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

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Conclusion

This book followed the development of the Dutch state from its origins in the sixteenth century Dutch Revolt to its structural crisis and eventual collapse in the Batavian Revolution of the final years of the eighteenth century. It has examined the question why in the Dutch Republic brokerage structures, in which independent entrepreneurs fulfilled state-like tasks on their own account and for a profit, retained their centrality in the organization of warfare. It has used this question as a key to a larger riddle: how it was possible that a federal state that parceled out many of its warring functions, so unlike the dominant image of a great power, could play a central role in the early modern state-system for so long. Or, posed from the opposite end, why sustained involvement in warfare did not lead to fundamental transformations in the structure of the state in a direction more conforming the ideal type of centralized, concentrated power. Answers to these questions were based on an investigation of the forms and networks of interaction between the state and capitalist elites in specific areas of the organization of warfare, and by putting these interactions in their wider institutional contexts.

War is considered the great leveler in state formation. In successive waves of reorganization early modern rulers introduced and reformed bureaucratic institutions to meet the spiraling costs for the maintenance of large standing armies and navies, the challenges posed by logistics on an increased scale, and the global expansion of the theatres of conflict.
All of these tasks required close cooperation between state officials and those in control of society’s economic resources. Starting from Charles Tilly’s famous dictum that ‘war makes states, and states make war’, historians have long assumed that the intense military competition of the early modern period inherently favored the rise of centralized, bureaucratic states, that became more and more reliant on impersonal markets to fulfill their martial aims. The ensuing replacement of ‘brokerage’ structures, in which independent entrepreneurs had taken upon themselves the organization of violence, by national bureaucracies in which the state took those tasks directly in its own hands, forms a powerful narrative of modernization. The Dutch Republic of the seventeenth and eighteenth century figures in this narrative either as trailblazer or as false start. The economic success of its seventeenth century ‘Golden Age’ allowed this small federal state a short bout as hegemonic power within the capitalist world-economy at a crucial moment in its development. But once faced with determined competition from successful ‘nationalizing’ states, it allegedly was easily pushed aside to experience stagnation and eventually decline.

This book has presented a different story. Without denying the great impact of military conflict on state formation, it has shown that the pressures of warfare did not singularly push competing states onto converging paths. It questioned the idea that military conflict in the early modern period by definition favored national, centralized, and bureaucratic states. It has shown how in the case of the Dutch Republic, federal and brokerage arrangements for the organization of violence at the heart of the state were strengthened, not weakened, by engagement in European great power competition. These forms of organization persisted because of their great success in mobilizing the enormous wealth in Dutch society for the production of power. Albeit at a somewhat lower level than during the seventeenth century, brokerage forms of organization allowed the Dutch Republic to continue functioning as a great power during much of the eighteenth century. The crisis that enveloped the state in its final decades did not stem from any significant failure of brokerage structures to fulfill the specific tasks for which they were designed, and the changing role of the Dutch Republic in the international state system did not flow directly from structural incapacities of the brokerage model of its fiscal-military and naval structures.

Breaking with the teleological overtones of the traditional narrative of state-modernization, this study has argued that ‘brokerage’ was not a sharply delineated phase in state-formation that for the more successful states ended somewhere around the year 1700, as was assumed by Tilly and much of the literature on the ‘military revolutions’, but rather functioned as one of the solutions that all early modern rulers far into the eighteenth century
resorted to in order to solve their problems in the practical organization of warfare. The continued reliance on independent ‘brokers’ itself did not make the Dutch Republic exceptional. Most of the recent literature on early modern warfare stresses the limits of eighteenth century nationalization even for some of the most ‘absolutist’ states. The use of military entrepreneurs in the eighteenth century was not simply a hangover from a by then superseded phase in bureaucratic development. It remained a central aspect of the organization of warfare across the board. Differences between states did not arise from their reliance on brokerage forms of organization per se, but from the manner in which forms of brokerage were integrated into the overall structure of the state. In less commercialized societies, like Habsburg Spain or Bourbon France, the crown always remained the final arbiter in the employment of entrepreneurs, restraining market forces at the same time as relying on them. In bourgeois republics like Venice or the Dutch Republic, as well as in the British constitutional monarchy, bureaucrats and capitalists interacted on a much more equal footing.

