Masters of war: state, capital, and military enterprise in the Dutch cycle of accumulation (1600-1795)

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Introduction

In his 2010 novel *The thousand autumns of Jacob de Zoet*, David Mitchell captures the interaction between two societies, both seemingly suspended outside time but on the brink of being overtaken by modernity.¹ The year is 1799, the location Deshima, the small artificial island in the Nagasaki Bay that served as the single point of entry for European traders into Edo Japan. Since the 1640s it was controlled by the Dutch East India Company (*Vereenigde Oostindische Compagnie* or VOC), both for running the profitable Japanese copper trade and for representing the Dutch state at the Japanese court. The VOC servants that figure in Mitchell’s novel still fulfill this classical double role of merchants and diplomats, agents of a Company that in Asia functioned as a state in its own right, and in the Dutch Republic as a state within a state. But they do so under conditions of desperate uncertainty. The Company they worked for has seized to exist, abolished in 1796 by a single decree of the revolutionary National Assembly. Their mode of operation is rapidly becoming obsolete, a remnant of the times in which states left substantial parts of their activities abroad to private or semi-private ‘brokers’ rather than their own bureaucrats. The arrival of a single British man-of-war reconnects the small community of Deshima with the global stream of time, forcing their self-enclosed world to come crashing down.

Deshima at the turn of the nineteenth century might have been the last refuge of the particular state form that characterized the Dutch Republic from its birth in 1588 to its demise in 1795. All early modern empires relied heavily on brokers like the VOC in the organization of warfare – merchants, speculators, capitalists, all of whom ran important swaths of state activity on their own right and for a profit. Warfare on land was dominated by mercenary armies in which officers for a long time maintained a more or less independent position as directors of their own ‘company economy’, only integrated into the state’s logistics by the intermediation of scores of private suppliers and financiers.\(^2\) Warfare at sea was brought under state control at an earlier date, but still involved armed merchant-men, privateers, colonial companies, as well as far-reaching integration between naval bureaucracies and local economic elites.\(^3\) Privatized warfare was the hallmark of capitalism in its infancy, putting into perspective the sprawling of private military contracting in our own age, symbolized by the ignominious Blackwater Inc.\(^4\) Understanding its – always partial – subjugation to the operation of centralized, bureaucratic states is an important key to the major transformations of the relations between profit, power, and the use of arms that occurred over the half millennium of capitalism’s existence as a world-system.\(^5\) In the Dutch Republic the independent involvement of entrepreneurs in the organization of warfare reached extraordinary proportions, and remained a key characteristic of state organization at a time when other European states made considerable headway of integrating these ‘brokers’ into processes of bureaucratic centralization. Explaining the resilience of ‘brokerage structures’ in warfare and the impact this had on the interaction between state formation and capitalist development during the ‘Dutch cycle of accumulation’ is the main aim of this book.

The fundamental proposition of the literature on early modern state formation is Tilly’s much cited aphorism that ‘war makes states, and states make war’.\(^6\) In his magisterial overview of this process Coercion, capital, and European states, Tilly argues that while


\(^4\) Jeremy Scahill, *Blackwater. The rise of the world’s most powerful mercenary army* (New York 2007).

\(^5\) Wallerstein’s terminology, developed in his now four volumes *The modern world system*, is used here consciously but loosely to separate off a period in international relations and state formation in which capital became such a dominant factor in the internal functioning of the main centers of economic development, and markets attained such a strong role in connecting these centers, that those in control of the state could no longer isolate themselves completely from the pressures of the international market. Immanuel Wallerstein, *The modern world system*. Four volumes (New York etc. 1974-2011).

\(^6\) The expression is so well known that it almost attained a life of its own, but it was first introduced in Charles Tilly, ‘Reflections on the history of European state-making’, in: Idem (ed), *The formation of national states in Western Europe* (Princeton 1975) 3-83, 42.
different societies followed divergent paths in their adaptation to the pressures of warfare, the overriding demands of European power-struggle forced these paths to converge into major transitions in the nature of the state. For Europe in the medieval and early modern periods, he singles out two key transformations. The first was that from ‘patrimonial states’, in which rulers extracted the resources necessary for warfare as tribute or rent from their vassals and subjects, to ‘brokerage states’, which relied heavily on parceling out the organization of warfare to independent capitalists. Tilly situates this transition for the main power-contesters in Europe during the late middle ages, around 1400. The second transition was that between the brokerage-form of state organization to nationalization, a process that reached a tipping point roughly around 1700.7

The typology of states developed by Tilly was underwritten by the renewed popularity of the ‘military revolution thesis’.8 According to this thesis, the introduction of gun-powder, the growing importance of siege-warfare as a result of the development of the trace italienne, and the transformation of military discipline resulting from Maurits’ and Gustav’s army reforms changed the ‘rules of the game’ for states in the organization of warfare. This led to a redefinition of the role of the state in warfare. Unable to rely on feudal levies to supply them with the kind of professional soldiers necessary to fight their wars, rulers became increasingly dependent on trained mercenaries. War to a large extent became ‘monetarized’.9 While disagreeing on important questions such as the prime causes of the changes in warfare, the chronology, and whether a long-drawn out period of successive renewals can properly be described as a ‘revolution’ at all, military historians generally agree that the large-scale warfare that developed in the course of the seventeenth century could only be carried out by heavily centralized states.10 But it is exactly this assumption that the case of the Dutch Republic challenges. Historians of the Dutch state are left with a riddle: how could a state that

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7 Charles Tilly, Coercion, capital, and European states, AD 990-1992 (Cambridge MA 1992) 29. Also see the powerful restatement of this idea of successive stages of state formation by Jan Glete, War and the state in early modern Europe, Spain, the Dutch Republic and Sweden as fiscal-military states, 1500-1660 (London / New York 2002) 56.


10 See the essays in Rogers (ed), Military revolution debate.
for all appearances was so unlike the ideal of a powerful state play such a central role in the early modern state system? Or, posed from the opposite end, why did sustained involvement in warfare not lead to a fundamental transformation in the Dutch state form?

Dutch war making and state making: three solutions to a riddle

Violence and war were the perpetual condition of Dutch early modernity. ‘Has there ever been an age’, one political pamphleteer rhetorically asked in 1650, ‘in which there were born greater alterations, perturbations, changes, ascendancies, downfalls, than in ours?’

‘The great have become small, the small have become great. War has turned into peace for some, peace into war for others. Friends have become foes, and foes have become friends. All foundations have been dissolved, that which seemed impossible has become possible, what was below has come out on top, and what was on top has sunk below, one lays to ruin the other, and these ruins remain ruins, sickness exists without cure, wounds without healing.’

The Republic itself was born from a long and ultimately victorious struggle against the Spanish Habsburg Empire. During the seventeenth century it fought every major competing power in a ‘war without end’. In the nearly two centuries between 1600 and 1795, the Dutch Republic was at war for fifty-two years with Spain, forty-four years with France, and fifteen years with England. There were six decades of intermittent military confrontations with the Portuguese Empire starting at the beginning of the seventeenth century – mainly concentrated on the East Indies and Brazil but occasionally spilling over into open warfare in Europe, including a naval blockade of Lisbon. Troops of the Republic intervened in the Thirty Years’ War on a massive scale. During the 1650s the Dutch navy repeatedly operated as power broker between Denmark and Sweden and appeared before Danzig to ensure Dutch supremacy in Baltic trade. In all, the Dutch Republic was directly involved in European great-power struggle for seventy-four out of hundred years during the seventeenth century. The Dutch state of the eighteenth century was a warring state like that of the seventeenth, albeit at

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11 Maximiliaen Teelinck, Vrymoedige aenspreack aen sijn Hoogheyt de Heere Prince van Oraengjen … Gestelt tot waerschoowvingh en noodige opmerckingh in desen verwerden en kommerlijcken standt van ons lieve Vaderlandt (Middelburg 1650) 3.
a lower level of direct engagement. At the mid-eighteenth century, it still maintained one of the largest armies and navies of Europe, and continued to rank among the leading global empires.\textsuperscript{14} It counted 35 years of European warfare between 1700 and 1795 (28 when discounting the period of lukewarm engagement in the War of the Austrian Succession before the French invasion of 1747) – not that much less than the belligerent French state.\textsuperscript{15} War was decisive for the international and financial position of the Dutch Republic at the start of the eighteenth century, and a crucial factor in internal political changes in 1618, 1650, 1672, 1747, the 1780s, and again the 1790s. Alongside formal inter-state conflicts in the centre of the world-system the Dutch engaged in almost continuous low-intensity warfare in the periphery, sometimes spilling over into full scale war. On the island of Java alone the VOC was engaged in twenty-one years of warfare accompanying three crises of succession during the first half of the eighteenth century. Corsairs and pirates, merchant companies, and local rulers never ceased to fight each other over the spoils of the Dutch commercial empire. Yet the state underpinning these efforts was the exact opposite of centralized and bureaucratic. It was a federation of provinces, heavily dependent on the autonomous powers of its plethora of cities, a republic governed by its internally divided commercial elites. The civil servants at the national or ‘generality’ (\textit{generaliteits-}) level were outnumbered by those of Holland, the most prosperous province.\textsuperscript{16} Seen from the military revolutions thesis or Tilly’s account of the transition from brokerage to nationalization, the Dutch Republic was an anomaly.

The easiest way out of the problem that the Dutch Republic poses to the standard story of European state formation is to argue that it could only be successful by default. As Geoffrey Parker argued against the grain of most pre-1970s Dutch historiography, the rebellious provinces of the Netherlands could only emerge from their struggle against Europe’s most powerful state of the day because they never received the undivided attention of the Spanish crown. Successive diversions of funds from warfare in the Netherlands to the – ultimately more important – Mediterranean engagements allowed the Dutch to regain strength at crucial turning points in their Revolt.\textsuperscript{17} Similarly, the civil and religious wars that ripped

\textsuperscript{14} Hugh Dunthorne, \textit{The maritime powers 1721-1740. A study of Anglo-Dutch relations in the age of Walpole} (New York / London 1986) 113.
\textsuperscript{15} Joël Félix and Frank Tallett, ‘The French experience, 1661-1815’, in: Christopher Storrs (ed), \textit{The fiscal-military state in eighteenth-century Europe. Essays in honour of P.G.M. Dickson} (Farnham / Burlington 2009) 147-166, 148 gives the number of 50 war years for France in the period 1672-1783, as against 40 for the Dutch Republic.
\textsuperscript{16} Marjolein C. ‘t Hart, \textit{The making of a bourgeois state. War, politics and finance during the Dutch Revolt} (Manchester 1993) 207.
apart France and England in the mid-seventeenth century provided the space in which a tiny state could emerge from the 1648 Peace of Westphalia as the world’s leading nation. The shift of fates that sounded the dead-knell for Dutch success according to this line of reasoning was inaugurated by the adoption of aggressively anti-Dutch Mercantilist policies by France and England in the 1650s and was fully consummated with the joint invasion by France, England, and the bishoprics of Munster and Cologne of the Dutch Republic in 1672. Once faced by the full might of its more centralized competitors, the federal Dutch Republic had to go under, even if it managed to hold out against the onslaught for some more decades.

