

Lecture 7. Europe and the world during the modern period

The international struggle

Major conflicts of the era erupted over several issues: religious disputes, competition over trade routes, and territorial rivalries.

Religious (Catholics vs Protestants) and territorial issues culminated in the **Thirty Years' War** (1618 to 1648). The wars of the 17th century weakened Spain and Austria, but strengthened France. The War of the Spanish Succession (1701–1714) was another general European war, but this one spread around the world to include the colonies. The war was caused by conflicting claims to the Spanish throne after the death of the childless king (Charles II). Holland, England and the German states joined against France, Spain, Bavaria, Portugal and Savoy. This war marked the rise of England and Prussia as major powers and the end of French hegemony in Europe.

From 1756 to 1763, there was the **Seven Years' War** in Europe and colonies, which might be considered the first global war – Great Britain and Prussia (Frederick the Great – the Enlightening king and talented soldier) fought war with Austria, Russia and France. The main conflicting parties were Great Britain and France. The war shifted control of Canada (with separation of Florida, New France vanished from the map) and India (Bengal) to Great Britain, but also increased the costs of defending the American colonies (the war put Britain into massive debt. In order to pay off the debt, the English government imposed new taxes on its colonies).

Other major rivalries include the Ottoman-European conflict that played out in south-eastern Europe and in the Mediterranean. In 1683, the Ottomans failed siege of Vienna. The expansion of the Ottomans in Europe was stopped.

European powers competed with each other over trade routes worldwide.

This involved piracy in the Caribbean, as well as French, Dutch, and English sparring with the Portuguese and Spain (and with each other) in many parts of the globe.

In the Atlantic and the Caribbean, European states relied not just on their navies, but also on the practice of privateering, or the licensing of the captains who owned their vessels privately to capture enemy ships or raid enemy ports. (The line between piracy and privateering was very thin.)

In Asian waters, Malay and Japanese pirates were a particular concern, and when the Chinese government allowed the Portuguese to establish themselves in Macau, it was to reward them for suppressing piracy in the region.

There were several important trade- and colony-related rivalries. One is the Anglo-Dutch and Anglo-French competition over parts of North America – the New York (1667, the former New Amsterdam) area in the case of the former, Canada in the case of the latter (1763) – both won by the English in the 1600s and 1700s.

Also, most European powers quarrelled over island colonies and shipping lanes in the Caribbean, or “West Indies.”

Southeast Asia and India became an arena of competition during the late 1500s and 1600s, as the Spanish and Portuguese were elbowed aside by the Dutch, French, and English. The Dutch cemented their presence in the “Spice Islands” (in and around present-day Indonesia), while the English, during the 1700s, enlarged their presence in India at the expense of the French.

The Indian Ocean as a whole witnessed a great deal of trade-related rivalry during the 1600s and 1700s (1501–1722 – the time of the Safavids in Persia). The Ottoman Empire and Safavid Persia dueled for economic influence here. The Ottomans and Safavids had rivalry over trade and religious differences (Sunni Islam vs. Shiite Islam).

Also important was the Omani-European rivalry that erupted in the mid-1600s, as the Arab state of Oman rebelled against the Portuguese colonial rule. The Omanis pushed the Portuguese out of Oman, Swahili ports such as Zanzibar. Also for a time, the Omani empire competed with the British East India Company and other European commercial entities attempting to break into Indian Ocean markets during the 1600s and 1700s.

In the late 18th century, Russia established a colony in Alaska, administered by the Russian-American Company (only in 1867 Alaska was sold to the United States). In Alaska, the Russians fought wars against Native Americans and Eskimos. In addition, at least 80 percent of the Aleutians' native population perished due to the Russian colonization, thanks to violence, the spread of disease, and alcoholism.

Political systems

Two major forms of government emerged in Europe: absolutism (conservative elites) and parliamentarism (progressive elites).

In the former, the monarch was theoretically all-powerful, with no legal restrictions on his or her authority. (In real life, absolute monarchs could be handicapped by weak personalities, uncooperative nobles, or unreliable armies). Absolutism in Europe was typically justified by the doctrine of divine right, according to which the monarch reigns by the will of God.

Divine right can be compared to the mandate of heaven in China or the circle of justice in the Middle East.

