
KEY TOPICS



- The Dutch Golden Age
 - French aristocratic resistance to the monarchy
 - Early-eighteenth-century British political stability
 - Power and decline of the Ottoman Empire
 - The efforts of the Habsburgs to secure their holdings
 - The emergence of Prussia as a major power under the Hohenzollerns
 - The efforts of Peter the Great to transform Russia into a powerful centralized nation along Western lines
-

The Maritime Powers

In western Europe, Britain and France emerged as the dominant powers. This development represented a shift of influence away from Spain and the United Netherlands. Both of the latter countries had been powerful and important during the sixteenth and seventeenth centuries, but they became politically and militarily marginal during the eighteenth century. Neither, however, disappeared from the map, and both retained considerable economic vitality and influence. Spanish power declined after the War of the Spanish Succession. (See Chapter 13.) The case of the Netherlands was more complicated.

THE NETHERLANDS: GOLDEN AGE TO DECLINE

The seven provinces that became the United Provinces of the Netherlands were the single genuinely new state to appear on the European scene during the early modern period. They emerged as a nation after revolting against Spain in 1572. Spain acknowledged their autonomy only in a truce in 1609, though other European powers had recognized Dutch independence in the 1580s. The Netherlands won formal independence from Spain in the Treaty of Westphalia (1648). These eighty years of on-again, off-again warfare forged much of the national identity of the Netherlands. During the middle of the seventeenth century, the Dutch fought a series of naval wars with England. Then, in 1672, the armies of Louis XIV invaded the

Netherlands. William III, the *stadtholder* of Holland, the most important of the United Provinces, rallied the Dutch and eventually led the entire European coalition against France. As a part of that strategy, he answered the invitation of Protestant English aristocrats in 1688 to assume, along with his wife Mary who was the daughter of King James II, the English throne. (See Chapter 13.)

During both the seventeenth and eighteenth centuries, the political and economic life of the Netherlands differed from that of the rest of Europe. The other major nations pursued paths toward strong central government, generally under monarchies, as with France, or in the case of England, under a strong parliamentary system. By contrast, the Netherlands was formally a republic. Each of the provinces retained considerable authority, and the central government, embodied in the States General that met in the Hague, exercised its authority through a kind of ongoing negotiation with the provinces. Prosperous and populous Holland dominated the States General. The Dutch deeply distrusted monarchy and the ambitions of the House of Orange. Nonetheless, when confronted with major military challenges, the Dutch would permit the House of Orange and, most notably, William III to assume dominant leadership. These political arrangements proved highly resilient and allowed the republic to establish itself permanently in the European state system during the seventeenth century. When William died in 1702 and the wars with France ended in 1714, the Dutch reverted to their republican structures.

Although the provinces making up the Netherlands were traditionally identified with the Protestant cause in Europe during their revolt against Spain and the wars against Louis XIV, extensive toleration marked Dutch religious life. The Calvinist Reformed Church was the official church of the nation, and most of the political elite belonged to it, but it was not an established church. There were always a significant number of Roman Catholics and Protestants living in the Netherlands who did not belong to the Reformed Church. The country also became a haven for Jews driven out of other lands, particularly those who had been expelled from Spain. Consequently, while other European states attempted to impose a single religion on their people or tore themselves apart in religious conflict, in the Netherlands peoples of differing religious faiths lived together peacefully.

Urban Prosperity Beyond the climate of religious toleration, what most amazed seventeenth-century

contemporaries about the Dutch Republic was its economic prosperity. While the rest of Europe fought over religion, the Dutch attained a high standard of living. Their remarkable economic achievement was built on the foundations of urbanization, transformed agriculture, extensive trade and finance, and an overseas commercial empire. (See "Art & the West: Rachel Ruysch, *Flower Still Life*," p. 510.)

In the Netherlands, more people lived in cities than in any other area of Europe. By 1675, in Holland, the province where Amsterdam was located, at least 60 percent of the population were urban dwellers. Not until after the onset of industrialization in the late eighteenth century would such urbanization occur elsewhere, and then notably in England. Trade, manufacture, shipbuilding, and finance were the engine of Dutch urban prosperity.

