Introduction

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Historians have long recognized that the early modern period formed a pivotal moment in the development of European warfare, states, and diplomacy, with profound effects upon global history. As might be expected when rulers and occasionally subjects sought to gain glory by taking up arms to vindicate the justice of their claims – whether dynastic, customary, or historical – in a political system widely conceived as hierarchical, warfare was nearly endemic.[1] The intractable theological disputes that followed the Reformation added grounds for debating the nature of justice. The ubiquity of warfare created an intense and persistent pressure to gain a significant advantage, driving an evolutionary process of state-building characterized by punctuated equilibria; these moments of rapid change were occasionally revealed by battlefield victories or civil wars. Cannon founders, gunsmiths, architects, and shipwrights experimented with new techniques. Princes and other military leaders refined tactics and sought to increase the effectiveness of their forces with advantages in numbers, discipline, and supply. Ambassadors and theorists invented more elaborate methods of demonstrating the justice of their sovereigns' claims. They also devised new forms for sovereigns to co-operate. Tax-collectors, projectors, bankers, and entrepreneurs proposed new ways to provide the money and resources to sustain these wars, usually by increasing the taxes and other impositions demanded of subjects who often had meagre margins of survival.

1 Johannes Burkhardt, 'Die Friedlosigkeit der Frühen Neuzeit: Grundlegung einer Theorie der Bellizität Europas', *Zeitschrift für Historische Forschung* 24 (1997), 509–574.

Money was so central to these changes that the English historian Mark Greengrass has claimed that 'money was the dissolvent of Christendom', providing Europe's states with resources and motives to engage in destructive conflict with one another.[2] Historians have created an extensive and rich literature on European fiscality. They have examined constitutional battles about the control and amount of taxation, theories of finance, the development of public debt, and the organization and corruption of tax and revenue administrations.[3] Much less attention has been paid to the manner in which resources were shared among sovereignties, and the manner in which diplomacy rested upon allies promising to share money and grant access to resources as a prominent part of diplomacy, military provisioning, and the construction of early modern states. Subsidies were ubiquitous features of diplomatic and military history throughout the early modern period, although such payments could assume a wide variety of names and forms. The early modern era also saw numerous variations of subsidy alliances. The most frequent as well as important subsidizers – in terms of sums – were France, Spain, the United Provinces, and England. On the receiving end Sweden, Denmark, the Swiss confederation, the United Provinces, and a number of German and northern Italian states stand out.[4] The

2 Mark Greengrass, *Christendom Destroyed: Europe 1517–1648* (London: Allen Lane, 2014), p. 101.

3 Richard Bonney and W.M. Ormrod, 'Crises, Revolutions and Self-sustained Growth: Towards a Conceptual Model of Change in Fiscal History', in *Crises, Revolutions and Self-sustained Growth: Essays in European Fiscal History, 1130–1830*, ed. by Mark Ormrod, Margaret Bonney, and Richard Bonney (Stamford: Shaun Tyas, 1999), pp. 1–21; *Economic Systems and State Finance*, ed. by Richard Bonney (Oxford: Oxford University Press, 1995); *The Rise of the Fiscal State in Europe, c. 1200–1800,* ed. by Richard Bonney (Oxford: Oxford University Press, 1999); and *The Rise of Fiscal States: A Global History, 1500–1914*, ed. by Bartolomé Yun-Casalilla, Patrick K. O'Brien, and Francisco Comin (Cambridge: Cambridge University Press, 2012).

4 Derek McKay and H.M. Scott, *The Rise of the Great Powers, 1648–1815* (London and New York: Longman, 1983), p. 26; Peter H. Wilson, *German Armies*: *War and German Politics 1648–1806* (London: UCL Press, 1998), pp. 63, 87, 107, 179, 206–207, 228, 267–269; Dwyryd Wyn Jones, *War and Economy in the Age of William III and Marlborough* (Oxford: Basil Blackwell, 1988), pp. 8–11; Jeremy Black, 'Parliament and Foreign Policy in the Age of Walpole: The Case of the Hessians', in *Knights Errant and True Englishmen: British Foreign Policy, 1660–1800*, ed. by Jeremy Black (Edinburgh: John Donald Publishers Ltd, 1989), pp. 46–47; C.W. Eldon,

subsidies could make up large proportions of the state revenue of not just the receiving countries but also the subsidizers. Subsidies served early modern diplomacy as a major structure, that is to say a series of rules and resources, which conditioned discourse, practice, and agency in a consistent manner over a long period of