But the argument that the Dutch Republic only managed to hold its adversaries at bay by default concedes too little to the actions of the Dutch state itself. First, although it is certainly true that the financial and political problems faced by its competitors provided the Dutch Republic with important military opportunities, only a strong state could take advantage of these opportunities to the extent that it did. As Jan Glete noted in his comparative study of European powers, far from being successful by default, ‘[t]he small republic was in fact Europe’s most concentrated area of modern military competence and armed forces.’ Second, the most formidable achievements of this state did not fall in the period when its competitors were weakest, but precisely in the second half of the seventeenth century when the Republic was faced with sustained military and naval challenges. The highpoint of its supremacy at sea falls between the 1650s and the 1670s, when the Dutch navy was the main arbiter in the Baltic as well as the Mediterranean. In the history of armed diplomacy, there are few moments comparable to William III’s 1688-1689 invasion of the British isles at the head of 15,000 troops, effecting ‘regime change’ with one of the Netherlands’ major international competitors. On land, the army reached its apex only around the turn of the eighteenth century in the course of the ‘forty years’ war’ against France. Third, a strong case can be made that the success of the Dutch Republic did not occur despite it being a federal state with strong features of bourgeois self-government, but because of it. Military and naval reforms of the seventeenth century gave the central state

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18 Glete, War and the state, 141.
considerable control over its armed forces on land and at sea. But as this book will show, they did so for most of this period while not only preserving, but strengthening the federal features of the Dutch state and the independent or semi-independent role of entrepreneurs. Not the penultimate failure of the Dutch Republic in the struggle against its main European adversaries but its success in withstanding them for almost all of the seventeenth century is the most surprising fact. This success raises the important question if it is really true that centralized and national states were always bound to overtake non-centralized and brokerage states in the organization of warfare – as it were forming the implicit aim of the process of state formation merely waiting to be fulfilled.

A second, less teleological line of reasoning focuses on the interaction between economic growth and decline and the ‘institutional incapacities’ of the Dutch eighteenth century state. The core of this argument is that it was the extraordinary wealth associated with the Dutch ‘Golden Age’ that carried the Dutch state’s success in warfare, but that a dramatic turn of fates occurred around the time of the 1713 Peace of Utrecht. A combination of classical ‘imperial overstretch’ as a result of four decades of warfare with Louis XIV’s France, economic decline that spelled the end of the Dutch ‘Golden Age’, the limitations put on Dutch military capacities by the limited size of the population, and an involution of the Dutch state elites often described as ‘aristocratization’ and declining interest in trade, forced the Dutch Republic out of international great-power competition. Following Tilly’s dictum that wars make states, the outcome was predictable. Freed in large part from the pressures of warfare, the eighteenth-century Dutch state apparently remained stuck in its seventeenth-century brokerage-form. Conservative in their approach to the world, Dutch state elites became passive in their attitudes towards their own society and institutions.

The links between the economic success and martial achievements of the Dutch Republic were strongly asserted by contemporaries. A rather extreme, but in its underlying

assumptions not unrepresentative statement to this effect could be found in a pamphlet from 1650, directed against the moves of the Province of Holland to reduce the size of the military in the aftermath of the Peace of Westphalia:

‘What certainty has peace brought you? War has made you great, peace makes you small. War has brought you splendor, authority, deference from all potentates. Peace makes you suspicious to all, including the least, even Portugal. War has expanded your boundaries to the East and West, peace leads to their loss. War, impoverishing all other nations and Empires, has made you rich, has flooded your country with silver and gold, peace makes you poor. War has made all industries and traffics grow and prosper, peace makes them disappear and decay. War has been a bond of union and accord, peace of strive and discord.’

Foreign contemporaries often shared this view. The Italian observer Bentivoglio argued that war had made Amsterdam into the commercial centre of the world. On the eve of the Second Anglo-Dutch War an English pamphleteer could write of the Dutch: ‘Of all the World they are the people that thrive and grow rich by Warre, which is the Worlds ruine, and their support’. While underrepresented in studies of Dutch early modern political theory, the idea of a close and positive correlation between war and economic growth formed a strong current in contemporary political economy. However, during the War of the Spanish Succession and its aftermath, the destructive impact of war on the financial health of the state came to

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25 IPENEYM ФΙΑΛΑΛΕΘΙΥΜ, De na-wêen van de vrede, ofte ontdedkinghe, vande kommerlijcke ghelegentheyt onses lieven vaderlandts (s.l. 1650) 4-5.
26 Guido Bentivoglio, Relazione delle Provincie Unite. Facsimile dell’edizione “elzeviriana” Brusselles 1632 (Florence 1983) 33: ‘La guerra hà gatto diminuir sommamente in Anuersa il traffico, & hà data occasione a’popoli dell’Ollanda, e della Zelanda d’aprirsi quello dell’Indie; onde per questi due rispetti principalmente è venuto a crescer poi tanto in Amsterdam. Ne’tempi passati Anuersa era il magazine delle mercantile, che fuol distribuire l’Europa; e Lisbona la piazza di quelle, che vengon dall’Indie. Hora dopo la guerra si vede, ch’Amsterdam hà tirato a se quasi tutte le mercantile dell’Europa, e dell’Indie; e che n’hà spogliato quasi intieramente Anuersa, e Lisbona.’
27 Anonymous, The Dutch drawn to the life, in: I. An exact description and character of the several provinces of the Netherlands; II. An account of their trade and industry, etc. (London 1664) 42.
28 Theo van Tijn, De menschelicke societeit. Beschouwingen over staat en maatschappij in het zeventiende-eeuwse Holland (Utrecht 1992). Of course, the moral denunciation of war as destructive for life, liberty, trade, and religion was equally widespread. One of the interesting aspects of the seventeenth-century representation of war is how these two contradictory strands could exist side by side, apparently without friction. This is particularly clear from the works of the most important poet of the Dutch Golden Age, Vondel, e.g. Henk Duits, ‘Ambivalenzen. Vondel und der Frieden von Münster’, in: Horst Lademacher and Simon Groenveld (eds), Krieg und Kultur. Die Rezeption von Krieg und Frieden in der Niederländischen Republik und in Deutschen Reich 1568-1648 (Münster / New York / München / Berlin 1998) 315-324. Also see Simon Schama, The embarrassment of riches. An interpretation of Dutch culture in the Golden Age (London 1991 [first edition 1987]) 221 ff
dominate political debate.29 As Holland’s most perceptive statesman of the time, Simon van Slingelandt, noted:

‘The finances of the state are so depleted by the last war, that the state would find itself in utter perplexity if it would suffer the misfortune to be involved in a new war before its finances have been saved to a certain extent, which will at best be a task of many years.’30

During the second half of the eighteenth century oppositional writers harked back to the glorious days of naval prowess and Dutch great-power aspirations they associated with the seventeenth century. They restored the ideal of assertive international action combined with commercial growth, but only to counterpoise this ideal to the lack of such a positive combination in their own time.31

The idea that the rise and decline of Dutch commercial hegemony went hand in hand with the ability of the Dutch state to operate as a European great-power seems so self-evident, that it has become somewhat of a trope in the literature on the history of international relations. In his standard work, Paul Kennedy could take the Dutch case as one of the main examples of the ‘very significant correlation over the longer term between productive and revenue-raising capacities on the one hand and military strength on the other.’32 However, his justified warning that this correlation can only be established ‘over the longer term’ has not always been heeded. Many writers have assumed the same direct relation between ‘imperial overstretch’ in the War of the Spanish Succession and the eclipse of the Dutch Republic that was already suggested in eighteenth-century debates.33 Such a view does not sufficiently take into account the thorough re-evaluation in Dutch historiography of the contrasts between the ‘golden’ seventeenth century and its ‘barren’ eighteenth century counterpart. Already from

33 E.g. Johan Aalbers, De Republiek en de vrede van Europa. Volume 1: Achtergronden en algemene aspecten (Groningen 1980) 1, which opens with the assertion: ‘In fact the Republic of the Seven United Netherlands after 1713 politically is a second rate power. This political decline was caused by the growth in influence of other powers, most notably Great Britain, and the financial deprivation of the Republic.’
the late 1950s onwards, for example, Dutch economic historians have argued that the loss of economic hegemony was a much more uneven and gradual process than had traditionally been assumed. The Dutch remained very strong in international carrying trade, colonial trade, and especially finance until the second half of the eighteenth century. Economic decline was absolute in a number of important sectors of manufacture, but only relative to the international competition in many other areas. The Dutch Republic remained one of the richest – per capita perhaps the richest – societies in Europe. The evocation of the image of absolute and overall decline was a political tool in eighteenth-century debates, not a factual description of the state of the country. It is true that as a result of changing economic condition much of the existing capitalist elites transformed themselves from successful merchants and merchants-industrialists into successful internationally oriented merchant-financiers and investors. However significant in the long run, there is no inherent reason why such a shift in economic centrality from the field of production to that of trade and ultimately finance would lead to an immediate loss of military strength. It certainly did not substantially undercut the ability of the Dutch state to raise funds for warfare – after all, if everyone else could borrow on the Amsterdam capital market to finance their armies, why not the Dutch state? 

Finally, the stress on the small size of Dutch population as a major factor in the loss of great-power status was easily brushed aside by Olaf van Nimwegen, who pointed out that during the eighteenth century creditworthiness to pay for professional armies was still the dominant determinant of military strength. Equally, the idea that Dutch eighteenth-century

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34 This much more nuanced view of Dutch ‘decline’ was first argued by Joh. de Vries, *De economische achteruitgang der Republiek in de achttiende eeuw* (Amsterdam 1959), and by now is generally accepted. For a recent overview, see Jan de Vries and Ad van der Woude, *The first modern economy. Success, failure and perseverance of the Dutch economy, 1500-1815* (Cambridge 1997).

35 A transformation that for example can be seen from the figures on regent investments in M. Prak, *Gezeten burgers. De elite in een Hollandse stad, Leiden 1700-1780* (Amsterdam 1985) 117.


