

Study Guide Chapter VI. The Struggle for Wealth and Empire pp. 250-287

The next two chapters will deal with the cumulative increase of all forms of knowledge and the growing wealth of Europe. These two developments help form the concept of progress. The new wealth included gold, but more importantly it involved bank deposits, credit facilities, and improved technology--to bring more comfort, more books and newspapers, more government revenue, larger armies, and more specialization of work.

28. Elite and Popular Cultures

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- A. Separation of **elite** and **popular** cultures; the elite could participate down but the mass could not move up without exceptional transformation by education and marriage. The language of the educated became standardized in a nation; dictionaries were begun and the literacy rate rose. On the other hand, the popular culture was mainly oral and was much more resistant to change. Wealth produced major differences: The poor largely ate bread, cabbages and beans; they lived in crude shelters with limited furnishings; they ate from wooden bowls (and pewter). The homes of the wealthy were larger--more rooms, with glass windows and mirrors; the rich ate with forks from chinaware. Furnishings began to reflect a concern for style. The prominent had special social rooms (French *salons*) with wood paneling, chandeliers, mirrors, and sofas and armchairs.

Coffee, tea, sugar and tobacco were expensive rarities in 1600 but enjoyed by most by 1789. Whisky and gin were in greater use, with coffee houses and ale houses/taverns as gathering places for the "middling." "Gin Lane," pictured by **Hogarth** in 1750, illustrated the degrading poverty of London. Polite manners became more important to the elite; parties were times of polite conversation and stylish dances like the minuet. Popular books became common--almanacs with astrology, weather, proverbial advice, or "how to" books on behavior. Religion normally brought the classes together; in large towns, some churches would be "fashionable." Many of the poor did not often go to church. The elite culture, becoming skeptic, was also less religious. Diseases were shared, though famine and plague were more likely to strike the poor, crowded in their slums. In 1600, superstitions and belief in magic and witches were common to all; by 1700, they were mainly among the poor. In 1600, both shared delight in fairs, with jugglers, acrobats, traveling musicians, cockfights and bear baiting; and in **Carnival**, celebrated in the weeks before Lent; a common theme was "the world turned upside down"--role reversal. By 1700, the elite was a spectator at most. The gulf between classes widened as the elite took to more formal manners and to neoclassicism in literature and the arts. Curiously, by 1800 the elite rediscovered the people and interest in folk ballads and fairy tales.

29. The Global Economy of the Eighteenth Century

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- A. Commerce and Industry of the 18th Century
Merchant capitalism, domestic industry, and mercantilism grew rapidly. While most nations were still rural/agricultural (in 1789 only 50 cities had over 50,000 people), many rural people were employed in the domestic system of industry. Though domestic trade provided the largest volume, **foreign trade** had become vital, with the largest enterprises, the greatest commercial fortunes, the most capital. And from it the wars of the century grew.
- B. The World Economy: Dutch, British, French
Dutch: political power was gone, but it still led commerce, shipping, and finance; its efficient ships had the lowest shipping rates and were the carriers for the world. Many East India companies formed, including Prussian, Swedish, Venetian--but only the French, Dutch, British survived: they had the capital and the diplomatic, military, naval support. The winners made immense profits, with Britain dominant in Asia and America, France leader in Europe and the Middle East.
- C. Asia, America, and Africa in the World Economy
1. Asian trade was a gold drain, since Asians rejected European manufactured goods while Europeans wanted silks, porcelains, spices, teas--and Indian cottons. Britain paid with gold from Ghana, the "Gold Coast," minting the coin still called the guinea. Europe gradually began to compete, manufacturing carpets and "bone china". But Indian cottons were in such demand that England passed strong protectionist laws--leading to smuggling.
 2. America: trade base was **sugar**, brought from Asia ca. 1650, and the plantation system: tract of land, capital investment, slave labor. The West Indies sugar trade was greater than the value of all Asia trade

to Britain. Slaves first reached Virginia by 1619, with rapid growth after 1650. Huge slave trade to Jamaica--over 600,000 brought in, 1700-1786. Britain and New England dominated slave trade, and it produced the vast capital that was to produce the Industrial Revolution and anchor the base of the new capitalism.