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England's Subsidy Policy towards the Continent during the Seven Years War (Philadelphia: University of Pennsylvania, 1938); Christopher Storrs, "'Große Erwartungen". Britische Subsidienzahlungen an Savoyen im 18. Jahrhundert', in *Das 'Blut des Staatskörpers': Forschungen zur Finanzgeschichte der Frühen Neuzeit*, ed. by Peter Rauscher, Andrea Serles, and Thomas Winkelbauer (Munich, 2012: *Historische Zeitschrift*, Beiheft, vol. 56, 2012), 87–126; Stanley J. Stein and Barbara H. Stein, *Silver, Trade, and War: Spain and America in the Making of Early Modern Europe* (Baltimore and London: The Johns Hopkins University Press, 2000), pp. 52–53; Hildegard Ernst, 'Spanische Subsidien für den Kaiser 1632 bis 1642', in *Krieg und Politik 1618–1648: Europäische Probleme und Perspektiven*, ed. by Konrad Repgen (Munich: R. Oldenbourg Verlag, 1988), pp. 299–302; Gottfried Lorenz, 'Schweden und die französischen Hilfsgelder von 1638 bis 1649', in *Forschungen und Quellen zur Geschichte des Dreißigjährigen Krieges*, ed. by Konrad Repgen (Münster, 1981), pp. 98–148 (p. 99); Stuart P. Oakley, *War and Peace in the Baltic, 1560–1790* (London and New York: Routledge, 2005), p. 41; Patrik Winton, 'Denmark and Sweden in the European Great Power System, 1720–1765', in *Revue d'histoire nordique (2012)*, ed. by Erik Schnakenbourg, pp. 39–61; Patrik Winton, 'Parliamentary Control, Public Discussions and Royal Autonomy: Sweden, 1750–1780', in *Histoire & Mesure*, XXX.2 (2015), 51–78 (p. 57); Knud J.V. Jespersen, 'Danmark og Europa 1648–1720', in *Dansk udenrigspolitiks historie, ii: Revanche og Neutralitet, 1648–1814*, ed. by Carsten Due-Nielsen (Copenhagen: Gyldendal Leksikon, 2002), pp. 99, 102, 106, 114, 125; Ole Feldbaek, 'Helstaten 1720–1814', in *Dansk udenrigspolitiks historie, ii: Revanche og Neutralitet, 1648–1814*, ed. by Carsten Due-Nielsen (Copenhagen: Gyldendal Leksikon, 2002), pp. 275–278; Christian Windler, '"Ohne Geld keine Schweizer": Pensionen und Söldnerrekrutierung auf den eidgenössischen Patronagemärkten', in *Nähe in der Ferne: Personale Verflechtung in den Außenbeziehungen der Frühen Neuzeit* (*Zeitschrift für Historische Forschung*, Beiheft 36), ed. by Hillard von Thiessen and Christian Windler (Berlin, 2005), 105–133 (p. 112); Martin Körner, 'The Swiss Confederation', in *The rise of the fiscal state in Europe, c. 1200–1815*, ed. by Richard Bonney (Oxford: Oxford University Press, 1999), pp. 327–357; Martin Körner, 'Der Einfluss der europäischen Kriege auf die Struktur der schweizerischen Finanzen im 16. Jahrhundert', in *Proceedings of the Seventh International Economic History Congress*, vol. 2, ed. by Michael Flinn (Edinburgh, 1978), pp. 274–281; Martin Körner, *Luzerner Staatsfinanzen 1415–1798: Strukturen, Wachstum, Konjunkturen* (Lucerne and Stuttgart: Luzerner Historische Veröffentlichungen, 1981); Philippe Gern, *Aspects des relations franco-suisses au temps de Louis XVI*

time.[5] Subsidies also played complex roles in the internal politics of states irrespective of whether they were receiving or paying subsidies; for such transfers of resources could both prompt and still political debates, favour particular social and political groups within states, and either accelerate or slow the construction of durable state institutions.

By 'subsidy' we mean primarily the payment of money by one sovereign to another in return for military and political aid, typically agreed upon by means of a formal agreement and even treaty. We do not think it is useful to circumscribe the definition of the word too narrowly, for early modern statesmen could use many different words including pensions, gratifications, gifts, favours, and other terms relatively loosely to refer to obligations to furnish money or other resources in return for political considerations or military co-operation. Nor did all transfers of resources from one sovereign to another in exchange for money entail subsidies. Monarchs could purchase a naval vessel or weapons, for example, without the same sort of political associations that subsidy arrangements entailed. The authors of the chapters in this book aim to illuminate different aspects of the role of subsidies in early modern political history. Most of the chapters focus on France, and on the consequences of the subsidies that formed a crucial part of its alliances from the Thirty Years' War until the end of the reign of Louis XIV. While France was far from the only power to pay subsidies in the early modern period, French diplomats created what amounted to a distinctive system of alliances in which 'subsidies' played a large role.

(Neuchâtel: Editions de la Baconnière, 1970), p. 151; Andreas Suter, 'Korruption oder Patronage? Außenbeziehungen zwischen Frankreich und der Alten Eidgenossenschaft als Beispiel (16.–18. Jahrhundert)', in *Korruption: Historische Annäherungen an eine Grundfigur politischer Kommunikation*, ed. by Niels Grüne and Simona Slanička (Göttingen: Vandenhoeck & Ruprecht, 2010), pp. 167–203; Philippe Rogger, *Geld, Krieg und Macht: Pensionsherren, Söldner und eidgenössische Politik in den Mailänderkriegen 1494–1516* (Baden: Hier und Jetzt, 2015); Stephan Karl Sander-Faes, 'Die Soldaten der Serenissima: Militär und Mobilität im frühneuzeitlichen Stato da mar', in *Militärische Migration vom Altertum bis zur Gegenwart* (Studien zur Historischen Migrationsforschung, vol. 30), ed. by Christoph Rass (Paderborn: Ferdinand Schöningh, 2016), pp. 111–126; Egidio Ivetic, 'The Peace of Passarowitz in Venice's Balkan Policy', in *The Peace of Passarowitz, 1718*, ed. by Charles Ingrao, Nikola Samardžić and Jovan Pešalj (West Lafayette, IN: Purdue University Press, 2008), pp. 63–72.