37 Olaf van Nimwegen, *De Republiek der Verenigde Nederlanden als grote mogendheid. Buitenlandse politiek en oorlogsvoering in de eerste helft van de achttiende eeuw en in het bijzonder tijdens de Oostenrijksche Suessieoorlog (1740-1748)* (Amsterdam 2002) 12. The argument over population size often appears as a *deus ex machina* in the debates on war and state formation. There is no inherent reason why a population of two million could sustain Dutch Wars against France with its population of 20 million during the seventeenth but not during the eighteenth century, or why this factor was so important for the Dutch Republic but not for Prussia with its 2.35 million inhabitants at the time of Frederick the Great. Number given in Peter H. Wilson, ‘Prussia as a fiscal-military state, 1640-1806’, in: Storrs (ed), *Fiscal-military state*, 95-124, 116. Already at the end of the eighteenth century, the leading Dutch statesman Laurens Pieter van de Spiegel dealt with this line of reasoning: ‘One has to consider the population of the Republic not only as consisting of so many heads, but as so many
politics could be characterized as one undifferentiated period of corruption, institutional lethargy, and aristocratization has come under fire. While the long-term connections between ‘economic decline’ and loss of great-power status are not put into question, these historiographic reconsiderations suggest that the actual mechanisms between the two were much more mediated, complex, and equivocal than suggested by authors who seek direct links between economic decline, imperial overstretch, and the ‘institutional incapacity’ of the eighteenth century state.

Both the first and the second solution to the enigma of the Dutch state – the first suggesting that the power of the Dutch state emanated from the weakness of others, the second that its base was purely economical – must assume that the eventual loss of great-power status was only the natural course of events. But both approaches encounter serious problems of chronology and causation, disabling them to account for the complex, often partial, and long-drawn out nature of the decline of Dutch hegemony within the world-system. A third solution manages to avoid both problems by focusing on the strengths rather than the weaknesses of the Dutch state. This solution rests on Tilly’s notion that there was a specific ‘city-states’ or ‘capital-intensive’ path of state formation that the Dutch Republic followed. The close connections between capitalists and bureaucrats characteristic of this path allowed state makers to draw much more successfully on the resources of their subjects than their more centralized counterparts, giving them a marked advantage in the era of brokerage-warfare. However, once nationalized warfare gathered steam, the extraordinary influence of urban elites over policy decisions in those states prevented rulers from raising the level of taxation and state intervention in the economy to a degree matching the requirements of international great-power competition. This solution carries strong overtones of what the Dutch historian Jan Romein – with the Dutch eighteenth century in mind – once called ‘the

heads of wealthy people, who all more or less have possessions, or can gather possessions by their labor. Their welfare continuously attracts strangers to come and share in it. And because of this riches, the Dutch can employ other people in their service (...), and thereby bring their population at all times at the height they judge necessary considering the circumstances. The examples of this are visible in navigation, the militia, at certain times in agriculture, in dike-building, and most of all in the plantations.’ Joh. de Vries (ed), ‘Van de Spiegel’s “schets tot een vertoog over de intrinseque en relative magt van de Republijk” (1782), Economisch-Historisch Jaarboek, Vol. 27 (1958) 81-100, 89. On the analogous argument over the size of the territory of the Dutch Republic, see Richard Lachmann, Capitalists in spite of themselves. Elite conflict and economic transitions in early modern Europe (Oxford 2002) 167.

39 Tilly, Coercion, capital, and European states, 160.
law of the handicap of a head-start’. Romein developed his ‘law’ as a counterpart to Trotsky’s much more familiar ‘law of uneven and combined development’, popularized in the Gerschenkronian version as the ‘advantages of backwardness’. In analogy to these, Romein tried to show why former ‘front-runners’ in the world economy tend to cling to the institutions that once gave them an advantage over their competitors, even if these become outdated – citing reasons of convenience, the excessive costs of replacement of functioning if old-fashioned techniques, or ideological conservatism.

Tilly’s description of a city-state path that ‘bit itself in the tail’ still rests on the assumption that the advantages of the brokerage-model of state formation came to a sharp and sudden end around 1700, returning in a less teleological fashion to the idea that there is an all-overriding tendency in early modern warfare to strengthen the national state. Though acknowledging that differences in ‘state physiology’ played an important role in determining the line of march, in Tilly’s view this did not influence the general trend towards nationalization, for

‘the increasing scale of war and the knitting together of the European state system through commercial, military, and diplomatic interaction eventually gave the warmaking advantage to those states that could field great standing armies; states having access to a combination of large rural populations, capitalists, and relatively commercialized economies won out. They set the terms of war, and their form of state became the predominant one in Europe. Eventually European states converged on that form: the national state.’

This notion has come under sustained criticism. As Frank Tallett pointed out, what deserves our attention ‘is not so much the bureaucratic centralization engendered by the demands of

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41 Leon Trotsky first coined this notion in the wake of the 1905 revolution to explain the apparent contradiction of one of Europe’s least developed countries experiencing highly advanced forms of working class upheaval, and later elaborated it as part of his critique of the Stalinist concept of ‘socialism in one country’. Key texts in Leon Trotsky, *The permanent revolution & Results and prospects* (Seattle 2010). Alexander Gerschenkron’s version of this idea, much indebted to Trotsky’s theories but less elaborated, can be found in his *Economic backwardness in historical perspective. A book of essays* (Cambridge MA / London 1962). Theories of uneven and combined development have recently experienced a minor comeback in the literature on international relations, as can be seen from the debates in recent issues of the *Cambridge Review of International Affairs*, the most important contributions to which are Alex Callinicos, ‘Does capitalism need the state system’, *Cambridge Review of International Affairs*, Vol. 20, no. 4 (2007) 533-549, and Alex Callinicos and Justin Rosenberg, ‘Uneven and combined development: the social-relational substratum of ‘the international’? An exchange of letters’, *Cambridge Review of International Affairs*, Vol. 21, no. 1 (2008) 77-112.
43 Tilly, *Coercion, capital, and European states*. 58.
war, but rather the decentralization which they entailed. Recent works on the British, French, and Spanish states during the ‘long eighteenth century’ all affirm the continued role of independent entrepreneurs in the organization of warfare in those countries, as well as the continued ineffectiveness of national states. Brokerage seems to have been a central tool for state-makers across the board, and to have remained so well into the eighteenth century. The difference between the Dutch Republic and its competitors appears to lie more in the way in which brokerage structures were integrated into the overall framework of the state, than in whether or not they were fully replaced. To push the point, it might be more useful to envision the Dutch Republic as one extreme of the norm of European state formation than as the great early modern exception, the last successful representative of the city-state path.

Despite this important proviso, the great strength of the third solution outlined here is that it does not assign the state a passive role as a mere receptor of the ‘external’ pressures of warfare or the ‘internal’ pressures of economic development. Instead, it envisions the state as a complex mediating structure. States make war, but they do so, to paraphrase Marx, not in conditions of their own choosing and often not with the results that state-makers had in mind before launching themselves onto the battlefield. And wars do not only make states, but can unmake them as well – pushing for the preservation of once successful models of organization, strengthening elite groups with access to arms, giving economic beneficiaries of warfare an interest in the defense of the status-quo. To understand the specific mixture of ‘making’ and ‘unmaking’ characterizing each path of state formation, it is necessary to examine concretely how this process of mediation functions. This can only be done by examining the social networks, forms of interaction, and political and ideological conflicts behind institutional developments. Such a concrete examination for three key sectors of the organization of warfare in the Dutch Republic forms the empirical core of this book.

**Typologies of the early modern state form**

The enterprise undertaken here rests on a hive of historiographic debates. The emphasis on the impact of warfare on state formation stimulated a large and ever growing literature on the question how early modern European states in their institutional arrangements accommodated

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45 See the next section for references.
the pressures of military and naval competition. For no other period has the inner working of military-industrial and military-financial complexes been subjected to so much thorough empirical research as for the years between 1550 and 1815. This book does not intend to present a comparative research in the sense of systematically tracing the similarities and differences in the administrative structures employed by Dutch state-makers and their foreign counterparts. But as the remarks on Tilly in the last section suggest, highlighting the peculiarities of the Dutch trajectory of state formation in and of itself begs the question whether there was a main pattern of which this particular case was either a variant with its own characteristics or a deviation. Therefore, considerations arising from direct comparison will be latently – and sometimes explicitly – present throughout this investigation.

This study will employ the terminology commonly used in the literature on early modern state formation – Tilly’s lineage of ‘brokerage’ and ‘nationalized’ states, the concept of the ‘fiscal-military’ state, and the more recent notion of an eighteenth-century ‘contractor state’. Rather than forming rivaling explanations, these terminologies focus on different but interrelated aspects of a single process. The first centers on the question why certain areas of military and naval organization were drawn into the realm of the state and others were not. The second focuses on states’ financial capacities and the specific institutions designed for the enhancement of its revenue-raising capacities in the context of war. The third gives priority to the interaction between states and markets in areas such as military production and supply.


47 A very summary survey of the most recent Anglophone literature suffices to underline this point. For Britain, there is Gordon E. Bannermann, _Merchants and the military in eighteenth-century Britain_ (London 2008), Roger Knight and Martin Wilcox, _Sustaining the fleet 1793-1815. War, the British navy and the contractor state_ (Woodbridge 2010), for France, David Parrott, _Richelieu’s army. War, government and society in France, 1624-1642_ (Cambridge 2001), Guy Rowlands, _The dynastic state and the army under Louis XIV. Royal service and private interest, 1661-1701_ (Cambridge 2002), for the Dutch Republic, Van Nimwegen, _Dutch army, ’t Hart, Dutch wars of independence_. Apart from these monographs, there are major synthesises such as Jan Glete, _War and the state_, David Parrott, _The business of war. Military enterprise and military revolution in early modern Europe_ (Cambridge 2012), and collaborative volumes such as Contamine (ed), _War and competition_, Tallett and Trimm (eds), _European warfare, H.V. Bowen and A. González Enciso_ (eds), _Mobilising resources for war. Britain and Spain at work during the early modern period_ (Pamplona 2006), and Stephen Conway and Rafael Torres (eds), _The spending of states. Military expenditure during the long eighteenth century. Patterns, organisation, and consequences, 1650-1815_ (Saarbrücken 2011).
All three models are perfectly well applicable to the Dutch case. The Dutch Republic was a brokerage state in its continuous involvement of economic elites in the execution of its warring tasks, a fiscal-military state in its methods and aims of raising money, and a contractor state in its persistent reliance on the market for its military and naval logistics. To stress the two most characteristic features of Dutch institutional arrangements, the Dutch Republic will be described as a ‘federal-brokerage state’.