3. Trade with Eastern Europe, especially Russia and Poland, expanded greatly; East European landlords increased productivity of their lands in order to purchase luxury products; thus serfdom became entrenched.
- D. Social Consequences: Natural resources from America, resources and skills of Asia, the gold and manpower of Africa alike produced an increased volume of goods. Europe supplied the capital, the technical and organizing abilities, and the demand. A few non-Europeans shared in **the profits**, but the most went to Europe, to the few. If the wealthy owners supported the government by taxes and loans, it was strong (Britain); if they did not, it failed (France). The European standard of living grew for all, though capital was controlled by the very few. People in the middle were better off, but the poorest were worse off--serfs of Eastern Europe, Irish peasants, dispossessed farm workers in England. Daughters of commercial families intermarry with land-owning wealth (rarely reverse). In general, age of social stability.
 1. Thomas "Diamond" Pitt: Born 1653, son of a parish priest; went to India, 1674; made fortune as "interloper," illegal trader. Bought English manor which controlled a "rotten borough," giving a seat in Parliament without election. Returned to India, again as "interloper" and also as legal trader; made enough to buy a diamond for 20,400 pounds--sold in Amsterdam for 135,000 pounds. Children became nobility; grandson was William Pitt, Prime Minister during the Seven Years War. Pittsburgh named for him.
 2. Jean Joseph Laborde: Born 1724, U. Became trader, made vast wealth and built San Domingo plantations. Involved in real estate and banking; helped finance French aid to US War of Independence and Paris insurrection. Guillotined in Reign of Terror

30. Western Europe after Utrecht, 1713-1740

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- A. U, which continued through the use of balance of power. Spain's empire was partitioned; it kept America but lost European holdings to Austrians, Duke of Savoy, and British. Britain emerged as the United Kingdom, with power in the Mediterranean, Canada, and trading rights in Spanish America (asiento). Spain tried to tighten up its imperial administration, causing friction that led to revolution.
- B. France and Britain after 1713
 1. Kings lost power in both, with a rise in the propertied; both experienced commercial expansion and the widespread speculation; both had leading statesmen seeking peace.
 2. France: Louis XV was 5 in 1715, and nobles took advantage of a weak regent. Parliaments asserted their right to assent to taxes and laws by not enforcing laws they opposed. Thus organized privilege groups, aristocrats, checking the growth of absolutism.
 3. Britain: Parliament conducted public business, with the House of Lords and the House of Commons, made up of the wealthy and mainly representing money interests. Parliament was corrupt, slow, expensive--but effective. Queen Anne died in 1714 and was replaced by **George I of Hanover**; his weakness made Parliament stronger, and Robert **Walpole** became the first "Prime" Minister. The Whigs, representing the great landed, London wealth, and lesser business, were a minority in Commons but dominated Lords. They opposed the Treaty of Utrecht until the King threatened to create enough Peers to secure passage; the method produced the primacy of the House of Commons. At this time the odd counter-revolutionary Jacobites emerged, scheming for return of the Stuarts. Civil War was dodged in 1715, but in 1745 "Bonnie Prince Charlie" landed in Scotland. The Jacobites were crushed, and England moved to weaken the powerful Scots Highlanders.
- C. The "Bubbles":
 1. Background: Britain: The War of the Spanish Succession produced large scale national debt--a new phenomenon. Governments got money by chartering companies, giving them monopolies, and then receiving a large cash reserve as a loan--used to fund the war. Sizable amounts of debts were held by the Bank of England (1694), the East India Company (reorganized in 1708) and the South Sea Company, formed in 1711 to exploit the Asiento. France: John Law, a Scottish financier, founded the Bank of France and set up a Mississippi Company--which founded New Orleans and absorbed other trading companies. It received a monopoly of colonial trade and was authorized to assume the entire French national debt--proposing to pay the debts by colonial profits and the right to collect all French indirect taxes. Shares in both companies rose rapidly in an orgy of speculation (the "Bubble"); then confidence

was lost and a crash followed which ruined many investors. Both governments were discredited, leading to the rise of Cardinal Fleury and Walpole.

