

THE DECLINE OF SPAIN

The "decline" of the overstretched Spanish Empire was first noted in 1600. Had the Spain of the Catholic kings fallen from God's favor? Castilians themselves still regarded Spain as a haven of peace and prosperity compared to the rest of Europe, which was wracked by religious wars.

The Dutch Revolt

The decline of Spanish power began with the Dutch revolt. In the Netherlands, Dutch nobles and officials resented higher taxes imposed by the Spanish crown. Above all, many of the Dutch were angered by the Spanish king's attempt to promote the Catholic Reformation by imposing the Inquisition in a land where most people were Calvinists. In the early 1560s, resistance first began against the presence of Spanish border garrisons and then against the unpopular governor.

In 1567, Philip II appointed the arrogant duke of Alba (1507–1582) to restore order in the north with 10,000 Spanish troops. The ruthless Castilian executed prominent Calvinist nobles on the central square of Brussels, established military courts, imposed heavy new taxes, and virtually destroyed self-government in the Netherlands. But Alba's reign of terror as governor also helped transform the resistance of Dutch nobles and officials, led by William of Orange (1533–1584), into a national revolt.

Alba believed that "everyone must be made to live in constant fear of the roof breaking down over his head" and warned that he was "resolved not to leave a creature alive, but to put them all to the sword." Alba's Council of Troubles, known to the Dutch as the "Council of Blood," executed thousands of people from 1567 to 1573, leading a Catholic bishop to claim that in six years Alba had hurt the Church more than Luther and Calvin combined.

In 1572, rebellion became full-fledged insurrection. Spanish troops dominated on land, but the Dutch controlled the sea. When a Spanish army undertook a siege of Leiden, southwest of Amsterdam, the people of the town opened the dikes, and Dutch ships sailed over the rushing waters to drive the Spaniards away. But Alba's successor earned victories in the Southern Netherlands. There Catholic nobles began to have second thoughts about continuing a struggle launched by Dutch Protestants. They detached the southern provinces from the rebellious federation. In 1579, the Dutch provinces formed the Union of Utrecht, and two years later they declared their independence from Spain as the Dutch United Provinces.

For the moment, Spain could supply its armies because Alba's armies had recaptured some of the Southern Netherlands, while Philip maintained peace with England. As the Dutch revolt wore on, however, the problems of fighting a war a thousand miles away plagued the Spanish



han playhouse

e to provide
London with
write plays.
ering rivals,
h our feath-
n's Men, an
,000
ats at such
st tickets at
kards" who

ey did not.
eater. The
l in an inn
en Jonson
ions, most
ls tried to
ase spread
t profanity

: struggles
, England
rld. Eliza-
her reign,
and pow-



King Louis XIV (on the left) visiting the royal Gobelins tapestry manufacture on the edge of Paris.

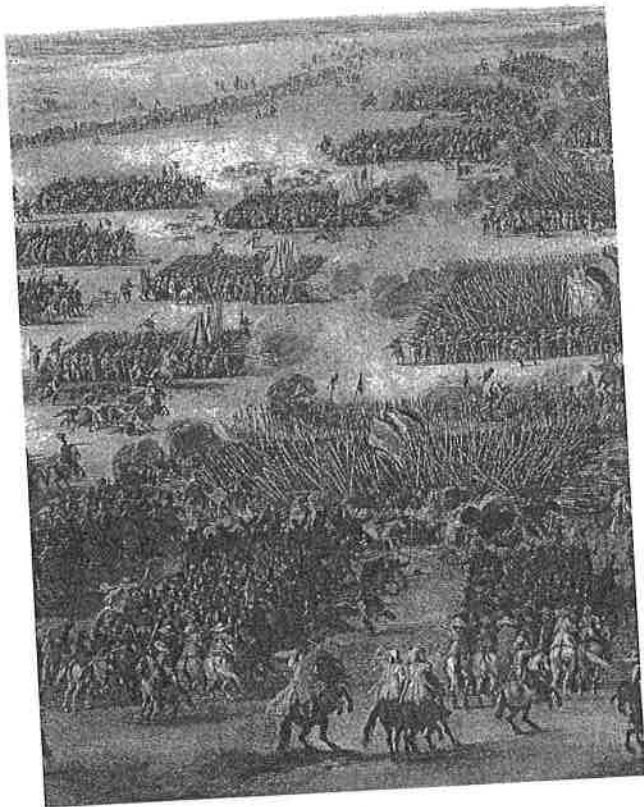
were not much different from those that characterized the hodgepodge of German states.