Despite problems of chronology and hidden teleology, the brokerage-nationalization dichotomy still forms the most generic approach to the institutional forms of interaction between capitalists and the state in the early modern period. Both in its strengths and in its weaknesses, Tilly’s choice of categories was heavily indebted to the German sociological tradition.\textsuperscript{48} Three thinkers warrant special attention: Werner Sombart, Otto Hintze and Max Weber. In his 1913 \textit{Krieg und Kapitalismus}, Sombart in stark terms posited the correlation of the three large-scale processes central to Tilly’s contribution – the rise of capitalism, the genesis of the modern state, and the transformation of the nature of warfare. Starting from the image of war as ‘the great destroyer’, Sombart quickly turned towards its opposite characteristic:

‘Der Krieg hat kapitalistisches Wesen nicht nur zerstört, der Krieg hat die kapitalistische Entwicklung nicht nur gehemmt: er hat sie ebenso gefördert, ja – er hat sie erst möglich gemacht, weil wichtige Bedingungen, an die aller Kapitalismus geknüpft ist, erst im Kampfe sich erfüllen mußten. Ich denke vor allem an die Staatenbildung, wie sie zwischen dem 16. und 18. Jahrhundert in Europa vor sich geht, die eine Voraussetzung war für die eigenartige Entfaltung des kapitalistische Wirtschaftssystems. Die modernen Staaten aber, das wird man nicht erst zu belegen brauchen, sind allein das Werk der Waffen (...).’\textsuperscript{49}

The remainder of the book, however, was not focused on this ‘indirect’ contribution of warfare to capitalist development through state formation, but on the ways in which capitalists themselves were directly involved in the organization of warfare. For Sombart, this typical ‘brokerage’ involvement functioned as a motor for capitalist development – leading to the amassing of wealth, the spreading of the ‘capitalist spirit’, and the expansion of commodity markets.\textsuperscript{50}

\textsuperscript{48} For a broader critical evaluation of Tilly’s theoretical development, see Marcel van der Linden, ‘Charles Tilly’s historical sociology’, \textit{International Review of Social History}, Vol. 54 (2009) 237-274, especially 245-249.
\textsuperscript{49} Werner Sombart, \textit{Krieg und Kapitalismus} (München and Leipzig 1913) 11.
\textsuperscript{50} Ibid, 14.
Sombart’s idiosyncratic reading of early modern history, heavily influenced by the mechanical materialism then current in German social-democracy, made him prioritize the directly economic benefits of warfare. The influence of war on the development of forms of bureaucratic rationalism was examined more thoroughly by Weber and Hintze. In what must be read as a direct reply to Sombart’s thesis, Weber argued that war should not be seen as the origin of capitalist development, but rather as one of the catalysts of a process already underway.

‘Er ist allerdings, und nicht nur in Europa, Träger des Kapitalismus gewesen; aber dieses Moment war nicht entscheidend für dessen Entwicklung. Sonst hätte mit zunehmender Deckung des Heeresbedarfs durch Eigenregie des Staates der Kapitalismus wieder zurückgehen müssen, eine Entwicklung, die aber nicht eingetreten ist.’

The counterfactual is important. For Weber the very process by which much of the direct practical organization was taken out of the hands of individual capitalists and thus out of the realm of profit and the market – analogous to Tilly’s transition from brokerage to nationalization – was at the same time the process of the creation of a ‘rational state bureaucracy’ that is indispensible for the functioning of modern industrial society. A second theme in Tilly’s lineage of brokerage and nationalist forms can be directly inferred from its Weberian precursor: the historic necessity of the replacement of independent city-states as the main carriers of capitalist development by national states that more effectively combined the requirements of accumulation and coercion.

While Weber emphasized the rational aspects of bureaucratic development, Otto Hintze provided the idea of the totalizing logic of this state in his presentation of the rise of Prussia as the victory of the ‘Gesamtstaat’ and Friedrich Wilhelm I as the creator of a ‘militärisch-bureaufkratischer Absolutismus’. Much of the implicit teleology towards the national state present in the ‘military-revolution thesis’ derives from this privileging of the military-bureaucratic total state as the superior organizational framework for warfare. A full generation later, Fritz Redlich sketched the pre-history of this victory as the rise and fall of the ‘military enterpriser’. Locating the hay-days of this particular type of entrepreneur during the Thirty

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51 Max Weber, Abriss der universalen Sozial- und Wirtschafts-Geschichte (München / Leipzig 1924) 266.
53 Tilly, Coercion, capital, and European states, 190-191.
Years’ War with the operation of mercenary armies such as Wallenstein’s, Redlich posited that the history of military organization was that of the integration of the independent ‘company economy’ under control of the captain entrepreneur into larger regimental economies, and ultimately into the confines of bureaucratic organization. Tilly’s notion of the ‘brokerage’ state centrally rested on this type of entrepreneurship singled out by Redlich, underemphasizing many other forms in which independent capitalists continued to be active in the organization of warfare.

Tilly’s general assumptions on the nature of state formation remained highly influential, but most later research focused on the working of state institutions on a more concrete level. Following the famous dictum of Cicero that ‘money forms the sinew of all wars’, John Brewer introduced the term ‘fiscal-military state’ to capture the overbearing role of the monetary factor in the development of state bureaucracies. In his account, the creation of strong fiscal institutions did much more than allowing states to raise increasing amounts of revenue. In the process, these bureaucratic bodies restructured the very relation between the state and capital markets, the connections between large scale financiers and other economic interest-groups, and the nature of the political interaction between economic elites and state bureaucrats. In his conclusion, Brewer explained how

‘[t]hese interests struggled to understand, subjugate or exploit the fiscal-military juggernaut that emerged, through the collision of conflicting forces (...). They tried to do so by one of two, somewhat contradictory, processes: on the one hand, by circumscribing the state’s power; on the other, by colonizing the state in order to gain control of its resources.’

Brewer’s description of the eighteenth-century British state was followed by more general examinations of the nature of fiscal-military states. Apart from providing a more concrete way to envision the links between warfare and the development of financial bureaucracies, this terminology opened a bridge to adjacent debates on the ‘financial revolutions’ in the

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55 Redlich, German military enterpriser II, 16.
58 Ibid, 251.
relations between states and capital markets. Applying the concept to other states than eighteenth-century Britain led to a recognition of the many different forms taken by the process of ‘circumscribing and colonizing’ of the state by economic elites that Brewer had described. It also turned attention to the ways in which the state-makers themselves used those attempts for their own ends. As Jan Glete pointed out, states had to find new ways to gain access to the economic resources of their subjects, and the two combined led to far-reaching inter-penetration that molded the boundaries between the two:

‘The basic features of the market and the hierarchy are important to keep in mind when studying the development of early modern states. They tied both systems in a more or less conscious search process for optimal solutions to difficult problems, but in practice it was seldom a question of a choice between two clear-cut alternatives: an atomistic market and a strict formal hierarchy. Networks of contacts also mattered.’

Networks of contacts play an increasingly important role in the most recent historiographic developments, most notably the shift from the question of the raising of revenues to that of their actual employment in areas like recruitment, military production, and supply. Of course, these aspects were never really absent. Indeed they already had been prominently present in Sombart’s research project. They were central to the development of the ‘war and society’ school that arose in the 1960s and 1970s. In Martin van Creveld’s elegant formulation:

‘[B]efore a commander can even start thinking of manoeuvering or giving battle, of marching this way and that, of penetrating, enveloping, encircling, of annihilating or wearing down, in short of putting into practice the whole rigmarole of strategy, he has – or ought – to make sure of his ability to supply his soldiers with those 3,000 calories a day without which they will very soon cease to be of any use as soldiers; that roads to carry them to the right place at the right time are available, and that movement along these roads will not be impeded by either a shortage or a superabundance of transport.’

61 Glete, War and the state, 58.
Nevertheless, it seems fair to say that for a while the impact of war on structures for taxation and loans drew attention away from the equally momentous changes in the organizational relations between state and capitalists in production and supply. The recent introduction of the idea of the eighteenth-century ‘contractor state’ helps to once again bring to the fore this particular side of state formation. It highlights the continued, often central role of capitalists after the arrival of standing armies and navies during the second half of the seventeenth century, thereby extending the reach of Tilly’s concept of brokerage from its original narrow confines.

The arrival of yet another descriptive term for seventeenth- and eighteenth-century state formation, however, raises a broader question about the heuristic status of the terminology. Do ‘brokerage’-, ‘fiscal-military’-, and ‘contractor’-elements really signify a specific type of states, or do they simply describe different forms of activities that all early modern states – as well as states over a far wider historical timeframe – engage in? Weber was adamant that ancient Rome possessed a powerful class of ‘rational’ capitalist financiers that backed up its wars. Were their activities indicative of the existence of a fiscal-military state in classical antiquity? Traveling in the opposite direction, a recent increase in the activities of Somalian pirates led to debates in Dutch parliament whether the protection of freight-carriers should be carried out by the state navy, or be left to heavily armed employees of security firms. Is this a return to brokerage-forms of warfare? If not, what about the much more extensive use of private soldiers by the American army from Iraq to disaster-stricken New Orleans and Haiti? Last but not least, apart from the fully state controlled economies of the twentieth century, have there ever been modern states without some vestiges of a military-industrial complex, and without large scale military subcontracting?

The meaning of these rhetorical questions is to show that rather than being the characteristic features of a particular phase of state formation, brokerage, fiscal-military, and contractor arrangements were some of the means employed within a long historic timeframe.

