times: Soviet Russia in the 1930s*. Oxford University Press, 2000. P. 102-104.

part of the empire, especially in Austria and the Czech Republic. Key industries were concentrated here: mechanical engineering, metallurgy, textile and chemical industries. Prague, Vienna and Brno were major industrial centers¹². Agriculture remained the main industry in the eastern and southern regions such as Hungary, Slovakia and the Balkans. These regions specialized in the production of grain, grapes and animal husbandry. However, agricultural regions often suffered from low productivity and insufficient modernization of agricultural methods. The social structure of the Austro-Hungarian Empire was extremely complex due to the multinational composition of the population. The empire included many ethnic groups: Germans, Hungarians, Czechs, Slovaks, Croats, Serbs, Poles, Ukrainians and others. This has led to significant cultural and linguistic differences that have created tensions and conflicts between different national groups.

The political system of the empire was a dualistic monarchy divided into Austrian and Hungarian parts, each of which had its own parliaments and government structures. Emperor Franz Joseph I retained considerable power and influence over both parts of the empire. However, national movements for autonomy and independence intensified, which led to political instability¹³. Before the crisis of 1900-1903, the financial system of the Austro-Hungarian Empire was in a state of relative stability, despite regional differences in the level of economic development. The currency of the empire was the Austro-Hungarian krona, introduced into circulation in 1892. The central bank of the Empire, the Austro-Hungarian bank, controlled the money supply and pursued a credit policy. Economic development in different parts of the empire was heterogeneous, which affected financial stability. More developed regions such as Austria and the Czech Republic were the main budget donors, while less developed regions such as the Balkans required more public investment and subsidies. Before the crisis of 1900-1903, the Austro-Hungarian Empire was a large multinational power with a diverse economy and a complex social structure. Regional differences in the level of development and ethnic tensions created prerequisites for economic and political problems, which worsened during the crisis¹⁴.

The Ottoman Empire

At the beginning of the 20th century, the Ottoman Empire controlled the territories of modern Turkey, Greece, Bulgaria, Northern Macedonia, Albania, Serbia and Montenegro. The empire's economy was characterized by significant regional differences and was predominantly agrarian. The main industries were agriculture and small craft production. Crops, cotton, tobacco and fruits were grown in agriculture. However, the agricultural sector suffered from low productivity, outdated farming methods and lack of investment. Industry was poorly developed and concentrated mainly in Istanbul and

¹² Kahan H. Austro-Hungarian Empire. Berlin: Springer, 2001. P. 51-54.

¹³ Paterson L. Political System of the Austro-Hungarian Empire. London: Routledge, 2000. P. 102-104.

¹⁴ Mitrovich N. Economic Reforms in Austria-Hungary. Budapest: Corvina, 2000. P. 67-70.

some large cities¹⁵. International trade played an important role in the empire's economy, but the trade balance was negative, which increased dependence on foreign loans. The construction of railways and the development of ports were important aspects of economic policy aimed at modernizing infrastructure and improving transport accessibility. The social structure of the Ottoman Empire was multinational and multi-confessional. Most of the population were Muslims, but significant groups of Christians and Jews also played an important role in society. Ethnic groups included Turks, Greeks, Bulgarians, Serbs, Albanians and others. This created a diversity of cultures and traditions, but also led to ethnic and religious tensions¹⁶. The political system of the Ottoman Empire was an absolute monarchy headed by a sultan. The Sultan's power was virtually unlimited, although real power was often distributed among various factions at court and in the army. Internal reforms, known as Tanzimat (1839-1876), were aimed at modernizing the state and society, but by the beginning of the 20th century their results remained partial and ambiguous. The financial condition of the Ottoman Empire before the crisis of 1900-1903 was unstable. The Empire experienced chronic budget deficits, high public debt and dependence on foreign loans. The main creditors were the European powers, which increased foreign policy pressure on the empire¹⁷. The financial reforms of the late 19th century, including the creation of the Ottoman Bank and the introduction of new tax systems, proved insufficient to stabilize the economy¹⁸.