While the king was a master of extracting revenue from his subjects, his greatest talent was for emptying the royal coffers with dizzying speed. Louis XIV and his successors plunged the monarchy into an ever-deepening and eventually disastrous financial crisis.

The Absolute Louis XIV

As Louis XIV grew into manhood, he looked the part of a great king and played it superbly. Handsome, proud, energetic, and decisive, Louis built his regime more on ceremony than on intelligence and sense. His love of gambling, hunting, and women sometimes took precedence over matters of state. But he also supervised the work of the high council of his prominent officials, and, though a spendthrift, he closely monitored the accounts of his realm.

The king became a shrewd judge of character, surrounding himself with men of talent. He consciously avoided being dependent on any single person, the way Louis XIII had been on Richelieu, or his mother on Cardinal Mazarin. During a visit to the château of Vaux-le-Vicomte, built by the unpopular minister of finance Nicolas Fouquet, Louis was served with solid gold tableware and viewed pools filled with seawater and large saltwater fish. The king, who was ready to get rid of Fouquet anyway, promptly ordered him arrested and took the magnificent château for himself.



Prince William of Orange leading the revolt in the Netherlands against higher taxes from the Spanish crown. The Dutch revolt signified the decline of Spanish power.

king. Military contractors or entrepreneurs recruited mercenaries, and Italians, Burgundians, Germans, and Walloons made up much of the Spanish army.

Spanish routes for troops, supplies, and bullion to the Netherlands had to be maintained through a combination of diplomatic charm, cunning, and coercion. As allegiances and the fortunes of war eliminated first the Palatinate and then Alsace and Lorraine as routes through which armies could pass, the Spanish forged the "Spanish Road" as a military corridor (see Map 5.3). It began in Genoa, went overland across the Alps, and then passed through Lombardy and Piedmont, Geneva, Franche-Comté, Lorraine and, finally, the Duchy of Liège, with Spanish agents assuring supplies along the way.

Compared to other armies fighting in Europe at the same time, the Spanish army seemed better only in terms of medical attention. Spain's acute problems of recruiting and supply were exacerbated by dubious efforts to save money—for instance, charging sharpshooters for powder and shot. The army's guarantee to carry out the written wills made by soldiers also seems to have been a curiously self-defeating approach to inspiring confidence. Mutinies—the largest involving non-Spanish troops—occurred with ever more frequency as troops demanded payment of back wages, better and more regular food, and decent hospital conditions. Soldiers deserted, encouraged and aided by Dutch agents, as well as

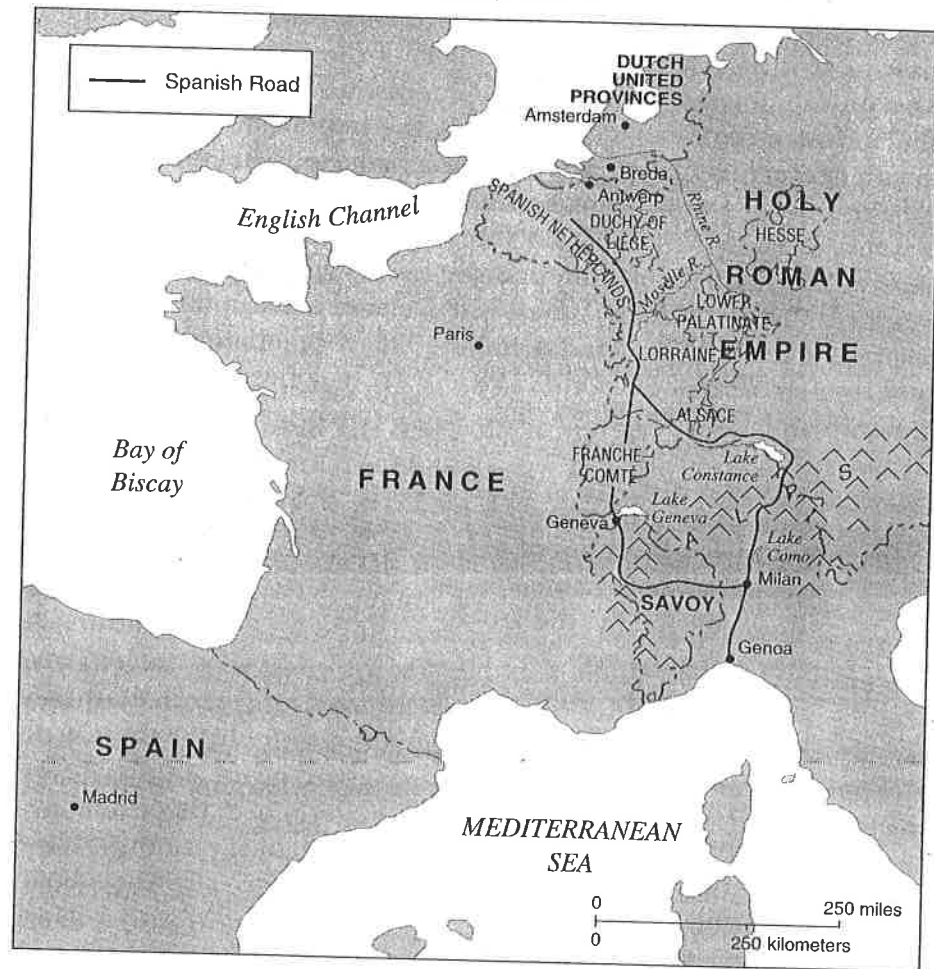
by
Spa
fro
7
shi
tro
the
gar
ass
A
bac
riv
tov
sys