2. Results for **France**: Bank of France was ended, and the growth of capitalism retarded a century. The French government repudiated much of the debt, (much purchased by speculators at a fraction of value); the action reduced faith in the government and meaningful **tax reform** was prevented. For **Britain**: Walpole saved the principle institutions, established a sinking fund and ultimately paid all debts. The crisis ended by giving the propertied, a stake in the credit of the nation--especially since nobles paid taxes. Neither Fleury nor Walpole made waves, and the middle class prospered. Walpole rigged Parliament so it always supported him, and avoided sticky issues; he set the basic principle that the cabinet should be responsible to the majority in Parliament. Both Fleury and Walpole aimed at peace, though both were drawn into small wars--as the great "War of Jenkin's Ear" with the perfidious Spanish in 1739.

31. The Great War of the Mid-Eighteenth Century: The Peace of Paris, 1763 pp. 273-285

- A. Two sets of mid-century wars were fought which go by numerous names; historians have decreed that there were two wars: The **War of the Austrian Succession** (1740-1748) and the **Seven Years War** (1756-1763). In reality, it was all one big war for two basic issues: the duel of Britain and France for colonies, trade, and sea power; and the duel of Prussia and Austria for territory and military power in central Europe.
- B. War in the 18th century was slow, formal, elaborate, and indecisive. Armies and navies were conscripted from the worthless in society; professionals were long-term paid, highly trained. Weaponry was mainly smooth bore muskets and limited cannon; supplies were essential. Risks were not taken, so war was a game of strategy and maneuvering. There was little national feeling; most used many foreign mercenaries. Civilians were little affected; there was no war hysteria, and sides could be changed relatively easily.
- C. **The War of the Austrian Succession**
 1. **Frederick the Great**: freethinker, intellectual, writer, skeptic. King in 1740, he lost no time in using his father's carefully reserved army and wealth by invading **Silesia**, the rich upper valley of the Oder River--violating the Pragmatic Sanction on the grounds that Prussia needed the territory. French nobles, dominating the diplomatic corps and the army, pressured France into the war with the traditional Habsburg enemy.
 2. Maria Theresa: devout and domineering, practical and methodical, she accomplished much. Attacked, and facing rebellion from within, she rallied the Hungarian magnates with promises to uphold their "liberties." In spite of Dutch and British subsidies, the combo of France, Spain, and Prussia proved overwhelming. Maria Theresa made a separate peace with Prussia, but France took Bohemia and won the great battle of Fontenoy, taking Belgium. France also encouraged Charlie in the "45," the rebellion of Scots against England.
 3. But the key to the war was overseas. New Englanders and the British navy captured Louisbourg in Canada; the British navy cut the French off from their sugar colonies and Spanish trade. France agreed to the Peace of Aix-La-Chapelle (1748): Britain and France returned to the *status quo ante bellum*: Britain returned Louisbourg, France gave up Belgium. Prussia kept Silesia; Austria also lost two Italian duchies to Bourbon rulers. The treaty showed the French weakness--unable to protect their colonies on sea and unable to control the continent. Austria survived; Prussia had Silesia. A new war was inevitable.
 4. Between wars: Austria's foreign minister, **Count Kaunitz**, "perhaps the most artful diplomat of the century," decided to seek new solutions. The rise of Prussia had revolutionized the balance of power. Kaunitz...proposed an alliance between Austria and France...[and] encouraged French aspirations for Belgium in return for French support in the destruction of Prussia." Britain now concluded an alliance with Prussia--and the "diplomatic revolution" was complete. One result was the marriage of Marie Antoinette to the future Louis XVI, angering French progressives who hated the "ruinous alliance" to Austria.
- D. **The Seven Years War, 1756-1763**

Frederick the Great's brilliant tactics prevented defeat until the enemy coalition fell apart. Prussia kept Silesia. The rest of the war involved France vs. Britain for control of world-wide colonies, especially in North America and India (where both nations held only tiny specks of territory).