This urban concentration had been made possible by key transformations in Dutch farming that served as the model for the rest of Europe. During the seventeenth century, the Dutch drained and reclaimed much land from the sea. The Dutch were able to use this reclaimed terrain for highly profitable farming because their shipping interests dominated the Baltic trade, which provided them with a steady supply of grain. The availability of this cheap grain meant that Dutch farmers could use their land to produce more profitable dairy products and beef. Dutch farmers also diversified into the cultivation of cash products such as tulip

bulbs. So successful was tulip cultivation, that for a few years in the late 1630s, market speculation led to the sale of tulip bulbs at astounding prices.

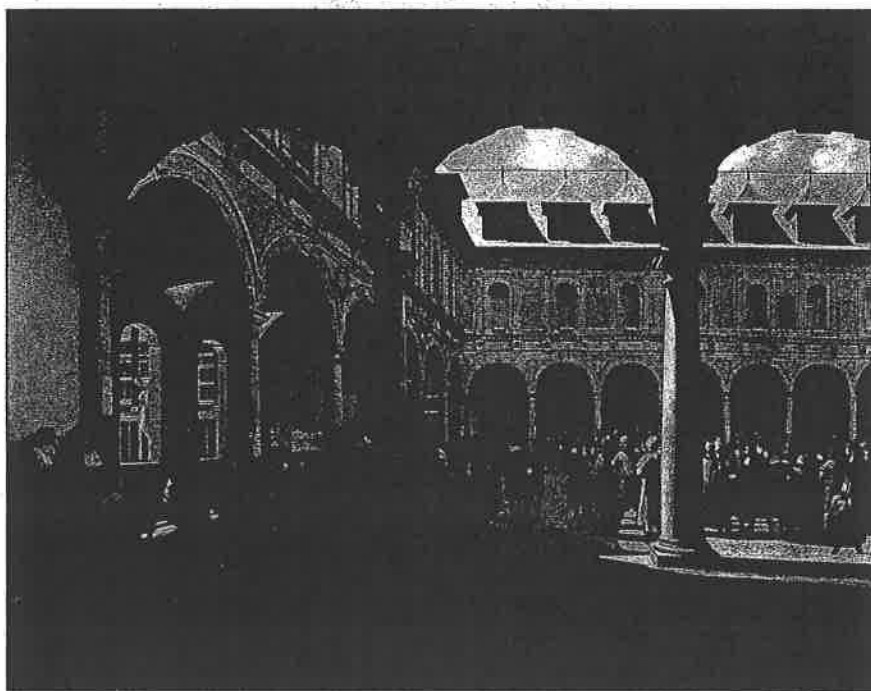
The Baltic grain trade was just one example of the Dutch acting as the chief trading nation of Europe. Their fishermen dominated the market for herring and supplied much of the Continent's dried fish. The Dutch also supplied textiles to many parts of Europe. Dutch ships appeared in harbors all over the Continent, with their captains purchasing goods that they then transported and resold at a profit to other nations. Or such goods might be returned to the Netherlands, stored, and then sold later at more advantageous prices. Many of the handsome merchant houses lining the canals of Amsterdam had storage facilities on their upper floors. The overseas trades also supported a vast domestic industry of shipbuilding and ship supplies.

All of this trade, commerce, and manufacturing was supported by the most advanced financial system of the day. Capital could be more easily raised in Amsterdam than anywhere else in the seventeenth century. Shares traded easily and often speculatively in the Amsterdam bourse. Dutch capital financed economic life outside its own borders.

The final foundation of Dutch prosperity was the Dutch seaborne empire. During the late sixteenth and early seventeenth centuries, Dutch traders established a major presence in East Asia, particularly in spice-producing areas of Java, the Moluccas, and

In the mid-eighteenth century, when this picture of the Amsterdam Exchange was painted, Amsterdam had replaced the cities of Italy and south Germany as the leading banking center of Europe. Amsterdam retained this position until the late eighteenth century.

*Painting by Hiob A. Berckheyde, *The Amsterdam Exchange*. Canvas 85 × 105 cm. Coll. Museum Boijmans Van Beuningen, Rotterdam, The Netherlands, Inv. no. 1043*



Sri Lanka. The vehicle for this penetration was the Dutch East Indies Company (chartered in 1602), shares of which traded on the Amsterdam bourse. The Dutch East Indies Company eventually displaced Portuguese dominance in the spice trade of East Asia and for many years prevented English traders from establishing a major presence there. Initially, the Dutch had only wanted commercial dominance of the spice trade, but in time, that goal led them to move toward producing the spices themselves, which required them to control many of the islands that today constitute Indonesia. The Netherlands remained the colonial master of this region until after World War II.