Thus, as we can see, before the crisis of 1900-1903, the Ottoman Empire was a multinational state with a predominantly agrarian economy and a complex social structure. Regional differences in the level of economic development, ethnic and religious tensions, as well as financial instability created prerequisites for economic and social problems that worsened during the crisis. Kingdom of Romania Before the crisis of 1900-1903, the Kingdom of Romania, like many other countries, was experiencing a period of economic growth based mainly on agriculture. Romania was a major grain exporter, accounting for the bulk of its exports. Winemaking and animal husbandry also played an important role in the economy. However, agriculture suffered from outdated farming methods and low productivity, which made the economy vulnerable to external shocks and natural disasters. Industry in Romania was poorly developed, except for the oil industry, which began to gain momentum at the end of the 19th century. Bucharest and Ploiesti have become centers of oil production and refining. The Romanian railway network expanded, which contributed to the development of domestic trade and exports. The social structure of the Kingdom of Romania was predominantly agrarian. Most of the population were peasants who lived in conditions of poverty and low land. The agrarian issue remained one of the key social problems. The land reform carried out in 1864 could

¹⁵ Shaw S. *The Ottoman Empire and Economy*. New York: Oxford University Press, 1977. P. 45-47.

¹⁶ *Ibid.* P. 78-80.

¹⁷ Карпов В. *Финансовая нестабильность Османской империи*. Санкт-Петербург, 1999. С. 45-47.

¹⁸ Кинрос Л. *Экономика Османской империи*. Стамбул, 1999. С. 34-36.

not completely solve the problems of low land and poverty among the peasantry¹⁹. Romania's political system was a constitutional monarchy headed by King Carol I. Political life was relatively stable, although there were significant social and economic problems in the country. The Parliament and the government pursued a policy of modernization and economic development, but the real improvement in the living conditions of most of the population was limited. Romania's financial situation was stable before the crisis, although the country's economy depended on agricultural exports. The state budget was balanced, and the government actively attracted foreign investments for the development of infrastructure and industry²⁰. However, the financial system remained vulnerable to external economic fluctuations.

Kingdom of Serbia

Before the crisis of 1900–1903, the Kingdom of Serbia was at the stage of economic modernization. The country's economy was also predominantly agricultural, with a major focus on grain, tobacco, fruit, and animal husbandry. Agriculture remained the main source of income for most of the population but suffered from low productivity and lack of modern agricultural technologies²¹. Industry in Serbia began to develop at the end of the 19th century, especially textiles and food. Railways have played an important role in facilitating domestic trade and the export of agricultural products. The construction of railways was a priority task of the government aimed at improving transport infrastructure and economic development. The social structure of the Kingdom of Serbia was mainly agrarian, with a predominance of the peasantry. The peasants lived in relative poverty, and the agrarian question was one of the main social problems. Social reforms were carried out slowly, which led to discontent among the peasantries. Serbia's political system was a constitutional monarchy with a relatively stable political life. King Alexander I and the government sought to modernize and develop the country. However, political stability was often disrupted by internal conflicts and power struggles between various political groups. Serbia's financial situation before the crisis was relatively stable, although the country depended on agricultural exports. The state budget was balanced, and the Government actively attracted foreign investment to develop infrastructure and industry. The financial system remained vulnerable to external economic fluctuations.

Discussion

The main interest to this day is the behavior of countries during the global economic crisis. This is since the economic crisis of 1900–1903 had a significant impact on the countries of Eastern Europe, exacerbating existing economic and social problems. The consequences of the crisis manifested themselves in different ways in different

¹⁹ Liviu P. Sotsialnaia struktura Rumynii. Bukharest: Editura Academiei, 2000. P. 73–75.

²⁰ Nikolesku A. Finansovaia stabilnost Rumynii [Financial Stability of Romania]. Bukharest: Polirom, 2002. P. 58–60.