63 The first monograph to explicitly use this concept is Knight and Wilcox, *Sustaining the fleet*. A session around this theme took place at the 2010 World Economic History Conference in Utrecht, the proceedings of which have been published as Conway and Torres (eds), *Spending of states*, and a further volume is bound to appear, R. Harding and S. Solbes Ferri (eds), *The Contractor State and Its Implications (1659-1815)* (Las Palmas de Gran Canaria 2012), as well a round table discussion of *Sustaining the fleet* in the *International Journal of Maritime History*.
65 ‘Kamer stent uitbreiding missie tegen piraten’, *De Volkskrant*, 12-06-2012. The question whether the pirates’ activities might be an equally time-tested result of the asymmetries in global power, the armed response of the weak to the havoc brought by the arrival of fully computerized European fishing trawlers to local fishing economies and eco-systems, was sadly left unanswered during the parliamentary proceedings.
by very different states to solve similar types of problems. This realization affects some of the core evolutionary claims in the literature on state formation. Tilly’s ‘convergence’ of paths seems not to consist of series of long transitions between sharply delineated phases, but rather a series of restructurings of the state producing changes in the balance between brokerage and national institutions, tributary and fiscal-military arrangements for revenue raising, and between solutions to logistical problems based on requisitioning, buying, and making. Throughout the seventeenth and eighteenth centuries, rulers and bureaucrats sought how to combine direct state intervention and far-reaching reliance on capitalist self-organization for the greatest effect. For all, the ability to implement state-centered, bureaucratic solutions in a modern sense was limited by the fact that neither politics, nor civil society, nor even the market had yet attained the ‘impersonal’ character that enables the state bureaucracy to appear as the social repository of an imagined non-particularist, totalizing rationality, the guard of the combined interests of the nation.\(^{67}\) In one of those sweeping generalizations of which only the nineteenth century social sciences were fully capable, Marx designated the early modern period the age of the middleman:

‘In the economic domain, e.g., financiers, stock-exchange speculators, merchants, shopkeepers skim the cream; in civil matters, the lawyer fleeces his clients; in politics the representative is of more importance than the voters, the minister than the sovereign; in religion, God is pushed into the background by the “Mediator,” and the latter again is shoved back by the priests, the inevitable middlemen between the good shepherd and his sheep.’\(^{68}\)

Clearly, the preponderance towards (proto-)nationalized solutions was stronger in absolute monarchies than in bourgeois city states. Both for the French and the Spanish monarchy, to take the two obvious examples, the literature clearly shows a great reluctance of the crown to give too much leeway to the commercial classes. Dynastic interests often preceded over economic considerations. This does not mean, however, that the Habsburg and Bourbon state did not rely heavily on capitalist middlemen. It primarily meant in the interaction between the state and its entrepreneurs, decision making power tilted more towards the former than the


latter. In contrast, both in bourgeois republics like Venice and the Dutch Republic and in the British constitutional monarchy bureaucrats and capitalists engaged on a much more equal footing. In all cases the same ingredients were present: emerging markets, developing bureaucracies, cities vying for influence, commercial interests and interests of state overlapping and conflicting in ever more complex patterns. But the outcome of their mixture depended both on the proportions in which these ingredients were available, and on the historic conditions of their recombination. Comparing the Northern and Southern Netherlands powerfully underlines the second aspect. Both geographic areas were characterized by high levels of urbanization, commercialization, and the presence of strong capitalist elites. But the launching of an independent state in the course of the Dutch Revolt allowed the Northern Netherlands to mobilize these factors for warfare with great success, while subjection to foreign monarchies for a long time transformed the Southern Netherlands urban landscape quite literally into the pastures on which other powers could graze.

As scholars have tentatively started to suggest, the idea that war produced an all-overriding advantage of one particular combination of bureaucratic centralization and reliance on the market could in fact be a projection from the nineteenth and twentieth centuries into early modernity. This shifts the meaning of the central question posed at the start of the introduction. The persistence of federal-brokerage structures for warfare in the Dutch Republic seems less of an exception, a holding out against the inevitable march of history, and more as one side of the continuum of early modern state forms. If there was a single moment of convergence when state-makers across the board, even in the Dutch Republic, became proponents of tipping the balance definitively towards national solutions, it was the

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71 See the dissertation of Thomas Goossens that was written in conjunction with this book as part of the VNC-research project ‘Networks of state and capital’. Also Reginald De Schryver, ‘Warfare in the Spanish Netherlands 1689-1714. Remarks on conquest and sovereignty, occupation and logistics’, in: De Jongste and Veenendaal (eds), Heinsius and the Dutch Republic, 133-146.

72 Parrott, Business of war, 3-4.
French Revolution. Until the arrival of the levée en masse, war created pressures in the direction of nationalization as well as pressures leading to the continued reliance on brokerage structures. Rather than supposing the superiority of national over brokerage forms, research should lay bare the structural conditions and types of interaction between states and ruling classes that produced the particular outcomes of these conflicting pressures.

The term ‘federal-brokerage state’ that is employed in this study should be read in the same vein. Rather than capturing an ‘essence’ of the Dutch state, signifying a particular ‘stage’ in which the Dutch Republic remained stuck and emphasizing its ‘failure’ to become national, the term is primarily descriptive. It concentrates on two dominant elements of the solutions that were persistently favored by Dutch state-makers when faced with concrete problems in the organization of warfare – their tendency to devolve power downwards towards local and provincial institutions rather than to create national administrative bodies, and to favor brokerage over bureaucracy. Of course, no descriptive term is ever completely void of deeper ontological meanings – pertaining on what the state was rather than what it did. The remainder of this introduction will suggest that a continued preference for federal-brokerage solutions reflected certain fundamental features of Dutch state-society relations. But nonetheless, they remained solutions rather than fixed properties, and the fact that these solutions were singled out and not others ought to be explained, not assumed.

**The Dutch cycle of accumulation**

The general background and historic timeframe for the argument presented here is provided by what the economist Giovanni Arrighi in his major synthesis of capitalism’s longue durée described as the ‘Dutch cycle of accumulation’. Following Braudel and Wallerstein, Arrighi posited that international capitalism developed through a number of phases marked by the consecutive hegemonies of core states. The aim of his concept of systemic cycles was ‘to describe and elucidate the formation, consolidation, and disintegration of the successive regimes through which the capitalist world-economy has expanded from its late medieval sub-systemic embryo to its present global dimension.’ Focusing explicitly on the interplay between capitalist expansion and the shifts in power within the international state-system, this

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74 Ibid, 9-10.
notion provides a theoretical framework that connects the main themes of this book outlined in the previous sections. According to Arrighi, the Dutch cycle formed a crucial turning point in the development of the capitalist world-system, transferring the logic of capital accumulation from the primarily regional scale it had still had with the Italian city states to the world at large. Doing so required a coupling of the needs of profit and of power, an interlocking of two ‘logics’ that was achieved in the course of the Dutch Revolt, reached its high-point around the 1650s, then to dissolve under pressure of ‘economic decline’ during the downward phase of the cycle that stretched from the second half of the seventeenth century to the second half of the eighteenth. Again following Braudel and Wallerstein, Arrighi argued that the hallmark of capitalist hegemony was the ability to combine economic leadership in the key sectors of manufacture, trade, and finance. ‘Decline’ from this position was a gradual process, starting in manufacture, slowly enveloping certain areas of trade, and arriving only late in the day in finance – explaining how a loss of hegemony could go hand in hand with an assertive role of Dutch investors on the world market.75

New in Arrighi’s approach was the centrality he accorded to the organizational character of relations between capitalists and the state in creating the possibilities and limits of each successive cycle. In The long twentieth century, he envisioned the succession of the different systemic cycles as a series of historic shifts from ‘cosmopolitan finance’ forms of capitalism to ‘state monopoly’ forms. The Dutch Republic, in his view, came to supersede Genoa as the international center of capital accumulation by reconstituting a form of ‘state capitalism’, based on the ‘continuing internalization of protection costs by the Dutch capitalist class organized in the Dutch state’.76 But if this internalization of the costs of warfare signified a form of state capitalism, it certainly was not state capitalism of the modern type where the state takes control over large swaths of the economy out of the hands of private capital. On the contrary, it was an extreme example of Brewer’s ‘colonization of the state by the economic elites’, where the state itself was run directly as an extension of the process of accumulation by sections of the capitalist class.77 In an argument heavily dependent on Jonathan Israel’s account of the rise and fall of ‘Dutch primacy in world trade’, Arrighi held

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75 Ibid, 127-158.
77 Brewer, Sinews, 251.
that the ‘Dutch cycle’ found its limits in two self-induced processes. First, the very success of the Dutch model stimulated its emulation by competitors, leading to mercantilist challenges to Dutch hegemony in the core areas of European trade. Secondly, the intensification of international competition this engendered with its ensuing increase in government spending stimulated the international merchants at the helm of the Dutch state to divert their investments towards the international market for state bonds, leading to de-investment in trade and industry at home. The state, firmly under control of those same investors, did not challenge the flow of investments that caused the loss of hegemony in production and trade, ultimately undermining the ability of Amsterdam to function as the financial center of the world. In this way, both in its success and in its demise, the course of the Dutch cycle was bound to the specific configuration of relations between state and capital that characterized the Dutch state.

Arrighi’s insistence on a strong relationship between the development of the international state-system and the capitalist world-economy has been criticized from different theoretical directions. However, its great strength is to allow for a reintroduction into the

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78 Israel, Dutch primacy. For a more recent comparative study into the nature of Dutch commercial hegemony that is much more in tune with the current debates in Dutch economic history, see David Ormrod, The rise of commercial empires. England and the Netherlands in the age of Mercantilism, 1650-1770 (Cambridge 2003).
79 Arrighi, Long twentieth century, 142-144, and 156-158.
81 The most prominent critics sharing Arrighi’s Marxist starting point write from within Robert Brenner’s approach to the rise of capitalism. These mostly reject that any society in early modern Europe can be described as capitalist before seventeenth century England, and tend to see the Dutch Republic as a representative of older, non-capitalist forms of commercial societies. Ellen Meiksins Wood, The origins of capitalism. A longer view (London / New York 2002) 94, and Benno Teschke, The myth of 1648. Class, geopolitics and the making of modern international relations (London / New York 2003) 208. Incidentally, Brenner himself did see the Dutch Republic as capitalist, albeit a form of capitalism that never escaped the primordial A-phase of development. Robert P. Brenner, ‘The Low Countries in the transition to capitalism’, in Peter Hoppenbrouwers and Jan Luiten van Zanden (eds), Peasants into farmers? The transformation of rural economy and society in the Low Countries (middle ages-19th century) in light of the Brenner debate (Turnhout 2001) 275-338. For a forceful rejection of the ‘formalism’ in the approach to capitalism of this school, see Jairus Banaji, Theory as history. Essays on modes of production and exploitation (Leiden / Boston 2010). Also see the thoughtful discussion on the notion of the international employed by Wood and Teschke in Alex Callinicos, Imperialism and global political economy (Cambridge 2009) 75ff. Of course, non-Marxist authors would also contest major features of Arrighi’s narrative. Nevertheless, many working within the framework of the currently influential New Institutional Economics would agree about the positive interaction between the peculiar state form of the Dutch Republic, including its proficiency in war, and its extra-ordinary success as a motor of early modern capitalist development. This certainly was the assumption of the founding work of this school, Douglass C. North and Robert Paul Thomas, The rise of the western world. A new economic history (Cambridge 1973) 132ff, although its stress was more on the influence of the Dutch state form on the evolution of a specific set of property rights and the lowering of transaction costs than on its efficiency in facing challengers abroad. More recently, authors working within the framework of New Institutional Economics have turned more explicitly to the question of the role of warfare, e.g. Douglass C. North, John Joseph Wallis, and Barry R. Weingast, Violence and social orders. A conceptual framework for interpreting recorded human history (Cambridge 2009), and Nicola Gennaioli and Hans-Joachim Voth, ‘State capacity and military conflict’, Barcelona GSE Working Paper Series, no. 993
debates on state formation of one of the key insights of Marx’ original theoretical enterprise from the standpoint of global history: its insistence on the inherently international nature of the birth of capitalism as a social system, captured in the famous remark in *Capital, Volume I* that ‘the different momenta of primitive accumulation distribute themselves (…), more or less in chronological order, particularly over Spain, Portugal, Holland, France, and England’.\(^{82}\)