5 William H. Sewell, Jr, 'A Theory of Structure', in his *Logics of History: Social Theory and Social Transformation* (Chicago: University of Chicago Press, 2005), pp. 124–151.

Consequently, not only was money Christendom's dissolvent but it might serve as a political adhesive that diplomats could use to bind sovereigns together, despite their different identities, interests, and even faiths.

French subsidies played a central role in European politics from Charles VIII's invasion of Italy in 1494 until the French Revolution. The Valois kings had emerged from the Hundred Years' War with what were probably the largest revenues and army of any European monarchy and with an extensive set of dynastic claims that the members of the Valois family sought to pursue, despite the resistance they provoked amongst other monarchs, and particularly the Habsburgs. Maximilian of Habsburg thought Charles VIII's continued claims to Burgundy unjust; Maximilian would be further provoked by Charles's claim to Naples and Milan, and he was moved to organize a coalition against France which included not only the pope but the father of his son Felipe's new wife Joanna – Ferdinand of Aragon, who also claimed Naples. Although Charles VIII possessed excellent cavalry and artillery, he lacked infantry; and in 1495, his agents at Turin entered into an agreement with the Swiss, who had turned to his father against the Burgundians nearly two decades earlier, to provide twelve thousand soldiers for his service in return for subsidies. France's attempts to control the Swiss cantons, both for geopolitical reasons and because the cantons were seen as a recruiting ground for soldiers, established a pattern for making financial considerations an important part of a treaty of alliance. The practice spread across the continent and beyond in the sixteenth, seventeenth, and eighteenth centuries. Machiavelli, famously, referred to the Swiss as mercenaries in *The Prince* and thought the French unwise to rely on the troops of allies paid for their service rather than on native troops.[6]

Yet money's role in European politics would increase, rather than decrease, as Maximilian's grandson Charles created a composite monarchy that combined the Burgundian inheritance, the Low Countries, the office of the Holy Roman Emperor and the Habsburg Austrian homelands, and the Spanish kingdoms with not only Aragon's contentious Italian claims and possessions but also Castile's territories in the New World. Where his grandfather Maximilian had financed his struggle against Charles VIII and Louis XII with

6 See *The Prince*, chapter 13. On this subject, see Jérémie Barthas, *L'argent n'est pas le nerf de la guerre: Essai sur une prétendue erreur de Machiavel* (Rome: École Française de Rome, 2012).

loans from financiers such as Jacob Fugger secured on silver from the Tyrol from the Habsburg homelands, Charles could rely not only upon the expanded tax base of all the different states he ruled but also on an additional supply of precious metals from the New World as well as on the *Quinto real*, the 20 per cent tax levied upon them. The combination of the geographic dispersion of Charles's states and the new creditworthiness of his crown created a new financial moment as financiers drew up loans and moved money between the different states of Charles's empire to suit financial need, joining together financial markets in a new way. Bills of exchange from Seville, Madrid, and Medina del Campo were drawn in Genoa, Antwerp, the fairs of Besançon, and correspondents of the Fuggers in Ausburg, Vienna, and Prague. The dynastic ambitions of Charles and his successors depended upon international bankers capable of using his realm's revenues to raise credit from private capital holders in a variety of financial centres both inside and outside his jurisdiction and finally using specialized bankers to move these funds to realms where he could pay his armies.[7] These mechanisms could be used to pay subsidies – including to the Guise early in the French wars of religion and the French Catholic league in the 1590s.

French kings from François I to Louis XIV attempted to frustrate what they viewed as a Habsburg bid to pursue universal monarchy without mines of silver to rival Potosi. Commentators sympathetic to France in the sixteenth and seventeenth century were fond of referring to the fields of France as the French king's mines, and trusted that grain and wine were necessities for all of France's neighbours. While modern estimates of premodern GDP figures, and perhaps particularly for France, ought to be treated with caution, these numbers suggest that France predominantly relied upon its large population to raise money, as French per capita GDP seems to have been somewhat lower than those of many of its monarchs' rivals, and, indeed, many of the states to which it paid subsidies.[8]

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7 Giovanni Muto, 'The Spanish System', in *The Origins of the Modern State in Europe: 13th–18th Centuries: Economic Systems and State Finance*, ed. by Richard Bonney (Oxford: Clarendon Press, 2002), pp. 231–259.