by those of France, against whom Spain was also warring. By 1577, the Spanish army in the Netherlands, unpaid for months, had dwindled in size from 60,000 to no more than 8,000 men.

Throughout the long war, the superior Dutch fleet kept the Spanish ships in port, while the English navy, allied with the Dutch in 1586, controlled the English Channel. When the Spanish fleet sailed north in 1588, the result was the disastrous defeat of the Armada. The ships of "sea beggars," as they were called, fighting under William of Orange (until his assassination in 1584), then harassed Spanish ships.

At the beginning of the seventeenth century, the Dutch gradually fell back behind protective town fortifications and natural barriers formed by rivers. The war became a series of long Spanish sieges against frontier towns, defended by brick fortifications, bastions, and moats—a defensive system that had its origins with the Italian city-states. With the defense

MAP 5.3 THE SPANISH ROAD The route taken by the Spanish armies, supplies, and money to the Netherlands was long and difficult, as it passed through mountainous terrain and many states.



of Orange
ult in the
st higher
Spanish
revolt sig-
of Spanish

aries, and
ch of the

lands had
cunning,
first the
ch armies
corridor
and then
nté, Lor-
ring sup-

ime, the
Spain's
dubious
powder
made by
roach to
-Spanish
payment
al condi-
s well as

having a marked advantage, towns could be conquered only by being starved out.

France withdrew from the war in 1598, and England withdrew six years later. But a truce between the Spanish and the Dutch, signed in 1609, ended in 1621. In Holland the "war party" won the upper hand. Led by Maurice of Nassau (1567–1625), who was the son of William of Orange, the war party appealed to Calvinist religious orthodoxy by calling for a crusade against Catholicism that would also free the Southern Netherlands from Spanish rule. Army officers and merchant traders wanted to keep the struggle against Spain going as long as possible. It dragged on, an expensive drain on the Spanish economy.

Economic Decline

Economic decline—above all, that of Castile in the middle decades of the seventeenth century—underlay Spain's fall from a position of European domination. But decline is, of course, relative. Spain remained an important state even though its population, which had risen to well over 6 million people during the last half of the sixteenth century, fell by almost a quarter to about 5.2 million by the middle of the seventeenth century, as harvest failures, plague, smallpox, and emigration took their tolls.

The "price revolution," a sharp rise in the level of inflation during the sixteenth century in Europe, may well have affected Spain less than some parts of northern Europe, but it still had adverse effects on the Spanish monarchy. Gold and silver from the Americas accelerated inflation by increasing the supply of money, as did royal monetary policies of currency debasement. The monarchy, which had declared bankruptcy in 1557, suspended payments in 1575, and again in 1596, renegotiating loans at more favorable rates. From 1568 to 1598, Spain had five times the military expenditures of the Dutch, English, and French combined. One of the results of so many expensive wars was that Spain lost its margin of safety when it experienced a series of epidemics, plagues, and harvest failures beginning in 1576 and continuing for most of the last quarter of the century. The economy slipped into stagnation. To one noble it already seemed that "the ship is sinking."