Europe's archetypical absolute monarch was Louis XIV of France, the Sun King, who ruled from 1661 to 1715. Most other nations in Europe, among them Austria, Prussia, and Russia, attempted to build absolute monarchies.

Absolutists include Peter the Great, who Westernized Russia in the late 1600s and early 1700s, and Frederick the Great of Prussia, a skilled general who developed his kingdom in the mid-1700s.

Censorship and restrictions on social mobility were the rule in absolute monarchies.

In Central and Eastern Europe, especially in Russia, serfdom remained in place much longer than in Western Europe, where it faded away for the most part during the Renaissance.

A smaller number of European states chose parliamentarism, in which the ruler governed with a law-making body appointed by the aristocracy or elected by some or all of the people. As they freed themselves from Spanish rule, the Dutch developed a parliamentary system in which there was not even a king, but an executive official – the stadholder – who shared power with a large council called the States General.

Several minor powers, including the city-states of Venice, created similar systems, but the most famous arose in England. Here, monarchs had been compelled to share power with Parliament since the 1200s.

Nations with parliamentary systems enjoyed certain advantages. Both the Dutch and English developed strong commercial economies, powerful navies, urbanized societies, and intellectual and cultural outlooks that were relatively open and free from religious persecutions. Although poverty and inequality existed, social mobility tended to be greater than in absolutist monarchies.

Economic growth

In the agricultural sphere production increased, even though much of the world, especially the northern hemisphere, was affected by the Little Ice Age. Many factors caused this rise in production. The Columbian Exchange brought new crops, especially the corn, potatoes, tomato, and manioc brought to Afro-Eurasia from the Americas. The improvement of agricultural methods also played a role: better fertilizers and the scientific rotation of crops and fields.

Trade and banking became more important, with merchant classes earning great wealth.

Manufacturing expanded as well, with artisan classes growing in size and influence. Worldwide, most manufacturing continued to be done by hand and on a small scale. By the 1600s and especially by the 1700s, there was a noticeable rise in machine-assisted production, cottage industry that can be considered proto-industrial.

The proto-industrialization – most prominent in Europe, – lay the groundwork for actual industrialization in the late 1700s and 1800s. (machines such as the flying shuttle and the spinning jenny, which sped up the manufacture of cotton, were invented as early as 1733 and 1764).

Economic philosophies

Increased trade led to an early theory of macroeconomics for the nations of Europe. Under the theory of mercantilism, a country actively sought to trade, but tried not to import more than it exported (otherwise the country would be dependent); that is, it attempted to create a favourable balance of trade. Trade deficits forced dependencies on other countries, and therefore implied weakness. Of course, one country's surplus had to be met with another country's deficit. To resolve this dilemma, European countries were feverish to colonize. Colonies gave the mother country raw resources (not considered imports because the mother country "owned" them), while creating new markets for processed exports. To further aid the effort, monarchies promoted domestic industry and placed tariffs on imports from competing empires.

In general, mercantilist states viewed all other states as rivals and aimed to be self-sufficient. They believed that state control over all economic activity was desirable.

By the second half of the 1700s, at least in Europe, the new economic concept was catching on. This was capitalism, which emphasized free trade and argued for less state control over the economy. Hand in hand with industrialization, capitalism would soon revolutionize economic life worldwide.

The rise of the industrial class had its origins in the concept of private ownership. Adam Smith wrote in *The Wealth of Nations* (1776) that economic prosperity and fairness is best achieved through private ownership. Individuals should own the means of production and sell their products and services in a free and open market, where the demand for their goods and services would determine their prices and availability. A free-market system (also known as capitalism), Smith argued, would best meet the needs and desires of individuals and nations as a whole. When governments remove themselves entirely from regulation, the process is called *laissez-faire* capitalism.

Smith wrote his book in response to the Western European mercantilist practices that had dominated during the Age of Exploration.

Coerces Labour

Unfortunately, this global rise in productivity and wealth rested on a foundation of coerced labour, which took many forms. The Atlantic slave trade was extensive (formed the heart of the Atlantic world's triangular trade), and so were the Arab slave trade and the market for slaves in Southeast Asia. Serfdom was common in Europe, especially in eastern regions like Russia. In the Americas, plantation and cash-crop agriculture – particularly the cultivation of sugarcane, cotton, and coffee – was based on slavery and unfree (or badly treated and poorly paid) labour.