How, and in what proportion, market and bureaucracy, impersonal structures and personal networks were combined in each case depended on the availability of options, and on the historic trajectories of their implementation. This becomes especially visible when comparing the Northern and Southern Netherlands, geographically close societies that shared common historical antecedents and showed great socio-economic similarities, but still developed very different institutional arrangements for the interaction between the state and capitalist entrepreneurs – the state of the Dutch Republic much more market oriented than its Southern Netherlands counterpart. But instead of envisioning these divergent developments of early modern states as distinct paths towards the national state, it is more helpful to see them as variants on a continuum between market-oriented and state-oriented, localized and nationalized solutions. Reinterpreting the trajectories of European state formation in this way, the Dutch Republic becomes exceptional not for what it did differently from other states, but primarily for the thoroughness with which it implemented one particular organizational form that was common for all. To capture this defining characteristic – the persistent favor of rulers for institutional arrangements that parceled out state-like tasks to independent entrepreneurs and divided control over the execution of their tasks among provincial and urban elites – this study has described the Dutch Republic as a ‘federal-brokerage state’.

Three areas of interaction between the state and capitalist entrepreneurs in the organization of warfare were singled out for detailed empirical investigation; the joint activities of Admiralty Boards and commercial companies in the armed protection and
expansion of trade; the interaction between Admiralty Boards and the home economy in the production and supply of war fleets; and the operation of financial intermediaries between provincial treasuries and the capital market in troop payment. Together, these case studies encompass the three main strategic terrains of Dutch warfare – the carving out of a commercial empire overseas, great-power struggle in European waters, and the quest for ‘security’ on the continental mainland – as well as three key areas of state investment. They also included three very different types of brokerage organization. The chartered commercial companies, especially the VOC and WIC, often fulfilled warring tasks completely on their own account as extensions of their commercial activities. Here, organized bodies of merchants themselves bore full responsibility for the organization of warfare abroad, strengthening their position as a ‘state within a state’ at home. The relations between merchants and the state in Dutch naval organization formed an opposite but corollary pattern, in which the leading merchant houses were directly integrated into the state through the selection of delegates on the Admiralty Boards. Military soliciting represented a third category of brokerage organization, most akin to modern day sub-contracting. Private financiers retained a semi-independent role in the execution of state tasks based on the employment of their own funds and networks, but state regulation strictly determined the contours of their work. The common element in all three categories was the merger between the management of state activities and the search for private profit. In each investigated area, there were strong links between the wish to involve economic elites directly in the running of the state and the federal nature of bureaucratic institutions that tied administrators to their local constituencies. The federal and brokerage sides of the Dutch state form were mutually reinforcing.

Chapter One traced the origins of federal-brokerage arrangements in the Dutch Revolt and the long war of independence against the Habsburg Empire. It examined the general features of the federal-brokerage model, and described the concrete paths of institutional evolution that laid the foundation of federal-brokerage organization in the three core areas of investigation. It showed that the particular institutional form of the state did not emerge according to a pre-ordained plan. The constitution of the state itself was the result of a long series of contingencies, triggered by the need to face the emergencies produced by the long drawn-out struggle against the Habsburg crown, and shaped by political conflicts inside the rebel camp. The eventual triumph of the federal-brokerage model around the time of the founding of the Republic in 1588 had not been predictable three decades earlier, and only resulted from the political defeat of three alternative trajectories – centralization under the
Habsburg monarchy, a closer union between the rebellious provinces and one of Spain’s European competitors, or further devolution of political power to the provincial level. The triumph of this model depended on its ability to mobilize resources, overcoming the centrifugal tendencies of provincial and urban particularism to meet the direct requirements of military confrontation, while preserving forms of local autonomy that allowed the ruling classes extraordinary influence over the deployment of means and the course of the war. The erection of institutions for commercial expansion, naval warfare, and troop payments carrying the general federal-brokerage features of the state likewise took place in an unplanned fashion, through a long series of ad hoc measures heavily influenced by the eternal haggling for influence of the provinces and towns that took the side of the Revolt.