 1. In America France controlled by far the most territory, but Britain had more people --a total of perhaps two million whites, predominately English; Philadelphia had more people (40,000) than any English city except London. Britain wanted American colonial help, calling the 1754 congress at Albany, New York. Franklin

drew up the “**Albany Plan of Union**,” but it failed. The colonists were too divided; they would depend on British troops to protect them. The French held great territory, but had large settlements only at Quebec and Montreal. They did have Indian allies due to the threat from the English settlers and mutually advantageous trade with the French. The American colonies had considerable local government, but mercantilist laws were a disturbing factor in relationships with England. The war actually began in America: Britain chartered the Ohio Company to exploit territory claimed by France; in 1755 a British force was sent to destroy a French fort.

2. The British, under **William Pitt**, concentrated on the seas and subsidized Fred the Great--through the enormous **credit** secured by the Bank of England. The British captured Fort Duquesne, Louisburg, and finally Quebec; the French were driven from Canada.
3. **India**: was in chaos, with Moslem, Hindu, and Sikh fighting plus political dissolution. With no central government, princely states were autonomous, as Hyderabad, owner of the fabulous diamond mines of Golconda. Forces attacked from Persia and Afghanistan; India proved helpless to defend herself. (Like Germany during the Thirty Years War). The British and the French established trade forts along the coasts--independent tiny states, only desiring trade and not territory. But agents on the scene saw chances for personal fame, profit. The Frenchman **Dupleix** built the French Company into a local power, using French troops to train native sepoys to fight. **Robert Clive** did much the same for the British East India Company. He won the Battle of Plassey in 1757, taking huge reparations from France. The French posts were at the mercy of the British, who controlled the sea.
4. **The Peace of Paris, 1763**: The French minimized losses in the Treaty, but Britain received all Canada, with all territory east of Mississippi R. and Spain received all French holdings west of the Mississippi + New Orleans. France did get back its sugar islands; while it lost all its African slave trading stations, it kept its stations in India. Prussia survived as a strong power. North America was now English, and India was exposed to piecemeal assault by Britain.

Chapter VI: Struggle for Wealth and Empire

Study Guide Questions

1. What are four different ways in which the elite and popular cultures became more separated by 1700.
2. Why were the Dutch still important even though their political power had been destroyed?
3. What were East India Companies? Why did only a few survive and become dominant?
4. What is the idea of “gold drain”? What made possible capital accumulation in Britain?
5. Who acquired the wealth from the world trade in new commodities? Who remained the worst off?
6. How are the careers of Thomas Pitt and Jean Joseph Laborde similar? How are they different?
7. What ultimately happened when Spain tried to tighten up its imperial administration in the 1700s?
8. What basic similarities can be noted between France and Britain, 1713-1763?
9. What happened to royal absolutism in France? What brought about Parliament’s rise in England?
10. What event precipitated the primacy of the House of Commons? Why?
11. What happened when the Mississippi Company’s “Bubble” burst?
12. Why did the same result not happen when the South Sea Company crashed?
13. What is meant by the term “responsible government”?
14. What were the two halves of the “Great War of the Mid-18th Century” as Palmer calls it?
15. Who were the two main continental players in this great war? What was the origin point of the war?
16. Why did the players change teams for the second half? Where did the second half begin?
17. What was the significance of the Albany Plan of Union?
18. Why was it possible for Europeans to engage in battles in India?
19. What were the major changes resulting from these wars of the Mid-Century?