The level of centrality accorded by Arrighi to the role of warfare and the state in this process of international ‘distribution’ also makes his approach less vulnerable to the general criticisms of historical materialism developed in the 1970s and 1980s by historical sociologists such as Theda Skocpol, Michael Mann, and Anthony Giddens, who saw an alleged under-theorization of the question of power as ‘the origin of some of the chief limitations of his [i.e. Marx’s] scheme of historical analysis.’\(^{83}\)

Examining these theoretical issues more closely would require a different type of book. However, four concrete criticisms can be made of Arrighi’s view of the ‘Dutch cycle’ that do have a direct bearing on the subject of this research. First, his insistence on a binary opposition between ‘state (monopoly)’ and ‘cosmopolitan (financial)’ forms of organization as different moments (temporarily and geographically) of the cycle of accumulation can distract from the very real ways in which these could be competing aspects of the same moment. Even in the case of the Dutch Republic, capitalists worked both through and around the state. This research, for example, will show how the VOC – understandably presented by Arrighi as the clearest case of the merging of state and capital – at the high point of its activities managed to combine reliance on the state in European waters with keeping at bay the state beyond Cape Hope. More generally, the level of state-capital integration differed over time and for different groups of merchants.

Second, while insisting on the geographic dimensions of capital accumulation and the uneven division of power on the international field, Arrighi tends to underestimate the internal

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\(^{82}\) Karl Marx, *Capital*. Volume I (Moscow s.d.) 703. A statement that in view of completeness, as well as to be cleansed of the vestiges of euro-centrism, should be further widened to include at least the Islamic trading system and the Yangtze Delta during the mid to late Ming period.

spatial dimensions that crucially influenced the position of the state. The federal element within the federal-brokerage make up of the Dutch state, as well as the impact of this federalism on the development of the Dutch cycle, are almost absent from his description. This reflects the tendency in anglophone literature to reduce the Dutch state to its most influential component, the Province of Holland. As Jonathan Israel concludes:

“The notion that the United Provinces was, in any sense, political or economic, the city-state of Amsterdam, implying that Amsterdam ruled the rest as Venice and Genoa ruled their subject territories, is a total misconception. Nowhere else in the early modern world was the close economic collaboration of a network of maritime towns, inland manufacturing towns, fishing ports, and inland specialized agriculture anything like so intricately organized and federated as in the Dutch Republic during the seventeenth century.”

Hollando-centrism was a political reality as well as an ideological strand of the Dutch Golden Age, but one that was always contested. As this study purports to show, the organization of state-capital relations worked out very differently for the Amsterdam or the Zeeland Admiralty Board, or for financiers based in The Hague or Groningen. These differences had long-term effects on the ability of the state to overcome the limits of the Dutch cycle.

A third, and closely connected problem is the tendency to define the social character of the Dutch state merely by the influence of – primarily Holland-based – international merchants. However real this influence was, it certainly was not the only feature of Dutch politics. Most non-Marxist literature with equal justification stresses another basic characteristic of the Dutch state, its persistent ‘particularism’ providing each often highly localized corporate body with its own island of influence. Stuck in the notion of a ‘pure’ merchant state, Marxist writers have often missed the more complex and intricate ways in which the state tried – with varying success – to connect the interests of the major long-distant merchants that built their luxurious houses along the Amsterdam canals with those of sections of the nobility as well as the urban middle classes.

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85 Israel, *Dutch primacy*, 415.
The fourth and perhaps most fundamental problem is a rather caricatured view of Dutch early modern capitalism as a pure ‘merchant capitalism’. This concept is deeply flawed, an empirical misnomer and a theoretical dead-end. The idea that Dutch hegemony was driven by dominance of the rich trades, instead of this dominance being the result of the measure of development of its home economy, is by now almost generally rejected.\(^88\) In the words of Immanuel Wallerstein, ‘[s]o much ink has been spilled to explain why Holland did not industrialize that we tend to overlook the fact that it did do so.’\(^89\) As will be shown in more detail in a chapter on the naval shipyards, the Dutch state not only acted as a promulgator of trade but also of capitalist production.

Thus, while Arrighi’s theoretical framework highlights important aspects of the interplay between state and capital that this book further examines, his actual description of the ‘Dutch cycle of accumulation’ is much weakened by an overtly traditionalist and in some respects outdated rendering of the main lines of Dutch history. In explaining Dutch ‘rise and decline’, Arrighi all too often has to fall back on the unsatisfactory notion that the root-causes of Dutch strength and weakness lay outside the Netherlands. Among others, this can be seen from his acceptance of the idea that

‘as soon as the territorialist states themselves [i.e. France and England] followed the Dutch path of development by becoming more capitalist in structure and orientation and by throwing their lot in overseas commercial expansion, as they did from the late seventeenth century onwards, the exceedingly lean structure of the Dutch state was transformed from a decisive competitive advantage into an insurmountable handicap.’\(^90\)

A more nuanced approach to the development of the Dutch state requires a thorough re-examination of its role in the cycle of accumulation that differs from Arrighi’s original approach in important respects.

\(^88\) For a more extensive survey of the literature, as well as a criticism of the idea of Dutch capitalism as ‘merchant capitalism’, see Pepijn Brandon, ‘Marxism and the “Dutch miracle”. The Dutch Republic and the transition-debate’, *Historical Materialism*, Vol. 19, no. 3 (2011) 106-146.

\(^89\) Wallerstein, *Modern world system* II, 100. Despite this salient observation, Wallerstein did treat Dutch capitalism primarily as a function of its success in long-distance trade.

The federal-brokerage state and its ‘historic bloc’

Based on the four points of criticism outlined in the previous section, the role of the state in the Dutch cycle of accumulation can be pictured in a more dynamic way than was done in Arrighi’s original description. Each stage of the cycle was accompanied as well as shaped by a reconfiguration of the relation between state and society. A short overview of this process is necessary to understand the concrete examination of these relations at the practical, institutional, level pursued in this book.

Arrighi’s choice to start his description of the cycle with the onset of dominance over Baltic trade in the decades preceding the Dutch Revolt against the Habsburg Empire, logically follows from the view that it was merchant capital that drove Dutch expansion. But most economic historians today recognize that the roots of success already went back to the highly effective symbiosis between urban trade and production and the rise of capitalist agriculture in parts of the late medieval Netherlands. The real first phase of the Dutch cycle thus fell in the period before the formation of an independent Dutch state. At that point, the Northern and Southern Low Countries were still divided under a splattering of feuding mini-states, highly divergent both in their political structures and their economic make-up. Unification of these territories started from above, by their subjection first under the Burgundian and then under the Habsburg crown. Individual provinces could assert themselves on the international terrain, as was done by the Province of Holland in its rivalry with the Hanseatic towns over access to the Baltic area. But in general, it probably was the lack of a strong overbearing state and the peripheral position of especially the northern provinces to the composite states that gained control over them that allowed their towns and capitalists to develop relatively unhindered.


93 Tilly, Coercion, capital, and European states, 52-53.
The Dutch Revolt that started in 1566 and flared up in full force in 1572 dramatically changed both the socio-economic conditions and the political setting in which capital accumulation could take place, launching the second, hegemonic phase of the cycle. Three results of the Revolt are of significance here, all unintended but therefore no less portentous. Freed from the centralizing aims of the Habsburg crown and the essentially feudal world-outlook of the factions of large nobles that stood behind it, the seven northern provinces in which the revolt was successful became the territory of a new state that concentrated political and economic power to an extraordinary extent into the hands of a coalition of large scale international merchants and smaller scale urban and rural oligarchs.\footnote{t Hart, Bourgeois state.} It was clear even to most contemporary observers that the attitudes of this new ruling coalition to the exigencies of commercial development were completely different from those of most other states of the day. As the English diplomat William Temple poignantly observed:

‘The Government manag’d either by men that trade, or whose Families have risen by it, or who have themselves some Interest going in other men’s Traffique, or who are born and bred in Towns, The soul and being whereof consists wholly in Trade, Which makes sure of all favour that from time to time grows necessary, and can be given it by the Government.’\footnote{William Temple, Observations upon the United Provinces of the Netherlands (London 1673) 226.}

Externally, the struggle against the Habsburg Empire launched this newborn state unto the world stage. After the defeat of the Spanish Armada in 1588, Dutch fleets were free to challenge Habsburg power far from the sandy shores of Holland and Zeeland. The main theatres of war on land shifted to the peripheral provinces of the Dutch Republic, where the struggle retained its violent, civil war-like features.\footnote{Leo Adriaenssen, Staatsvormend geweld. Overleven aan de frontlinies in de meierij van Den Bosch, 1572-1629 (Tilburg 2007).} But it was on sea that Dutch superiority to the former Habsburg overlords became most apparent, and the foundation of the East and West India Companies in the first decades of the seventeenth century allowed the state to transform an essentially defensive ‘war of liberation’ into a war of conquest and empire-building.\footnote{Israel, Dutch primacy, 38ff.}

Internally, the formation of a unitary state crafted capital accumulation on a much larger geographic grid. Territorial unification created new links between urban centers and agriculture, enhanced internal transportation, and integrated the Amsterdam entrepôt more
thoroughly with its economic hinterland. However, there remained real limits to economic integration. There always remained a large gap between the key sectors of capitalist production connected to international trade – such as shipbuilding, textiles, or arms production with their developed economies of scale connected to the main centers of export – and the mass of commodity production that was small scale and locally oriented.