Despite the unplanned nature of its construction, the structure of the state reflected key features of Dutch society. Federal-brokerage arrangements fit well with the highly commercialized nature of the Northern Netherlands. Confident that the state would always take an eye to their interests, the ruling classes were more willing to provide the funds for warfare than their counterparts in other European countries. Mutually beneficial arrangements between the state and capitalist elites greatly increased their range of power at home and abroad. The erection of the VOC and WIC allowed the state to mobilize profit-searching merchants to help carry the war against the Habsburg crown to the Indies and the Americas, while those merchants in turn could request ample state support for their risky commercial ventures. Strong connections between the Admiralty Boards and merchants facilitated the exchange between custom collection and trade protection, while enabling the navy to fruitfully employ the connections and knowledge of seafaring communities. Military solicitors gave the state easy access to short-term credit with a speed and efficiency that was not at hand in taxation and long-term state loans, while the willingness of the state to secure their profits stimulated the development of capital markets. The federal built-up of these institutions widened their regional support base by involving local political elites into their management, creating career opportunities and roads of influence for sections of the urban middle classes below the top-level of international merchants and large-scale financiers.

Federal-brokerage institutions were more than just the executive branches of the state. They also fulfilled a role as islands of political power for conflicting sections of the Dutch ruling classes, explaining why throughout the existence of the Republic urban and provincial representatives clung with so much force to the ‘right’ to house their own regional chambers of the commercial companies, Admiralty Boards, or retain a system of troop payments through the provincial treasuries instead of the national state. But for a long time, these
islands of interests were able to cooperate remarkably well. Applying a theoretical notion elaborated by Antonio Gramsci, Chapter One explained this success as a function of the ability of the Dutch state to cement its underlying ‘historical bloc’. Its institutions provided a framework for integrating the competing faction networks of ruling class families, a mechanism for balancing the conflicting interests between Holland and the other provinces, and even a minimum of ideological coherence that allowed the ruling classes to overcome their political struggles by resorting to powerful unifying notions of shared interests. But the manner in which the state fulfilled these functions also came at a price. It consolidated rather than helped to overcome the structural inequalities in political access between sea provinces and inland provinces, between Amsterdam and the other trading towns, between the wealthy international merchant-industrialist or merchant-financiers and the urban small producers. Furthermore, the lower classes always remained excluded from political influence, creating a reservoir of discontent that violently erupted at moments of crisis. These divisions were partially subdued by the positive interplay between overseas commercial expansion and a flowering of the main productive sectors at home that temporarily created a real convergence of interests between wealthy sections of the urban small producers and large international merchants and financiers, but they were never entirely overcome.