8 We follow 'The Maddison-Project', www.ggdc.net/maddison/maddison-project/home.htm, 2013 version, accessed 20 October 2017. Extrapolating from the French data using a constant growth rate, French per capita GDP looks to have been less than half that of the Netherlands in 1650, and less than that of Sweden. The 'Maddison-Project' draws upon Lennart Schön and Olle

Ultimately, French subsidies, as all of the expenditures of the crown, came from revenues raised overwhelmingly from comparatively poor peasants and farmers. In France, these taxes were both direct taxes such as the *taille*, a name for a variety of taxes on land collected in various forms in different parts of France, or indirect taxes, such as the *gabelle*, a tax raised on salt, usually from its sale by a government monopoly. Monarchs began to borrow money from merchants, either as individual bankers or in consortia. They continued to draw significant sums from this form of borrowing, particularly from *financiers* who advanced money in return for collecting taxes. During the reign of François I, the king also began to raise consolidated debts in the form of *rentes sur l'hôtel de ville de Paris*, based on municipal revenues which were viewed as more credible than direct obligations based on royal promises. These were initially modest, but ballooned along with other debts – including debts to allies such as the Swiss and the English crown – during the religious wars of the second half of the sixteenth century.[9] The financial turmoil associated with the Wars of Religion largely persuaded the Italian and other foreign bankers, who had been major creditors of the crown until that point, that the French crown was not worth the risk. The French crown largely turned to domestic sources of capital, and to fiscal expedients such as increasing sales of offices.

Despite the crown's dire fiscal state and outstanding debts to allies, Henri IV would pay subsidies to opponents of the Habsburgs, notably the United Provinces. During the seventeenth century, the

Krantz, 'The Swedish Economy in the Early Modern Period: Constructing Historical National Accounts', *European Review of Economic History* 16 (2012), 529–549. The French estimates seem to be unmodified from those provided in Angus Maddison, *The World Economy: A Millennial Perspective* (Paris: OECD, 2001), Table B-21, p. 264. France is not included in Stephen Broadberry et al., *British Economic Growth: 1270–1870* (Cambridge: Cambridge University Press, 2015); Leonardo Ridolfi, *L'histoire immobile? Six Centuries of Real Wages in France from Louis IX to Napoleon III: 1250–1860*, Laboratory of Economics and Management Working Papers Series, Scuola Superiore Sant'Anna, Pisa, 2017/14 (June 2017), suggests how much remains to be learned of French premodern macroeconomic data – without reversing Maddison's gloomy estimation of low French growth rates. While aimed at global historians, the cautions about such figures expressed by Morton Jerven, 'An Unlevel Playing Field: National Income Estimates and Reciprocal Comparison in Global Economic History', *Journal of Global History* 7 (2012), 107–128, are relevant in this context.

9 Richard Bonney, *The King's Debts: Finance and Politics in France, 1589–1661* (Oxford: Clarendon Press, 1981).

French monarchy would embrace the payment of subsidies on a different scale than previously, using alliances in which subsidies played a prominent role to pursue crucial aspects of royal policy. Louis XIII made alliances promising subsidies to support the United Provinces' resumed war against the king of Spain, and for the Danish, Swedish, and various German princes to fight against the Holy Roman Emperor.[10] Louis XIV continued some of these subsidies and used subsidies as a tool in order to implement his own politics. When Louis XIV appeared to Dutch and some English statesmen as aspiring to universal monarchy, the Dutch and particularly the English used the tool of subsidies to frustrate the French monarch.[11] During the eighteenth century, principally the French and the British, but also the Austrians, used subsidies to procure allies and attempt to maintain the balance of power. Some powers, such as Prussia, became important recipients of subsidies. Even after the purchase of internationally liquid public debts became a way of supporting allies, statesmen continued to find treaties articulating promises of subsidy payments in return for political and military service a useful part of the repertoire of diplomacy.

When Immanuel Kant advocated a clean break with previous and present theories and practices of diplomacy in his 'Zum ewigen Frieden' ('Of Perpetual Peace') of 1795, he criticized subsidies as one of many practices that encouraged war.[12] Kant argued that there was a necessary connection between the constitution of a state and whether it is bellicose or pacific. A despot who spoke on behalf of unrepresented subjects could easily make war, because 'a war will not force him to make the slightest sacrifice as far as his banquets, hunts, pleasure palaces and court festivals are concerned … He can decide on war … as a kind of amusement, and unconcernedly leave

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10 Lucien Bély, *L'art de la paix en Europe: Naissance de la diplomatie moderne XVIe–XVIIIe siècle* (Paris: Presses Universitaires de France, 2007), pp. 157–179, and Peter H. Wilson, *The Thirty Years War: Europe's Tragedy* (London: Penguin, 2009), pp. 379–381 and 464–465.

11 Janine Fayard, 'Attempts to Build a "Third Party" in Northern Germany', in *Louis XIV and Europe*, ed. by Ragnhild Hatton, trans. by Geoffrey Symcox and Derek McKay (London: Macmillan, 1976), pp. 213–240, and Jonathan Israel, *The Anglo Dutch Moment: Essays on the Glorious Revolution and Its World Impact* (Cambridge: Cambridge University Press, 1991).