Numerically, Dutch industry was still dominated by small businesses, creating a capitalist class that was divided between a top layer of international merchant-industrialists and merchant-financiers whose interests were primarily supra-national, and a large mass of small ‘masters’ whose economic outlook did not stretch far beyond the borders of their town or region. Politically, this created an enormous support base for the kind of localist particularism that became entrenched in the federal make-up of the state. While international politics were in principle relegated to the ‘generalty’ level, economic policy was mainly decided at the urban and provincial level, strengthening the uneven development between the various regions instead of enabling the state to challenge it.

The federal-brokerage character of the state cemented these divisions in a dual way. Formally, political power rested on a three-tiered system of geographic representation. At the local level, urban magistrates were chosen from the upper-middle and upper classes by a system of cooptation. These magistrates, together with the numerically weaker representatives of the rural nobility, delegated members to the Provincial States. At the top of this pyramid was the States General (Staten Generaal) that was composed of delegations from all seven provinces, each holding a single vote. The most distinctive feature of this system of government, compared to other early modern states, was the great weight that it gave to representatives of the towns. The urban dominance in the Provincial States and delegations to the States General was most pronounced in the seaborne provinces Holland and Zeeland, but even in most other provinces urban and rural representation were at least equal, if not directly

98 Jan de Vries, The Dutch Rural Economy in the Golden Age, 1500–1700 (New Haven 1974) 120.
in favour of the towns. Because voting rights in the Provincial States and the States General were not weighed, the formal structure of decision making strengthened the influence of smaller voting towns. To compensate for this, the larger towns – Amsterdam in particular, housing over ten percent of the population of the Republic, and representing an even greater share in its wealth – ensured they had a stronger position within the executive bodies. Both in the Council of State (Raad van State), the main executive board of the States General, and the daily government of the Provincial States (Gecommitteerde Raden), the wealthier towns manage to ensure greater weight. Jealously guarding the federal nature of the state, equity between the provinces more than administrative efficiency was the guiding principle in composing bureaucratic institutions from the Generality Audit Office to the Admiralty Boards. The same was true for the various commissions preparing resolutions on foreign policy questions.

Parallel to this political structure power in the Dutch Republic was further divided among various corporatist interest groups, executing state-like functions and connected to the state in a much looser, sometimes only informal way. The federal structure of politics allowed those inhabiting these islands of brokerage organization to consolidate their influence, playing local, provincial, and national structures against each other to maintain leverage over the activities of the state. Most relevant to the subject of this book are the forms of brokerage power that stretched the realms of politics and the market for the organization of warfare, such as the chartered trading companies with their extensive prerogatives for taking military action. But the dependence of the state on semi-private institutions went much further than that. The House of Orange, the most prominent example, formally attained its great influence over Dutch republican politics and the army through the election of its head to the position of stadtholder (stadhouder) of the seven provinces. But this influence was bolstered by it being

102 Federalism was so much thought to be the defining element of the Dutch political organization that grand pensionary Johan de Witt could even contest the widespread use of the name ‘Dutch Republic’ in foreign publications: ‘which is judged to be not appropriate for it, while these provinces do not form *una respublica*, but each province separately forms a *sovereign respublica*. And for this reason the United Provinces should not be called *respublica* (in singulari numero), but rather *respublicae foederatae* or *unitae*, in plurali numero.’ Letter to Gerrit Pietersz Schaep, 10 May 1652, in Robert Fruin (ed), *Brieven van Johan de Witt*. Volume I: 1650-1657 (1658) (Amsterdam 1906) 61-62.
the informal centre of an elaborate structure of patronage networks.\textsuperscript{105} Even during the two long ‘stadholderless periods’ (1651-1672 and 1702-1747) when the House of Orange was stripped of its executive functions, its members retained great influence through their local clients and their ability to operate as a ‘party’ with an international as well as a regional presence.\textsuperscript{106} In a similar way, the Calvinist church functioned as a political platform but outside the state proper.\textsuperscript{107} This position could turn it into a powerful framework for the mobilization of lower class opposition against regent rule, in the same way the Orangist party could at moments of crisis. But its leading bodies in fact tied the church closely to the ruling families and cemented their coherence as a social group.\textsuperscript{108}

This combination of formal and informal roots of political power is perhaps best understood through the theoretical work of the Italian Marxist philosopher Antonio Gramsci. Borrowing a notion of George Sorel, Gramsci introduced the concept of the ‘historic bloc’ to understand the nexus of social relations, political institutions, and ideas that enable ruling classes to rule.\textsuperscript{109} For Gramsci, a historical bloc ties the economic ruling classes – numerically too weak to dominate society in their own right – to parts of the middle and subaltern classes. In order to have any weight, the historic bloc must be rooted to the deep (economic) structures of society, but it can only be so in complex and contradictory ways. Political institutions and ideologies do not simply reflect social relations. They form the terrain on which conflicting classes and class-factions fight for ‘hegemony’, successfully integrating some sections of the population while excluding others. State power is the ultimate focus of these conflicts, but the state itself is redefined by Gramsci. In his notion, the state includes not only the formal trappings of politics, defined by him as the ‘political state’, or a collection of bureaucratic institutions, destined the ‘state apparatus’, but all institutions – formal as well as informal –

\textsuperscript{105} Olaf Mörke, ‘Stadholder’ oder ‘Staetholder’? Die Funktion des Hauses Oranien und seines Hofes in der politischen Kultur der Republik der Vereinigten Niederlände im 17. Jahrhundert (Münster / Hamburg 1997), and Geert H. Janssen, Princeely power in the Dutch Republic. Patronage and William Frederick of Nassau (1613-64) (Manchester / New York 2008).

\textsuperscript{106} Marijke Bruggeman, Nassau en de macht van Oranje. De strijd van de Friese Nassaus voor erkenning van hun rechten, 1702-1747 (Hilversum 2007), and David Onnekink, ‘The ideological context of the Dutch war’, in: David Onnekink and Gijs Rommelse (eds), Ideology and foreign policy in early modern Europe (1650-1750) (Farnham / Burlington 2011) 131-144, 143-144.

\textsuperscript{107} Willem Frijhoff, ‘Was the Dutch Republic a Calvinist community? The state, the confessions, and culture in the early modern Netherlands’, in: André Holenstein, Thomas Missen, and Maarten Prak (eds), The republican alternative. The Netherlands and Switzerland compared (Amsterdam 2008) 99-122, esp 105-107.

\textsuperscript{108} Heinz Schilling, Civic Calvinism in Northwestern Germany and the Netherlands. Sixteenth to nineteenth centuries (Ann Arbor 1991) 102-103, and 130.

\textsuperscript{109} Quintin Hoare and Geoffrey Nowell Smith (eds), Selections from the prison notebooks of Antonio Gramsci (New York 1978) 366.
that anchor class power.\textsuperscript{110} Using those intellectual tools, Gramsci assembled the materials for rewriting the history of Italian politics as the long development of the modern bureaucratic state (in its totalitarian form, at the time of his writing) out of its medieval ‘corporate’ predecessors.

Gramsci’s concept is helpful, because it goes beyond two simplistic but widespread notions of the state structure of the Dutch Republic: on the one hand its conceptualization as the purest of pure forms of merchant capitalism, ruled exclusively by its merchant elites, and on the other hand its visualization as a form of proto-democracy, based on representative structures and popular participation. Rather, the federal-brokerage structure of the Dutch state allowed it to mediate between a powerful merchant class oriented on the world market, and social relations in production that remained predominantly small scale and local. The middle and upper strata of the urban small producers could overall feel represented by a state that through its federal make-up provided easy access to career opportunities, contracts, and local economic protection, extending in turn their willingness to accept its rule and pay taxes. At the same time, extensive influence over the ‘informal state’ of powerful brokerage institutions gave the large international merchants, financial oligarchs, and the highly commercialized nobility disproportional leverage over the employment of state resources.

The coalition created by this state was inherently unstable. As has been shown, instead of helping to overcome regional divisions and corporate particularism, federal-brokerage institutions locked those contradictions inside the state apparatus itself. Dutch politics turned into a constant haggling over influence. Furthermore, the lower classes were weakly integrated into this framework, and therefore easily mobilized by fractions of the ruling class that temporarily found themselves ousted from power. Even at the level of the towns, as Van Nierop notes, ‘[t]here were no institutional or formal means through which the citizenry could express its opinions or criticize the magistrates.’\textsuperscript{111} Therefore, almost every major external shock to the Dutch Republic was accompanied by revolutionary situations of sorts.\textsuperscript{112} Finally, and perhaps most fatally for Dutch economic development in the long run, while loosely tying the interests of international trade to those of small scale local manufacture the Dutch state did not greatly stimulate their mutual integration and structurally privileged the former over


\textsuperscript{112} See table 1.4 of the first chapter.
the latter. This formed a major difference with its main competitor, England, as David Ormrod suggests in his study of the two commercial empires:

‘Compared to their Dutch counterparts, English statesmen were, in the long term, driven to give equal attention to the protection of manufacturing, agricultural and commercial interests. For the Dutch of course, the last-mentioned remained of paramount importance.’

But the impact of these divisions and weaknesses was dampened by the extraordinary success of the Dutch ‘Golden Age’. Around 1650 the Dutch cycle reached its zenith, expressed in but not caused by the combination of dominance over the two main axes of early modern trade: that between the Baltic and the Mediterranean, and that between the East Indies and the Atlantic. Agriculture and industry experienced new bouts of export-oriented growth, while the Amsterdam bourse became the financial center of the world. Unity between the different elements of Dutch hegemony seemed to emerge spontaneously, underwriting the outward power of the Dutch state while enabling it to retain its non-interventionist attitude towards the home economy.