Forced to take out large loans from foreign bankers at disadvantageous interest rates, the state attempted to find new sources of revenue. To raise funds, the crown imposed a tithe, or assessment of a tenth of the most valuable piece of real estate in each parish, and in 1590 the Castilian Cortes agreed to an extraordinary tax assessed on towns. An excise (sales) tax was imposed on consumption. This undermined the economy by encouraging the middle class to abandon business in favor of the acquisition of perpetual privileges—and thus tax exemptions—as they obtained noble status. The monarchy's massive expulsion of the Moriscos in 1609 proved counterproductive. The king succumbed to pressure from the

Catholic Church and from wealthy families eager to seize Moorish land. The region of Valencia lost one-third of its population, including many skilled craftsmen and some of the most able and advanced farmers.

Nobles added the lands of indebted peasants to their large estates (*latifundia*), but they showed little interest in increasing the productivity of their land, in contrast to their English counterparts. They turned fields into pastureland or simply left them untended. Royal policies may also have damaged the agricultural economy. Farmers were hampered by a state-imposed fixed maximum for grain prices, which discouraged ambitious agricultural initiatives. Toward the end of the sixteenth century, Spain had become dependent on imported grain. Royal policies also favored sheepherding over farming—because it was easier to collect taxes on sheep than on agricultural produce—and many landowners converted marginal land into pasture for sheep and expanded their home textile manufacturing (as occurred in the Netherlands at the same time). But fine woolens manufacturing suffered from competition with foreign textile imports, especially the lighter cloth brought from France and the Netherlands.

“Conquered by you, the New World has conquered you in turn, and has weakened and exhausted your ancient vigor,” a Flemish scholar wrote a friend in Spain. The Spanish colonies became something of a financial drain on the crown because of the cost of administering and defending them. The flow of Latin American silver, which had paid less than a quarter of the crown’s colonial and military expenses, slowed to a trickle beginning in the 1620s. The colonial market for Spanish goods shrank with the precipitous decline in the Indian population (caused, above all, by disease; see Chapter 1). Furthermore, the colonies had also developed their own basic agricultural and artisanal production and relied far less on Spanish goods. The Atlantic ports of northern Castile endured competition in shipbuilding and commerce not only from Seville and Cádiz, but from Spain’s own colonies, and above all, from England and the Netherlands.

Although the burden of taxes in Castile increased by four times between 1570 and 1670, the Spanish crown proved less efficient in collecting taxes than the monarchs of France and England. More than this, increased taxes on the poor generated more discontent than income. Spain’s Italian subjects resisted contributing money for distant wars that did not concern them. Charles V had largely financed his wars through fiscal impositions on the Netherlands, his wealthiest province. But the Dutch revolt, in addition to dramatically raising royal expenses, stopped the flow of money from the Dutch subjects to the crown and thus drastically reduced royal revenue.

Contemporary Spaniards, particularly Castilians, lapsed into a morose acceptance of decline. The novelist Miguel de Cervantes (1547–1616) had fought with the king’s armies at the Battle of Lepanto (1571), where he received a wound that permanently crippled his left hand. Several years



The painting *A Soldier's Dream* allegorizes Spanish feelings of morose despair and fatalism as the Spanish Empire begins to crumble.

later, he was captured by Turkish pirates. After five years as a slave, he managed to return to Spain. The first part of *Don Quixote* was published in 1605, the second in 1615. On one level it is a humorous tale of a zany noble intent on bringing true chivalry back to Spain, accompanied by his sensible, subservient squire, Sancho Panza. On a deeper level, however, *Don Quixote* is the story of national disillusionment in the face of perceived national decline. Among the next generation of great Spanish writers, the dramatist Pedro Calderón de la Barca (1600–1681) tragically portrayed in his plays the floundering Spanish aristocracy struggling to preserve its honor. Nobles and churchmen, the two pillars of Spain, purchased the work of the increasingly gloomy Greek-born artist El Greco (1541–1614). His *Burial of the Count Orgasz* (1586) shows figures gazing up at a vision of celestial glory, the splendor of which is heightened by the dismal scenes below them on earth.