After this general examination of the emergence and structure of the federal-brokerage state in Chapter One, the evolution of each of the core institutions under investigation was traced from the 1650 highpoint of Dutch success to the mid-eighteenth century. Chapter Two focused on the interaction between merchants and the state in the organization of trade protection. It showed how the naval revolution of the 1650s led to the redefining of the role of commercial companies, but not to an end to brokerage practices. The direct involvement of merchants in the organization of warfare was merely cast into new forms. The outcome of this process differed fundamentally for the main geographic areas of trade, depending both on the diverging strategic requirements for each region and the specific configuration of commercial interests. The Chapter showed how even before the naval revolution, such differences made themselves felt in the 1644 debates over the introduction of a unified state-company for colonial trade. The WIC, heavily dependent on state support and much less secure of its hold over commerce than its East-Indian counterpart, set up an intense political lobby for a merger between the two companies. But the VOC was able to use its strength vis-à-vis the state to brush off any proposals that would harm its independence of action, both in terms of its commercial strategies and its prerogatives for warfare. Following the negotiations between the state and Company directors, the Chapter showed how between the First and the Third
Anglo-Dutch War, the VOC and the state went from intense cooperation to systematic division of labor in which the Company managed to retain full independence in Asian warfare. For the WIC, the undermining of its monopoly position by the growth of private trade tended to force the Company to concentrate even more on its brokerage functions in colonial management and trade protection. Finally, in the European heartlands of trade interstate rivalry was so intense that the independence of merchants in organizing violence was always more limited. With the introduction of line-ahead tactics and the start of major building programs for the erection of purpose built permanent war fleets, the role of European commercial directorates was reduced to that of protection lobbies. Nonetheless, the state navy itself remained closely connected to the commercial elites through the Admiralty Boards, and the commercial directorates contributed to the planning and coordination of convoying operations in very concrete ways. Emphasizing the active role of merchants and merchant companies in the formulation of responses to the naval revolution, Chapter Two showed how, contrary to the supposition of older studies of war and trade such as the classic work of Snapper, the gradual replacement of merchant-men by purpose built men-of-war in naval warfare did not lead to a loss of influence of traders over naval employment.

The retention of brokerage relations between merchant elites and the navy during the second half of the seventeenth century defies a simplistic approach to the decline of Dutch naval power in key areas of European trade, in which a partial withdrawal from great-power competitions was seen as the result of a supposed loss of interest in trade by increasingly ‘aristocratic’ political administrators. Furthermore, an extensive overview of the evolution of naval finances during the ‘long eighteenth century’ proved that the changes in naval policy were not primarily motivated by a lack of funds. As alternative to these established views, Chapter Two proposed that the growing conflict between the need to use the navy to gain short-term trading advantages on the one hand, and the prerequisites of power struggles between the major European states involved in securing commercial interests for the long term on the other hand, led to fundamental shifts in the strategic geography of Dutch naval policy. The decisive moment in this process was the conclusion of the Anglo-Dutch naval alliance, allowing Dutch traders to prioritize short-term profits while free riding on a wave of British naval expansion. The Dutch eighteenth-century navy did not become a navy of the second rate, but was re-designed to fulfill completely different functions than the British and Bourbon fleets. Continuing sensitivity to commercial interests stimulated naval administrators to transform their fleet into a lean and mean force destined for long-distance convoying. In the long run, this had disastrous effects for the Dutch ability to withstand direct confrontation.
with the expanding battle fleets of other European powers, primarily Britain. As a result, these powers started to make substantial inroads into the core areas of Dutch trade. Thus, while the individual Admiralty Boards remained as capable of incorporating the immediate demands of the commercial elites, these same connections became a barrier to formulating counterstrategies to increased British competition, ultimately damaging the strength of the navy as well as the commercial interests of Dutch traders.