²¹ Петрович Д. Экономическая модернизация Сербии. Белград, 1999. С. 53–55.

regions and countries of Eastern Europe and had various temporary and devastating consequences. Let's take a closer look at each of them during a crisis encounter. At the end of the 19 – beginning of the 20 century, Russia completed the formation of a large capitalist production system and became one of the world powers experiencing a new stage of economic development. The English economist John Hobson in 1902, noting the transition from the era of free competition to the era of monopolistic capitalism, called this period 'imperialism'²². At that time, Finance Minister Sergei Yulievich Witte, who held this post from 1892 to 1903, actively promoted the rapid industrial development of Russia, building on the achievements of previous periods, starting with the era of Peter the Great. These efforts were aimed at ensuring that within a decade Russia could catch up with the industrialized countries of the West.

The unstoppable growth of agricultural production, including a significant increase in acreage and grain production, led to an increase in exports. Russia has become one of the largest bread suppliers in the world. Considering the main events that caused significant historical changes at the beginning of the 20th century, it is necessary to consider the scale of overproduction. Until the end of the 19th century, Russia remained an agro-industrial country, where more than 75% of the population was employed in agriculture. During this period, the share of national income increased from 54% to 55.7%. The yield of land increased from 34 pounds from tithes in 1881 to 39 pounds on peasant lands and 42-47 pounds on landowners' lands in 1900. From 1883 to 1905, the acreage in the European part of Russia increased by about 10%. Grain production increased from 56 million tons in 1891 to 90 million tons in 1901. The average annual grain export from 1894 to 1898 was about 3.6 million tons, but at the beginning of the 20 century in some years it reached 10 million tons²³.

The fall in grain prices on the domestic and world markets worsened the economic situation of the peasants, which led to an increase in social discontent. Export markets were under increasing pressure, especially due to the increase in local agricultural production in European countries and the introduction of protective duties. These events contributed to the growth of political instability, which eventually led to the first Russian Revolution of 1905. Thus, overproduction in agriculture became one of the main factors of the economic crisis of 1900-1903, highlighting deep social and economic contradictions in Russian society and causing significant historical changes at the beginning of the 20th century.²⁴

The Austro-Hungarian Empire

At the end of the 19 – beginning of the 20 century, the Austro-Hungarian Empire completed the formation of a large capitalist production system and became one of the

²² Персиановский Д. История России: XX век. Курс лекций. Москва: Прогресс, 2015. С. 9-11.

²³ Анфимов А. Крупное помещичье хозяйство европейской России (конец XIX – начало XX века). Москва: Наука, 1969. С. 11-13.

²⁴ Шилов Д. Перепроизводство в сельском хозяйстве России. Москва: Прогресс, 2001. С. 34-36.

leading economic centers in Europe. This period is characterized by a significant increase in industrial production and infrastructure development. In the western regions of the empire, such as Austria and the Czech Republic, mechanical engineering, metallurgy and the textile industry were actively developing²⁵. An important figure in the economic development of Austria-Hungary was Prime Minister Ernest von Koehler, who carried out reforms aimed at modernizing the economy and improving the social sphere. His efforts contributed to a significant increase in industrial production and improved living conditions in cities. Agriculture also played an important role in the economy of the Austro-Hungarian Empire. The main agricultural regions, such as Hungary and the Balkans, specialized in grain production, wine and animal husbandry. However, the agricultural sector suffered from low productivity and outdated farming methods, which made it vulnerable to external economic shocks and natural disasters. Economic growth in agriculture led to the crisis of 1900–1903, which became one of the largest economic shocks in the history of the Austro-Hungarian Empire. The main cause of the crisis was the overproduction of agricultural products and a decrease in global demand, which led to a drop in product prices. This had a negative impact on the incomes of farmers and peasant women, worsening their financial situation. The unstoppable growth of agricultural production, including a significant increase in acreage and grain production, led to an increase in exports. Austria-Hungary has become one of the largest grain suppliers in the world. However, the overproduction of grain led to a drop in prices on both domestic and global markets, which further worsened the economic situation of peasants and caused social discontent²⁶. The growth of agricultural production in European countries and the introduction of import duties by them aggravated the situation of Austro-Hungarian exporters. Economic difficulties have led to a wave of social and political unrest. Interethnic conflicts intensified, especially in the multinational regions of the empire, which led to the growth of nationalist movements and demands for autonomy. Thus, overproduction in agriculture became one of the main factors of the economic crisis of 1900–1903, highlighting the deep social and economic contradictions in Austro-Hungarian society and causing significant historical changes at the beginning of the 20th century.