An Empire Spread Too Thin

Spain's mounting economic problems were exacerbated by the fact that the empire's interests, some of which were defended in costly wars, were spread so widely, not only in Europe, but across the seas. Philip IV (1605–1665), who succeeded to the throne in 1621, was intelligent, strong-willed, lazy, and had a keen interest in the arts. He chose as his

chief adviser Gaspar de Guzmán, the duke of Olivares (1587–1645), an Andalusian noble whose family had, like Spain itself, suffered reverses. The short, fiery, and increasingly obese Olivares sketched ambitious plans to shape the rebirth of Spanish might. Confronted with the growing economic strength of the Dutch rebels, as well as that of the English, Olivares sensed that Spain could not remain a power without a marked economic resurgence. "We must devote all our efforts," he had written, "to turning Spaniards into merchants." The Count Duke, as he was called, mastered his master, convincing the lazy king that only hard work and reform could restore the glories of the not-so-distant past. He would tutor the king, whose chamber pot he once ceremoniously kissed, in the fine art of monarchy.

The Count Duke espoused the growth of monarchical power and state centralization. His motto "one king, one law, one money" generated resistance, in the latter case because of the by then notorious instability of the Castilian currency. At a time when complaints mounted against the extraordinary excise taxes, Olivares sought to subject all of Spain to the laws and royal administration of Castile, promising the king that, if he did so, he would become the most powerful prince in the world.

Olivares wanted to force Dutch capitulation to restore the monarchy's reputation, afraid that the Dutch rebellion might begin a chain reaction that would destroy the empire. He persuaded the king to allow the truce with the Dutch to lapse in 1621, thus necessitating massive expenses for land and sea warfare. Olivares concluded from the Dutch surrender of the fortress town of Breda in 1625 that it was God's will that the fight against the Protestant rebels in the north continue. To preserve the "Spanish Road," Olivares sought to bolster Spanish interests in northern Italy and in Austria, the same expensive strategy employed earlier by Philip II. But France cut the Spanish supply routes in Savoy in 1622 and then in Alsace nine years later. Intermittent hostilities with France lasted from 1628 to 1631, and made more likely a full-scale conflict between the two powers.

Spain could ill afford such conflicts. In 1628, Dutch pirates captured a Spanish fleet loaded with silver. This enormous loss made it imperative that the crown find new resources with which to wage war.



The Count Duke of Olivares.



despair and

slave, he
perished
many
ed by his
however,
e of per-
ish writ-
tragically
gging to
ain, pur-
El Greco
es gazing
ed by the

fact that
rs, were
hilip IV
elligent,
e as his

But for the first time, Castile's monarchs could not establish credit with foreign investors to finance Spain's foreign wars. Increased taxation, the floating of short-term loans through bonds, the sale of yet more privileges, and the imposition of new financial obligations on Aragon and the Italian territories all proved inadequate to the task of financing an expensive, distant war.

Its interests gravely overextended, Spain's position weakened. English ships began to nip at its imperial interests in the Americas. Dutch ships fought the proud Spanish galleons in the West Indies. Three decades of intermittent warfare with France began in 1635, as the Thirty Years' War (see Chapter 4) became a struggle between competing dynasties. As more and more bullion from the Americas had to be diverted to pay military expenses in the Netherlands and Italy, the monarchy demanded new contributions from Catalonia and Portugal, as Spain had assumed the expensive and ultimately extremely damaging responsibility for protecting Portuguese shipping around the world. Tumultuous tax riots broke out in Portugal. The Portuguese upper classes began to resist Spanish authority.

Olivares's decision to demand more taxes from Catalonia proved fateful. Faced with resistance, he ordered the arrest of several Catalan leaders, amid riots in the countryside. Catalan nobles put aside their differences, and a full-scale revolt against Castilian rule began in 1640. Catalan and French forces together defeated the Spanish army. A year later, Andalusian nobles were foiled in a plot to create an independent kingdom there. Nobles in Madrid hatched plots against Olivares. When Portugal proclaimed its independence, there were few Spanish troops there to protest. The vigorous assertion of localism reflected the disillusionment of provincial elites with Castilian power. Philip sent the despondent Olivares into exile in 1643.