Chapter Three investigated similar processes in the relations between the Admiralty Boards and the home economy. It showed how the involvement of leading merchants in the directing bodies of one of the main pillars of the state was an important factor in the success of the Dutch Republic as a global power. The Admiralty Boards were deeply pervaded with a commercial logic that seeped down into the minutest details of naval management. The adaptation of merchant methods of accounting for bureaucratic institutions, for which the Dutch Admiralty Boards were worldwide frontrunners, was an important step in the introduction of a specifically capitalist form of rationality in the management of the state. The concentration of the Admiralty economy onto large centralized shipyards and storehouses, a product of the naval revolution, made it possible to apply these methods on a larger scale. Making use of these commercial methods of administration as well as their strong connections to the market, Admiralty Boards developed highly differentiated systems of supply in which public auctions, sophisticated contracting practices, and systematic control for efficiency and costs played important roles. The high degree of commercialization of Dutch society increased the range of options on which administrators based their strategies in the acquisition of goods. Their personal ties to merchant communities and local politics made sure that Admiralty Boards avoided the rapacious relations between state and suppliers that so often characterized early modern state contracting. Innovations in market practices continued throughout the eighteenth century, countering the image of growing lethargy and corruption in naval management. However, while continuing to stimulate ‘rational’ practices internally, the local embedding of naval institutions tended to prevent similar rationalization at the supra-regional level. The Zeeland and Friesland Admiralty Boards never could profit from favorable market conditions the way Amsterdam and Rotterdam Boards did, while the political-commercial advantages to local elites stemming from control over the Boards blocked measures to reduce the effects of regional divisions, leading to increasing organizational divisions in the course of the eighteenth century.

The same holds true for the evolution of naval production. The example of the Amsterdam naval storehouse and shipyard shows how the successful application of
economies of scale could make these state facilities pioneers of capitalist forms of production. More than any other institution in the Netherlands, and perhaps worldwide, the Dutch naval shipyards combined reliance on free labor, strict time management, the successful challenging of established guild-practices, and hierarchical control of the work process on the shop floor to create ‘efficiency’ in the production process. Changes in labor relations were accompanied by product and process innovations, stimulated by a culture of experimenting and the application of scientific knowledge. Again in contrast to strongly entrenched assumptions, the prominent role of naval shipyards in advancing capitalist methods of production continued unabated throughout much of the eighteenth century. In this respect, the ‘quiet years’ after the War of the Spanish Succession were decades of successful restructuring – a factor that also explains the radicalization of shipyard workers around this period that played such an important role in eighteenth century politics. However, just like in supply, large differences between individual Admiralty Boards persisted because of the federal-brokerage structure of naval administration. In shipbuilding the Zeeland, Rotterdam, and Amsterdam Admiralty Boards all preferred their own systems, reflecting the central position of their respective master shipwrights in the production process and the weakness of central bureaucracy. Admiralty Boards competed among themselves for funds and work. The real crisis in naval management that became apparent during the Fourth Anglo-Dutch War was not so much the result of the institutional incapacities of the individual Admiralty Boards, but of the inability to overcome these inbuilt divisions created by the federal nature of the naval administration.

The Dutch system of army payment examined in Chapter Four again remained based on the continued role of independent brokers, directed from the provinces rather than The Hague. Cutting out the financial middlemen between provincial treasuries and the troops was seriously contemplated in 1651, 1673, and 1721. But the practical difficulties in implementing a centralized system time and again pushed the state back into the arms of financial brokers for their superiority in tapping the credit markets for funds. How the pressures of war could reaffirm brokerage structures rather than challenge them is particularly clear in the case of the 1673 attempt to hand over troop payments to a small body of directors of payment employed by the state. The inability of these directors to secure the necessary funds on the capital market led to financial chaos at a precarious moment in the Franco-Dutch war. Instead of facilitating nationalization, the direct pressures of warfare forced the state in the aftermath of this failure to introduce regulation that protected the status of military solicitors. This was not a full return to the pre-1673 situation in troop payments. A rather disorganized form of financial brokerage in which almost anyone who could up the money – qualified or
unqualified – could act as a solicitor, was replaced by a more strictly regulated system in which a small group of professional financiers attained central roles in all aspects of the ‘company economy’. This transition was further favored by the incipient financialization of the Dutch economy, a process signified among others by the growing role of merchant bankers in backing up soliciting enterprises. The careers of Gebhardt and Van Heteren showed how the fortune of individual financiers was bound to the strength of their personal economic and political networks. These networks allowed successful military solicitors to profit from their enterprises, while providing services that the state was not capable of fulfilling. While in more centralized and bureaucratic states such as France and Spain troop finances hinged on the relations between the crown and a small number of privileged financiers, creating great dangers for the stability of state finance, the ability to rely on a large market for credit through the intermediation of the military solicitors meant that Dutch army finances remained highly stable until the end of the eighteenth century. Cases of acute collapse such as occurred among the more centralized and bureaucratic competitors were largely avoided.  