12 'Perpetual Peace: A Philosophical Sketch', in *Kant: Political Writings*, ed. by Hans Reiss, trans. by H.B. Nisbet (Cambridge: Cambridge University Press, 2nd ed. 1991), p. 103.

it to the diplomatic corps … to justify [it] for the sake of propriety.' Therefore, Kant reasoned, all states must have republican constitutions where 'the consent of the citizens is required to decide whether or not war is to be declared', for this would mean that those who declare war would feel all its miseries.[13] He began the essay with prohibitions against specific diplomatic practices in order to nullify what he called the 'three powers of the state', the '*power of the army,* the *power of alliance*, and *the power of money*'. Kant thought subsidies particularly odious. Like acquiring states by marriage or purchase, subsidy payments mistook a state – which Kant thought was a 'society of men which no-other than itself can command' – and 'made it into a commodity'. Thus he thought subsidies were a kind of perversion, arguing that 'when the troops of one state are hired to another to fight an enemy who is not common to both … the subjects are thereby used and misused as objects to be manipulated at will'.[14]

Historians have showed only limited interest in subsidies and the transfer of resources between allies as distinct and central problems of early modern diplomacy. There is not an extant list, for example, of all the payments promised from one sovereign to another in early modern Europe, and still less a record of whether the payments were made. The words 'subsidies' and 'pensions' are not in the indexes of recent surveys of diplomatic history in German, French, or English, and the subject does not receive systematic treatment in any of them.[15] Recent works by Anglophone historians, often grouped together under the heading 'New Diplomatic History', have tended to focus on the close reading of diplomatic correspondence, art, and other documents to enrich detailed portrayals of a single diplomat's career, the course of a single peace-treaty negotiation,

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13 *Ibid*., p. 100.

14 *Ibid*., p. 94.

15 Heinz Schilling, *Konfessionalisierung und Staatsinteressen: Internationale Beziehungen 1559–1660* (Paderborn: Ferdinand Schöningh, 2007); Claire Gantet, *Guerre Paix et construction des états, 1618–1714: Nouvelle histoire des relations internationales*, vol. 2 (Paris: Seuil, 2003); Jean-Pierre Bois, *De la paix des rois à l'ordre des empereurs, 1714–1815: Nouvelle histoire des relations internationales*, vol. 3 (Paris: Seuil, 2003); Matthew Smith Anderson, *The Origins of the Modern European State System, 1494–1618* (London: Longman, 1998); Jeremy Black, *A History of Diplomacy* (London: Reaktion Books, 2010). See, however, Lucien Bély, 'Subsides', in *Dictionnaire de l'ancien régime*, ed. by Lucien Bély (Paris: Presses Universitaires de France, 1996), pp. 1178–1179.

or even a single ceremony or painting.[16] The new diplomatic history's close cultural reading and sense of nuance came at the cost of a more diffuse focus on what had been the centre of the older scholarship on diplomatic history, explaining how powers made fundamental choices about how to relate with others over time, whether through peaceful alliances, treaties, and institutions, or through war.[17]

Historians interested in subsidies' role in diplomacy must resort to older scholarship, or to more recent, often German-language, studies of particular alliances and subsidy contracts, and studies of military or fiscal history. Some classic studies echoed Kant's moral condemnation of subsidies as a form of corruption, in which sovereigns entered into agreements against the interests of their state. For example, Max Braubach's 1923 study of the role of subsidies in the Spanish War of Succession criticizes French and British interference in German politics as something that rendered Germans 'mercenaries'.[18] Sometimes broad claims regarding the alleged corruption of subsidy systems focused on individual people who profited from bribery or peculation, as in Ragnhild Hatton's chapter on gratifications to Swedish politicians in Anglo-French diplomatic rivalry during the Age of Liberty.[19] Still others examine how subsidies entered into the formulation of grand policy in a classic sense. Lossky,[20] Fayard,[21] and Frey[22] all write that France paid subsidies

16 See Tracey Sowerby's review of the field, 'Early Modern Diplomatic History', *History Compass* 14.9 (2016), 441–456, and John Watkins's programmatic 'Toward a New Diplomatic History of Medieval and Early Modern Europe', *Journal of Medieval and Early Modern Studies* 38.1 (2008), 1–14.

17 Karl W. Schweizer and Matt J. Schumann, 'The Revitalization of Diplomatic History: Renewed Reflections', *Diplomacy and Statecraft* 19 (2008), 149–186.

18 Max Braubach, *Die Bedeutung der Subsidien für die Politik im spanischen Erbfolgekriege* (Bonn and Leipzig: Kurt Schroeder Verlag, 1923), pp. 41, 71, 186–190.

19 Ragnhild Hatton, 'Gratifications and Foreign Policy: Anglo-French Rivalry in Sweden during the Nine Years War', in *William III and Louis XIV: Essays 1680–1720 by and for Mark A. Thomson* (Liverpool: Liverpool University Press, 1968), pp. 68–94.

20 Andrew Lossky, 'La Picquetière's Projected Mission to Moscow in 1682 and the Swedish Policy of Louis XIV', *Essays in Russian History: A Collection Dedicated to George Vernadsky*, ed. by Alan D. Ferguson and Alfred Levin (Hamden, CT: Archon Books, 1964).

21 Janine Fayard, 'Les tentatives de constitution d'un tiers party en Allemagne du Nord 1690–1694', *Revue d'Histoire Diplomatique* 79 (1965), 338–372.