However, the illusion of Don Quixote was maintained—that the restoration of traditional aristocratic and ecclesiastical values would restore Spanish power and prestige. Olivares established two court academies intended to train young nobles in the art of government. Heeding the advice of churchmen, he also attempted to ban prostitution and take other such measures in what he considered the interest of traditional morals, censoring the theater and books, prohibiting certain kinds of fancy clothing and long hair. These measures, however, would prove ineffective.

By the 1660s, the Cortes was no longer an impediment to monarchical authority in Castile, and thereafter it was convoked only on ceremonial occasions. Although the Spanish monarchy was damaged by its inability to reform its financial apparatus, the crown continued to extend its reach and solidify its authority against possible provincial rebellions. Over the long run, Spanish rulers weakened parliamentary traditions. Yet enhanced centralization was not matched by more efficient tax collection.

Ironically, amid such signs of decline, the last years of Philip IV and the reign of his pathetic successor, Charles II (ruled 1665–1700), sustained a



Diego de Velázquez's *Surrender of Breda* (1634–1635).

period of considerable cultural accomplishment in the arts and in literature. But this, too, may have been generated by the prevailing mood of introspection. Olivares put dramatists and a small host of other writers to work in the name of glorifying the monarchy and imparting a sense of purpose that he hoped would revive Spain.

King Philip IV added more than 2,000 canvases to what already was a rich royal art collection, including many by Italian masters. He covered the palace walls with grandiose paintings of battle scenes. Diego Velázquez (1599–1660), the court painter, undertook forty portraits of the vain king. Their sharp realism stands as a commentary on the Spanish monarchy's fading glory and disillusionment. Velázquez also commemorated the badly needed—but ultimately fruitless—victory over the Dutch in *The Surrender of Breda* (1634–1635).

In the meantime, the Dutch rebels, aided by increased commercial prosperity, had fought the Spanish armies to a draw. The Treaty of Münster, which was part of the Westphalia settlement of 1648 that ended the Thirty Years' War, officially recognized Dutch independence after a struggle that had lasted three-quarters of a century. The provinces of the Southern Netherlands (modern-day Belgium), which were overwhelmingly Catholic,

remained a Habsburg possession. In Catalonia, Barcelona surrendered to royal troops in 1652. Catalan nobles accepted the supremacy of the crown in exchange for an affirmation of social hierarchy and royal protection against ordinary Catalans who resented their privileges. The Aragonese nobles, too, accepted this compromise.

The Spanish monarchy never learned that it could not fight effectively on a variety of fronts. In contrast, the French monarchy, concentrating its efforts in Italy, for the moment realized the wisdom of fighting on one front at a time. Thus, subsequent Spanish victories in the north against French armies were not enough, for when the French turned their attention to the Spanish front they easily held their own. The Treaty of the Pyrenees, signed between France and Spain in 1659, established the border between these countries that has lasted, with only a few minor changes, until this day. Spain also gave up Milan to Austria, and Naples and Sicily to the Italian Bourbon dynasty. The Portuguese, aided by the English, turned back several halfhearted invasions by Spanish armies, and in 1668 Spain recognized Portugal's independence. Ten years later, France occupied the Franche-Comté, the last major Spanish holding in northern Europe.

By 1680, when the depression that had lasted almost a century ended, Spain had become a second-rate power. This was because of agricultural and manufacturing decline, to be sure, but, above all, because the Spanish crown had overreached its ability to maintain its vast and distant empire.

CONCLUSION

The development of trade across the Atlantic Ocean to the Americas was part of European economic expansion during the sixteenth century. Following the union of the crowns of Castile and Aragon, Spain grew into a great power. Philip II expanded the Spanish Empire, which, in the Americas stretched from what is now the southern United States to the southern tip of Latin America, and in Europe included the Netherlands and several Italian states. The Tudor monarchy in England overcame the country's religious divisions in the wake of the English Reformation to strengthen its authority. In this, it resembled the ruling Valois dynasty of France, another "new monarchy" in that it enhanced its reach, efficiency, and prestige. The burgeoning of English trade, manufacturing, and agriculture in the Elizabethan Age underlay England's relative prosperity, even as social polarization, reflected in the crises of the 1590s, became more apparent.

The surprising English naval defeat of the Spanish Armada in 1588 symbolized not only the rise of England but in some ways anticipated the decline of Spanish power. Spain's rulers had expanded their vast empire and imperial interests beyond the ability of the state to sustain them.