Due to the high level of sophistication of fiscal and financial institutions of the state in comparison to other areas of bureaucracy, brokerage practices in troop payments came much closer to ‘modern’ forms of subcontracting and market intermediation than the privatized arrangements for colonial warfare or bourgeois self-rule in naval administration. But even here, in the course of the eighteenth century the limits of federal-brokerage organization slowly started to make themselves felt. When in the course of the eighteenth century centralization of military soliciting across provincial borders did take place, this was not a result of greater unity within the state. It flowed from the growing role of Holland in the world of government finance. As in the other examples of federal-brokerage organization, this construction exacerbated regional unevenness, focusing financial networks on Amsterdam and The Hague while leaving political prerogatives firmly in the hands of provincial administration. And again as in the other examples, the federal and brokerage aspects of organization were mutually reinforcing. The wish of provinces to maintain control over ‘their own’ troops, the central position of financial entrepreneurs, and the independence of officers within the company economy helped to sustain each other, making it more difficult for the state to gain full control over army life.  

The concrete institutional developments sketched in chapters Two to Four thus affirmed the hypotheses formulated in the introduction. In each of the three case studies, not the failure but the continued success of the institutions formed the reason for the perseverance of their
federal-brokerage character, even if this overall durability was often combined with internal restructurings. This goes against the grain of much of perceived wisdom on the development of the Dutch state from the seventeenth to the eighteenth century. None of the institutions under investigation exhibited clear tendencies of a loss of internal dynamics, growing inefficiency and corruption, and ‘aristocratization’ breaking the connections between the state and the commercial elites. The most notable aspect of their day-to-day functioning was their continued ability to tap into the enormous reserves of wealth that were present in Dutch society whenever this was necessary. The limits of their success did not arise from a secular disintegration of the bonds between these institutions and the commercial elites. Rather, the organizational forms under which the ruling classes managed to consolidate their hold over the state became long-term barriers to development. By creating islands of influence for competing sections of the elites, the federal-brokerage state tended to emphasize regional and sectoral differences and became incapable of counteracting the ‘growing apart’ of the main branches of the Dutch economy in the late seventeenth and eighteenth century. In the long run, this undercut the basis for Dutch military and naval strength. While individual institutions continued to mobilize resources for specific tasks with great success, the state proved unable to combine these individual areas of success into common strategies to overcome the challenges to Dutch power.

The consequences for the stability of the state became apparent in the crisis of the Dutch ancien régime. Chapter Five has shown how the disintegration of the historic bloc that had carried Dutch success took the form of increasingly intense political conflicts over the constitution of the Republic. Each of the three areas of interaction between state and capital examined in this book became a terrain of struggle. Agendas for centralization and bureaucratic rationalization were first developed from within the state, beginning with Van Slingelandt’s proposals for redress in the aftermath of the War of the Spanish Succession, continuing with Bentinck’s attempts at reform after the end of the Second Stadholderless Period in 1747, and culminating in Van de Spiegel’s far-reaching plans for a conservative reconstitution of the Republic in the era of democratic revolutions. But an unwillingness to challenge the networks of ruling class families on which late stadtholderly power increasingly was forced to rely, combined with the real fear that moderate reform might form the prelude to radical revolution, formed insurmountable barriers to the implementation of their programs. The successful challenge to the existing state structure therefore had to come from outside. Until the Patriot Revolution of the 1780s, oppositionist discourse was cast in the language of restoration of the Old Republic, making the Patriots passionate defenders of the federal-
brokerage model. But the combination of intense Orangist reaction after their 1787 defeat, the visible paralysis of the existing state, and the popularization of the idea of the unitary state by the French Revolution led to a spectacular reversal of positions. A thorough transformation of all institutions of the federal-brokerage state along nationalizing lines became one of the main ingredients of the revolutionary program. Between 1787 and 1795, radical exiles in France and former patriots who remained in the Netherlands formulated concrete plans for colonial management, naval administration, and the citizens’ army along those lines. One of the great ironies of the Batavian Revolution of 1795 was that the eventual success of their proposals did not flow from democratic revolution from below, as envisioned by radical Unitarians before 1795 and during the political struggles of the first years of the revolution, but instead stemmed from the anti-democratic usurpation of this revolution from above.