22 Linda Frey, 'Franco-Prussian Relations, 1701–1706', *Proceedings of the Annual Meeting of the Western Society for French History* 3 (1976), 94–105.

in order to buy the allegiance of northern Europe and steer the Nordic countries and North German states away from anti-French alliances, with the hope of strengthening France's borders with the Holy Roman Empire.[23]

The most important international studies of recent vintage are of the subsidies France paid to the Swiss cantons in the sixteenth century: at times, French subsidies accounted for between 15 per cent and 65 per cent of an individual canton's revenues, which left its mark economically, socially, and politically by benefiting a Francophile elite.[24] Similar figures can be shown for Hesse-Cassel, where no fewer than thirty subsidy treaties were signed between 1702 and 1763 and the subsidies amounted to between 40 and 50 per cent of the economy.[25] Subsidies can also be seen as part of a number of strategies used by France to create alliances. Tilman Haug has studied how France acted in order to gain control over the two electorates Mainz and Cologne in the mid-seventeenth century, by patronage towards civil servants within the political centre of the two electorates.[26] The intention was to create a division within the Holy Roman Empire by allying parts of the Empire with France. In an earlier study, Richard Place has shown how France tried to buy out German allies of the Emperor from the anti-French coalition in 1687–1688. Even though this attempt failed, it forced Emperor Leopold to make offers to Bavaria that he probably would not have had to do otherwise.[27] A similar attempt, as shown by Linda Frey, was made towards Prussia during the War of the Spanish

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23 Georges Livet, 'International Relations and the Role of France, 1648–60'; see also Livet's 'The Decline of Spain and the Thirty Years' War, 1609–1648/59', in vol. 4 of *The New Cambridge Modern History*, ed. by J.P. Cooper (Cambridge: Cambridge University Press, 1970), pp. 411–434. Geoffrey R.R. Treasure argues along the same lines that France primarily wished to strengthen its north-eastern and eastern borders; see Treasure, *Mazarin: The Crisis of Absolutism in France* (Abingdon: Routledge, 1995).

24 Windler, '"Ohne Geld keine Schweizer"' [see p. 17, n. 40], pp. 105–133. For further references, see note 3.

25 Jörg Ulbert, 'Französische Subsidienzahlungen an Hessen-Kassel während des Dreißigjährigen Krieges', in *Frankreich und Hessen-Kassel zur Zeit des Dreißigjährigen Krieges und des Westfälischen Friedens*, ed. by Klaus Malettke (Marburg: N.G. Elwert Verlag, 1999), pp. 159–174.

26 Tilman Haug, *Ungleiche Außenbeziehungen und grenzüberschreitende Patronage: Die französische Krone und die geistlichen Kurfürsten (1648–1679)* (Cologne: Böhlau Verlag, 2015).

27 Richard Place, 'Bavaria and the Collapse of Louis XIV's German Policy, 1687–88', *The Journal of Modern History* 49 (September 1977), 363–393 (pp. 378–393).

Succession. Louis XIV then, among other things, promised subsidies in order to tie Prussia to France.[28]

The works by Peter Wilson and Charles Ingrao served as pioneering efforts to demonstrate how subsidies strengthened princes' dynastic ambitions and influenced politics within their own realms.[29] They show how subsidies considerably strengthened the position of German states such as Hesse and Württemberg in the seventeenth and eighteenth centuries: their armies became major employers and offered opportunities for advancement (especially to the lower nobility), taxes could be kept low, and a focus on commercial activity was made possible. This gave the Württembergian and Hessian princes a distinct propaganda advantage, along with the chance to pursue their own dynastic ambitions in competition with other groups. The surplus from the subsidies could also be used for luxury consumption – palaces, art, expensive ceremonial – which in turn became part of a status competition with other princely dynasties throughout the Holy Roman Empire and beyond. The arguments against subsidies made by opposition groups included the very high mortality rates among young fighting men and a worrying overdependence on the subsidizer. Towards the end of the eighteenth century, new Enlightenment ideas encouraged this resistance, especially when the British began to use German armies in North America.[30] In a study of Saxony-Gotha, Andrea Thiele notes that the gains in providing soldiers to the United Provinces were a stronger grip on politics in Saxony-Gotha's own territory as well as higher prestige within the international community, together with a financial profit. The

28 Frey, 'Franco-Prussian Relations'.

29 Peter H. Wilson, *War, State and Society in Württemberg, 1677–1793* (Cambridge: Cambridge University Press, 1995); Charles W. Ingrao, *The Hessian Mercenary State: Ideas, Institutions, and Reform under Frederick II 1760–1785* (Cambridge: Cambridge University Press, 1987).