Economic Decline The decline in political influence of the United Provinces of the Netherlands occurred within the eighteenth century. After the death of William III of Britain in 1702, the various local provinces prevented the emergence of another strong *stadtholder*. Unified political leadership therefore vanished. During the earlier long wars with Louis XIV and Britain, naval supremacy had slowly but steadily passed to the British. The fishing industry declined, and the Dutch lost their technological superiority in shipbuilding. Countries between which Dutch ships had once carried goods now traded directly with each other. For example, the British began to use their own vessels in the Baltic traffic with Russia.

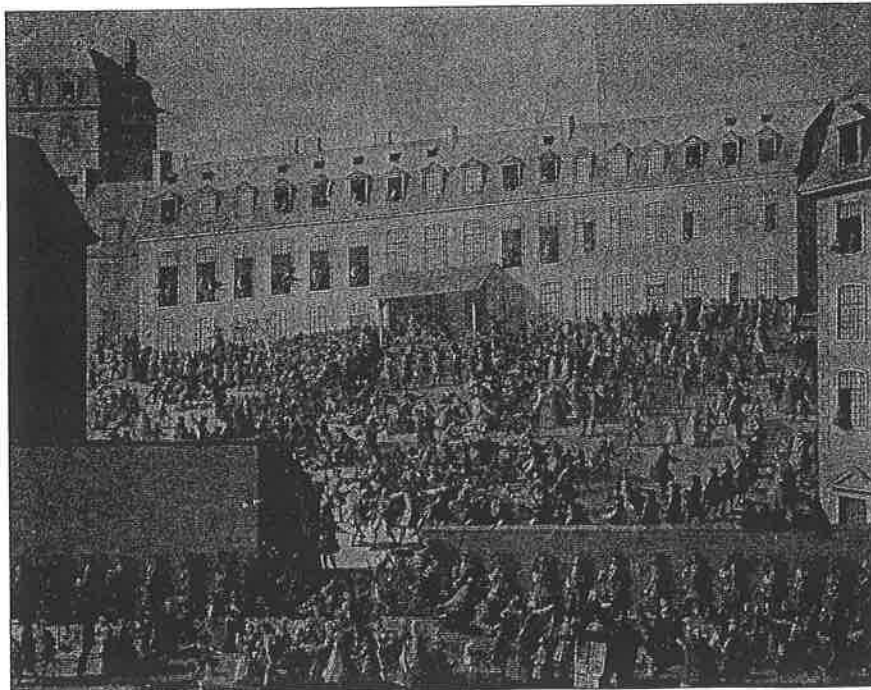
Similar stagnation overtook the Dutch domestic industries, such as textile finishing, papermaking,

and glassblowing. The disunity of the provinces and the absence of vigorous leadership hastened this economic decline and prevented action that might have slowed or halted it.

What saved the United Provinces from becoming completely insignificant in European affairs was their continued financial dominance. Well past the middle of the eighteenth century, their banks continued to finance European trade. Moreover, the Amsterdam bourse remained an important financial institution because, as we see later in this chapter, both France and England experienced disastrously excessive and politically disruptive stock speculations in the early eighteenth century, which made them fearful to invest in shares.

FRANCE AFTER LOUIS XIV

Despite its military reverses in the War of the Spanish Succession, France remained a great power. It was less strong in 1715 than in 1680, but it still possessed the largest European population, an advanced, if troubled, economy, and the administrative structure bequeathed it by Louis XIV. Moreover, even if France and its resources had been drained by the last of Louis's wars, the other major states of Europe were similarly debilitated. What France required was economic recovery and consolidation, wiser political leadership, and a less ambitious foreign policy. It did enjoy a period of recovery, but its leadership was at best indifferent. Louis XIV was succeeded by his five-year-old



The impending collapse of John Law's bank triggered a financial panic throughout France. Desperate investors, such as those shown here in the city of Rennes, sought to exchange their paper currency for gold and silver before the banks' supply of precious metals was exhausted.

Collection Musée de Bretagne, Rennes