The Ottoman Empire At the end of the 19 – beginning of the 20 century, the Ottoman Empire sought to complete the modernization of its economy and strengthen its position on the world stage. This period is characterized by attempts at reforms and modernization aimed at improving infrastructure and industrial production. Construction projects such as railways and ports played an important role in this process, which contributed to the development of trade and the improvement of the transport network²⁷. Agriculture played a key role in the economy of the Ottoman Empire. The main agricultural regions, such as Anatolia and the Balkans, specialized in

²⁵ Kahan H. *Austro-Hungarian Empire*. Berlin: Springer, 2001. P. 51–54.

²⁶ Brook D. *Ethnic Tensions in Austria-Hungary*. London: Cambridge University Press, 1998. P. 78–80.

²⁷ Shaw S. *The Ottoman Empire and Economy*. New York: Oxford University Press, 1977. P. 45–47, 78–80.

the production of grain, cotton, tobacco and fruits. However, the agricultural sector suffered from low productivity and outdated farming methods, which made it vulnerable to external economic shocks and natural disasters²⁸.

Conclusions

The economic crisis of 1900–1903 had a significant impact on the countries of Eastern Europe, covering various aspects of their economies. It manifested itself in a sharp decline in industrial production, problems in agriculture and financial difficulties. Despite the diversity of economic structures and levels of development, the crisis has revealed both common features and specific problems specific to each country in the region.

Among the common features of the crisis in agriculture in Eastern Europe, in our opinion, it is possible to distinguish:

1. Overproduction and falling prices: The main problem of agriculture in Eastern Europe was the overproduction of agricultural products, which led to a sharp decline in prices on the global and domestic markets. This had a negative impact on the incomes of farmers and peasant women, worsening their financial situation.

2. Low productivity: Outdated farming methods and lack of investment in agriculture aggravated the situation, making this sector especially vulnerable to external economic shocks and natural disasters.

The distinctive features include 1. Regional differences: In some regions, such as the Balkans, production was more diversified (for example, winemaking, tobacco cultivation), which helped mitigate the effects of the crisis. At the same time, the crisis was most acute in areas dependent on grain production.

3. Export markets: The introduction of protective duties in Western European countries has worsened the situation of Eastern European exporters, especially in countries with a high share of agricultural exports, such as Romania and Serbia.

The following common features can be distinguished in the industrial sector:

1. Reduction in production: The crisis has led to a significant reduction in industrial production. Many enterprises were forced to reduce production or close down due to falling demand and difficulties with access to capital.

2. Unemployment and strikes. Rising unemployment and deteriorating working conditions caused a wave of strikes and social protests, especially in industrial centers.

Distinctive features 1. Diversity of industrial production: In Austria-Hungary, industrial production was more diversified and developed in sectors such as mechanical engineering, metallurgy and the textile industry. This made it possible to partially mitigate the effects of the crisis in comparison with regions where industrial production was less developed.

²⁸ Inalcik H. *International Trade in the Ottoman Empire*. London: I.B. Tauris, 1997. P. 52–54, 102–104.

3. Regional differences in development: In Eastern Europe, there were significant differences in the level of industrial development between regions, which determined the different levels of impact of the crisis on the local economy.

The crisis in the financial sector also had both general and individual characteristics for each country. The most common signs are budget deficits and public debt: the crisis has exacerbated financial problems, causing an increase in budget deficits and public debt. This was especially noticeable in countries dependent on external loans and foreign investments.

4. Capital outflow: Distrust of financial institutions and instability led to capital outflow, which aggravated financial difficulties.

Distinctive features 1. Financial reforms and measures: Attempts have been made in some countries to implement financial reforms and stabilization measures. For example, the creation of central banks and the introduction of new tax systems, although they have not always proved effective.

5. Differences in access to capital: More developed regions, such as Austria within Austria-Hungary, had better access to capital and financial resources, which made it easier for them to overcome the crisis compared to less developed regions.

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