30 Frederic Groß, 'Einzigartig? – Der Subsidienvertrag von 1786 über die Aufstellung des "Kapregiments" zwischen Herzog Karl Eugen von Württemberg und der Niederländischen Ostindienkompanie', in *Militärische Migration vom Altertum bis zur Gegenwart* (Studien zur Historischen Migrationsforschung, vol. 30), ed. by Christoph Rass (Paderborn: Ferdinand Schöningh, 2016), pp. 143–164; Lothar Höbelt, 'Vom militärischen saisonnier zum miles perpetuus: Staatsbildung und Kriegsführung im ancien régime', in *Krieg und Gesellschaft*, vol. 2, ed. by Thomas Kolnberger and Ilja Steffelbauer (Vienna: Mandelbaum, 2010), pp. 59–79; Hans-Martin Maurer, 'Das württembergische Kapregiment: Söldner im Dienste früher Kolonialpolitik (1787–1808)', *Zeitschrift für Württembergische Landesgeschichte* 47 (1988), 291–307.

risks were considerable, though: the dukes of Saxony-Gotha became entrepreneurs and had to pay for recruiting soldiers without knowing when the money was going to be repaid.[31]

Illuminating as this work has been, subsidies also offer an opportunity to engage with recent work in adjoining fields. For example, alliances and the transfer of resources have been the subject of work in the theory of international relations, as well as in the burgeoning field of war and economics, drawing upon game theory. Beginning with the work of the American economists Mancur Olson and Richard Zeckhauser, economists have tried to devise formal models to explain how changing economic and strategic conditions shape decision-makers' choices, and under what circumstances alliances are formed.[32] These studies suggest that alliance expenditures can prompt larger and wealthier participants in alliances to bear a disproportionate part of the common burden of the alliance, both in respect to the expected benefits of the alliance and the two countries' different resource bases and fiscal capacities.[33] Olson's and Zeckhauser's model was devised to analyse the postwar alliances of the United States, relying on assumptions that may not easily transfer to early modern conditions; it regards states as units making rational choices. Yet the model suggests that alliances can endure with stronger and richer countries contributing a disproportionately large share of the total resources, and thus that subsidy payments and other transfers often favour smaller states over long periods of time.

Both the ubiquity of subsidies in early modern diplomacy and the economic theory of alliances suggest that some revisions should be made to the sophisticated accounts of state building that sociologists and historians have developed over the last three decades. Scholars such as Charles Tilly have placed war at the centre of their models

31 Andrea Thiele, 'The Prince as Military Entrepreneur? Why Smaller Saxon Territories Sent "Holländische Regimenter" (Dutch Regiments) to the Dutch Republic', in *War, Entrepreneurs, and the State in Europe and the Mediterranean, 1300–1800*, ed. by Jeff Fynn-Paul (Leiden & Boston: Brill 2014), pp. 191–194.

32 Mancur Olson, Jr and Richard Zeckhauser, 'An Economic Theory of Alliances', *The Review of Economics and Statistics* 48.3 (August 1966), 266–279, and for a more recent review of the literature, Todd Sandler, 'The Economic Theory of Alliances', *The Journal of Conflict Resolution* 37.3 (September 1993), 446–483. For an international-relations point of view, see Glenn H. Snyder, *Alliance Politics* (Ithaca: Cornell University Press, 1993).

33 Olson and Zeckhauser, 'An Economic Theory of Alliances', esp. p. 269.

of state-formation, and Tilly articulated this orientation pithily by asking 'How War Made States, and States Made War'. In passing, he suggested that, during the transition period of intensifying military cost and the effort to develop the financial systems to pay for it, some princes, who were poor but skilled in mustering the forces of coercion, 'rented' their armies to other states who were rich in capital. Even so, the transfer of resources from one sovereign to another plays little part in his accounts of sovereigns bargaining with their subjects or in his account of the development of state systems.[34] Rather than looking at the state of politics at a given moment, scholars interested in state building often privilege the development of the military, fiscal, and bureaucratic institutions that allow a state to survive in the long term. Their analysis tends to privilege the negotiation between a sovereign and their subjects, and the development of state capacity that allowed sovereigns to extract resources from their own territories and populations. Tilly and other theorists of state formation scrutinize such features of state as constitutional forms, ideological quality, bureaucratic sophistication, capital richness, forms of military organization, and homogeneity of leadership as significant factors that condition the ability of states to support the increasing burden of wars.[35] While scholars have devoted significant attention to certain forms of transnational transfers of resources, such as military expertise, arms, and loans whether mediated directly from bankers to sovereigns or in the international purchase of state debt, subsidy payments have attracted less attention from the writers of state-building literature. This probably reflects doubts that subsidies strengthened the states that received them, doubts which seem logical enough on the surface. One could

34 Charles Tilly, *Coercion, Capital and European States, AD 990–1990* (Oxford: Basil Blackwell, 1990), p. 81.

35 One could go back to Otto Hintze, 'Military Organization and the Organization of the State' (originally 1906), in *Historical Essays of Otto Hintze*, ed. by Felix Gilbert (Oxford: Oxford University Press, 1975), pp. 178–215; Michael Mann, *The Sources of Social Power, I: A History of Power from the Beginning to A.D. 1760* (Cambridge: Cambridge University Press, 1986); Charles Tilly, *Coercion, Capital and European States*; Jan Glete, *War and the State in Early Modern Europe: Spain, the Dutch Republic and Sweden as States, 1500–1660* (London: Routledge, 2002); Wolfgang Reinhard, *Geschichte der Staatsgewalt: Eine vergleichende Verfassungsgeschichte Europas von den Anfängen bis zur Gegenwart* (Munich: C.H. Beck, 1999), pp. 305–387; Harald Gustafsson, *Makt och människor: Europeisk statsbilding från medeltiden till franska revolutionen* (Gothenburg: Makadam, 2010).

argue that states which were provided with external resources had less incentive to develop effective institutions of their own, and might even allow monarchs to avoid the political quarrels that often accompanied the creation of new systems of taxation, for instance.