The transition from the second, hegemonic phase of the cycle to the third – in which the Dutch Republic lost first its lead in manufactures, then in trade, and finally in finance, as well as its position as a European great-power – can be seen as a second restructuring of the relations between state and society. But as argued in the first section of this introduction, this restructuring should not be seen as a sudden break resulting from financial incapacity, nor as a turning away from commercial interests of the Dutch political elites. Its most important feature was the slow disintegration of the historic bloc that had supported the international power of the state. While the manufactural motor of the urban economies started to falter, leading to impoverishment of sections of the lower classes as well as sharpening political dissatisfaction among parts of the middle classes, the wealthy investors often with great success continued to search for ways to make profits by strengthening their connections to the global markets. The result was what Jan de Vries and Ad van der Woude described in their major overview of Dutch early modern economic development as a break of the connections between the various sectors of the Dutch economy. The state, tied too strongly to the conflicting sections of the elites through its federal-brokerage structures to mount a strong challenge to these trends, became part of reinforcing them. Attempts to reorganize the core

113 Ormrod, *Rise of commercial empires*, 49.
114 De Vries and Van der Woude, *First modern economy*, 681ff.
institutions state along centralizing lines practically came to nothing.\textsuperscript{115} Not the incapacity of its individual institutions, but the continuing success of these institutions in translating the pressures of their capitalist backers was what paralyzed the Dutch state in the face of the loss of hegemony. In international power projection, as much as in the home economy, the results of this were geographically spread unevenly. While forced to cede their position as main power-brokers in the Baltic and Mediterranean regions, the Dutch long remained among the leading bulk-carriers in these regions, even if their proportion of total trade gradually declined. And an absolute decrease in the value of European trade was at least partially compensated by the growing weight of East and West India trade.\textsuperscript{116} Meanwhile, Dutch finance lived its halcyon days. Only during the second half of the eighteenth century did the consequences of the loss of hegemony become fully visible, leading to a period of intense political and ideological crisis of the Dutch ancien régime, and eventually the revolutionary overthrow of the federal-brokerage model.

\section*{Content and structure of the book}

After this historical-theoretical overview, the key theoretical presumptions of this book can now be summarized as follows. Brokerage was not so much a clearly delineated stage in state formation, but one among the various options that all early modern rulers had to choose from in their attempts to meet the pressures of international military and naval competition. The great preference of Dutch rulers for this particular option reflected structural features of Dutch society: the extent of capitalist development, the way the federal state reflected the geographic and sectoral imbalances of its early economic breakthrough, and the nature of the ‘historic bloc’ underlying the state. The relation of this state to the economic elites in general, as well as in specific areas of bureaucratic organization, changed with and in turn influenced the course of the Dutch cycle of accumulation.

Based on these considerations, three central hypotheses can be formulated to answer the main question outlined at the start of this introduction: why brokerage structures for the

\textsuperscript{115} That does not mean that in subordinated areas some practical steps towards centralization were taken, but these steps left the overall federal-brokerage framework firmly in place. Cf. Simon Groenveld, Pieter Wagenaar, and Frits van der Meer, ‘Pre-Napoleonic centralization in a decentralized polity. The case of the Dutch Republic’, \textit{International Review of Administrative Sciences}, Vol. 76, no. 1 (2010) 47-64.

organization of warfare had such perseverance in the Dutch Republic and how this in turn effected the development of Dutch capitalism and the state – or, reformulated along the lines of the theoretical explorations presented here, why the successive restructurings of the relations between state and society accompanying the Dutch cycle of accumulation did not lead to a shedding of the federal-brokerage model. The first hypothesis is that this was a result of success, not of failure. The long-lasting ability of this particular type of organization in mobilizing the economic resources of society for the production of power allowed war to foster brokerage structures as much as it challenged them. The second hypothesis is that the survival of federal-brokerage structures signified the continued influence of capitalist elites over the state, not their loss of influence as held by the ‘aristocratization thesis’ on the eighteenth century state. Federal-brokerage structures continued to provide a framework for positive stimulation of capitalist development in the individual aspects of the state’s activities, and remained responsive to the demands of the economic elites. The third hypothesis is that eighteenth century ‘decline’ in the effectiveness of the Dutch state did not primarily consist of wholesale collapse in the individual areas of organization, nor of overall institutional failure. The political crisis that enveloped the Dutch state consisted of a ‘growing apart’ of the different sections of the state, both by sharpening regional divisions and by the inability to recombine the various strands of institutional development into an overall program for state reform matching the demands of late-eighteenth century power struggle.

These hypotheses are tested by following the development of the Dutch federal-brokerage state from its revolutionary birth in the initial stages of its Eighty Years’ War against the Spanish Habsburg monarchy to its equally tumultuous demise in the course of the Atlantic wave of democratic revolutions from the 1770s to the turn of the nineteenth century. Three main areas of interaction between the state and capitalists in the organization of warfare were singled out for this investigation: the joint activities of Admiralty Boards and commercial companies in the armed protection and expansion of trade; the interaction between Admiralty Boards and home-markets in the production and supply of war fleets; and the operation of financial intermediaries between the provincial treasuries and the capital market in troop payments. Together, these three cases reflect the major strategic terrains of Dutch warfare: the struggle for dominance over European waters, the conquest of an overseas commercial empire, and the quest for security through engagement in continental wars. Each of these sectors was responsible for a major part of military expenditure. Troop payments formed by far the largest component of army expenditure, naval construction and supply the bulk of naval outlays, while the VOC and the WIC remained the most significant institutions
for privatized warfare. By including these three sectors, this study encompasses branches of
the Dutch state’s armed activity that usually are treated separately: the navy, the warring
merchant companies, and the army. This allows for an examination of the overall tendencies
in the development of the Dutch state form in a way that would not have been feasible by
examining one of these sectors in isolation. The three sectors that are investigated also
encompass the relations between the state and very different types of entrepreneurs, from the
international merchants who sat on the Admiralty Boards to the local small-producers who
played a role in naval supply and the large and small financiers who put up their credit for
troop payment.

All selection is contentious, and more had to be left out than could be included. The
arms trade, for which the Dutch Republic became a major international hub during the first
half of the seventeenth century, is only touched on in passing.\(^{117}\) This choice also leads to a
strange omission of characters. The Trip-family – who dominated the Dutch-Swedish cannon
trade in the mid-seventeenth century and built a giant house along one of the Amsterdam
canals larded with cannon balls and olive branches to make their achievement go noticed –
will hardly appear in these pages.\(^{118}\) The evolution of the command structure and regimental
organization of the Dutch army is barely touched on.\(^{119}\) The same is true for the ways the
Dutch Republic organized the defense of its borders and garrisoned its soldiers.\(^{120}\) This study
also leaves out much of the important debates within the state on ‘grand strategy’, and –
perhaps disappointing the military aficionado – will say very little about the actual course of
the wars in which the Dutch Republic fought. Even after leaving out all of these potential
areas of investigation, the amount of source material available remained daunting. The study
charges freely over two centuries, and three major aspects of warfare. Each of these would
probably have warranted a separate dissertation, and taken individually maybe even have been
served better by this. But the advantages of their combination hopefully outweigh the
disadvantages of a more summary treatment necessitated by the scope of this project. Given

\(^{117}\) Michiel de Jong, ‘Staat van oorlog’. Wapenbedrijf en militaire hervorming in de Republiek der Verenigde
Lesger and Leo Noordegraaf (eds), Ondernemers en bestuurders. Economie en politiek in de Noordelijke
Nederlanden in de late middeleeuwen en vroegmoderne tijd (Amsterdam 1999) 575-602.

\(^{118}\) P.W.Klein, De Trippen in de 17e eeuw. Een studie over het ondernemersgedrag op de Hollandse stapelmarkt
(Assen 1965).

\(^{119}\) For more on this subject, see Erik Swart, Krijgsvolk. Militaire professionalisering en het ontstaan van het
Staatse leger, 1568-1590 (Amsterdam 2006), H.L. Zwitser, ‘De militie van den staat’. Het leger van de
Republiek der Verenigde Nederlanden (Amsterdam 1991) and Van Nimwegen, Dutch army.

\(^{120}\) Griet Vermeesch, Oorlog, steden en staatsvorming. De grenssteden Gorinchem en Doesburg tijdens de
geoorte-eeuw van de Republiek (1570-1680) (Amsterdam 2006), and Idem, ‘War and garrison towns in the
Dutch Republic. The cases of Gorinchem and Doesburg (c. 1570–c. 1660)’, Urban History, Vol. 36, no. 1 (2009)
3-23.
the fragmented nature of Dutch political administration and the high-level involvement of non-bureaucratic actors, the sources are scattered over many different archives. With the navy governed by five different Admiralty Boards and supervised by the States General as well as involved with many other institutions, the army paid from seven different provincial treasuries, the merchant companies administrated by chambers in different towns in the Dutch Republic, sharp and sometimes painful choices had to be made in the use of archival collections. In the case of the Admiralty Boards, these choices were further aggravated by the burning down of the then newly centralized marine archive in the mid-nineteenth century. As far as the limits of a single dissertation permit, width of sources has been searched where focus was lacking in the sources and vice versa.

The structure of the book flows from the theoretical framework outlined in this introduction. The first chapter puts the creation of federal-brokerage arrangements in the three areas under investigation in the context of the emergence and consolidation of the state from the Dutch Revolt to the mid-seventeenth century. It explains how merchant companies, Admiralty Boards, and financial intermediation in troop payment represented very different types of organization, but all in their own way reflected the fundamental characteristics of the federal-brokerage state. Chapters Two to Four then trace the developments of these forms of organization in each individual sector from the zenith of the Dutch cycle around 1650 to its third phase of financialization and relative decline in the mid-eighteenth century. Each of these chapters will search for the particular combination of the pressures of warfare, internal institutional dynamics, and wider economic context that led to the partial or total preservation of federal-brokerage arrangements. The fifth and final chapter will examine the crisis of the Dutch ancien régime as, among others, a crisis of the federal-brokerage state form. It will show how each of the three sectors of state-organization central to the book became subject of political debate, reform attempts, and ultimately revolutionary challenges. In doing so, this chapter will show the historic limits of the federal-brokerage state model.

The subject of this book is a particular state form, rather than the individuals that inhabited this state or put demands on it. But a careful attempt has been made to avoid writing a book on structures without seeing these structures as the outcome and backdrop of human agency, the real substance of history. As far as possible, this study has striven to give names and faces to the bureaucrats and capitalists involved in making war, money, and the state. It has tried to keep an eye to their opinions as well as the content of their purses and portfolios, in the firm believe that culture and ideology do not reflect interests in a simple and straightforward way, and that perceptions are molded by social action as well as shaping and
motivating it. Concentrating on those running the state and the economy makes this a history from above. But where suitable, acknowledgement has been given to the fact that even the most belligerent merchants did not carry sharp and shrapnel into the bellies of their ships, generals usually did not lift one finger to move so much as a single cannon, and for all their proficiency in administration, the honorable members of the Admiralty Boards did not build men-of-war. War, as well as economic success, was made by the perennial others of the capitalist world-system. At the very best, these outsiders ‘profited’ from performing their parts by receiving a daily wage or soldiers’ pay. At worst they found themselves on the receiving end, as the maimed, murdered, impoverished, subjected, or enslaved. However, in the rare occasions when they managed to violently break into the process of state formation – as they did at the end of the eighteenth century – they reshuffled the playing deck of their rulers in fundamental and often unexpected ways.