These considerations make it possible to return to the role of the state in the ‘Dutch cycle of accumulation’ on the basis of a much more concrete examination of its functioning than that underlying Arrighi’s original account. The Dutch Republic was able to gain its central position in the seventeenth-century world economy not despite, but because of its federal-brokerage structure. The creation of an independent state enabled the foundations of capitalist development that were already in place during the late medieval period to be reproduced and expanded on a far larger geographic grid. Federal-brokerage institutions at one and the same time provided opportunities for the ruling classes to use the state as a vehicle for capital accumulation, and allowed the state to maximize its power-producing abilities by employing their economic resources for warfare. Together, these two characteristics made the Dutch state more conducive to capitalist development at home, and more assertive in seeking commercial interests abroad, than any of its competitors. Traditional approaches to Dutch ‘rise and decline’ supposed that the end of this successful interplay between power and profit was inevitable with the arrival on the European scene of more successful nationalizers such as France and England during the second half of the seventeenth century. But as this study has shown, the Dutch model of development continued to exhibit considerable strength, even if it did not give the Dutch ruling classes the competitive edge that they used to have during the first half of the seventeenth century. The internal limits to its success only became apparent late in the eighteenth century, not because of unambiguous and overall decline, but primarily because of the way in which federal-brokerage institutions prevented the state from recombining the still existing sources of strength into renewed long-term strategies to face foreign competition. The bourgeois modernizers of the ancien régime only became convinced that the federal-brokerage model no longer sufficed to safeguard the
commercial interests of ‘the nation’ after a long series of failed reform attempts, defeats at the hands of enemies at home and abroad, and their own first-hand experience of the French Revolution and Revolutionary Wars.

As much as the circumstances of its birth, the death of the Dutch federal-brokerage state affirms one of the main theoretical assumptions of this book: that war makes states not through a mechanical process of pressure and response, but through the mediating prism of the institutional relations between the state and ruling classes. State formation during the early modern period did not take the form of a long triumphant march of centralized bureaucracies, carried on the waves of successive changes in the technique of warfare. It consisted of a long series of successive restructurings of state-society relations, characterized by hybrid combinations of bureaucracy and brokerage, administrative experimentation, imitation, and adaptation of highly divergent management models by states interlocked in economic and territorial rivalry. The eventual emergence of the ‘modern’ bureaucratic state – by no means the simple continuation of any of these forerunners – was intimately connected with the transformations and shifts in the balance of power within the capitalist world-system. Both for its successes and its failures, the Dutch state was thus representative of a long epoch in the development of the relations between state and capital. If the industrial revolution and modern banking, the levée en masse and the Code Napoléon, the organizational structure of the British Empire, laissez faire policies, the quality of Prussian boots, and numerous other factors ultimately conspired in the supersession of independent brokerage as an indispensable building block of the state, the intimate connection between capitalist elites and state power that it helped to establish were carried over in each successive cycle of accumulation. As long as the second horseman of the apocalypse continues to reap death and profits, the ancestry of the masters of war will be traceable to the meticulous administrators, enterprising merchants, and skillful manipulators of financial flows of the seventeenth and eighteenth century Dutch Republic.