Even if one accepts the odd premise of the state-building literature that early modern sovereigns should be considered as rational institution builders who attempted to maximize the power they were able to project, the argument that subsidies are irrelevant or even detrimental to the development of states seems overly hasty. If in some cases subsidies only allowed states with too few resources to survive the increase in military scale and expense to defer their eventual absorption into larger polities, in others subsidies afforded an opportunity to react to immediate political crises while still considering reforms on a longer time-scale. Institutionally unsophisticated and revenue-poor states could use subsidies to establish relations with international financial circles who otherwise might well have had little cause to engage themselves, providing an opportunity for the transfer of knowledge of financial practices. By paying subsidies, the French monarchy avoided controversies that might otherwise have provoked earlier and more profound resistance. Participation in the French system of subsidies neither necessarily accelerated nor necessarily retarded state development; but such participation could undoubtedly change political dynamics, the creation of institutions, and the form of states that would emerge.

In order to explore the Reformation's implications for international relations, Daniel Nexon has recently suggested that it is useful to view early modern international structures as 'networks of networks', and that even the composite monarchies of early modern Europe can usefully be modelled as interlocking patron–client networks centred on the monarch, bounded by nested networks settled in different bounded polities, and disrupted by religious networks that resisted patronage and unsettled relations between provinces.[36] Nexon's stimulating suggestion that dynastic agglomerations could be seen as networks of social elites – including local intermediaries, a transnational class of substitutable elites, and the local 'ordinary people' – provides one way of analysing the role of transnational networks based on the transfer of resources such as subsidies. Rather

36 Daniel H. Nexon, *The Struggle for Power in Early Modern Europe: Religious Conflict, Dynastic Empires, and International Change* (Princeton: Princeton University Press, 2009), for 'network of networks', p. 48.

than seeing early modern states as mustering the resources of neatly bounded polities, Nexon's model calls attention to the importance of bargaining for resources over the boundaries of polities, with ample room for ideological opposition as well as the accommodation of both elites and more common people.

Nexon's emphasis on bargaining and networks provides a manner of analysing more profound changes in early modern politics than had been captured in previous processes of state formation, but it is supported by a great deal of empirical research into the organization of early modern warfare, politics, and states. Many scholars have shown how relations among early modern – and indeed all – polities rested upon a wide range of interpersonal contacts on a variety of levels. Many scholars have shown how 'private contractors' or 'entrepreneurs' organized large domains of early modern statecraft, from armies, through the financial system.[37] Given that many of these contractors could be transnational, or, to articulate their status in terms more germane to the early modern context, could be actors who sought the favour and business of many confessional and dynastic rulers, this suggests important ways in which administrative expertise and resources could flow across the boundaries of states. Among the important factors that conditioned dynastic monarchs' behaviour was access to capital and expertise that could easily cross the boundaries of individual polities. Subsidies were only one form of access to transnational resources which could inflect the forms of early modern politics, giving access to expertise, resources, and capital beyond the neat boundaries of the 'state' and allowing monarchs to compete for resources on the basis of confessional location, dynastic reputation, and, perhaps, even bureaucratic and military efficiency.

Given the importance of these transnational influences, one could argue that the efficiency of the links to pan-European markets for goods, military power, and capital and credit was as important as, and doubtless in some way correlated to, the efficiency with which

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37 David Parrott, *The Business of War: Military Enterprise and Military Revolution in Early Modern Europe* (Cambridge: Cambridge University Press, 2012); *The Contractor State and Its Implications, 1659–1815*, ed. by Richard Harding and Sergio Solbes Ferri (Las Palmas de Gran Canaria: Universidad de Las Palmas de Gran Canaria, 2012); *War, Entrepreneurs and the State*, ed. by Jeff Fynn-Paul; and Rafael Torres-Sánchez, Pepijn Brandon, and Marjolein 't Hart, 'War and Economy: Rediscovering the Eighteenth Century Military Entrepreneur', *Business History* 60.1 (2018), 4–22.

a state exploited its own resources.[38] That argument should encourage efforts to explore and document how early modern polities drew upon pan-European and even global networks for resources, money, and credit. Richard Ehrenberg's *Das Zeitalter der Fugger: Geldkapital und Kreditverkehr im 16 Jahrhundert* thus remains a foundational book.[39] Not only does it show the deep embeddedness of European diplomacy in the financial networks of the sixteenth century; it also brings out the vital importance of the transfer of resources to the functioning of early modern states and diplomatic relations more generally. The money provided by subsidies was often of peculiar importance because of its provision in ready, fungible cash in major financial centres, the 'hubs' of early modern finance and commerce. This allowed the recipients of subsidies to make payments for armies, diplomats, and other goods in particularly liquid forms, where bargaining within their own boundaries was often constrained by the liquidity of the assets they could offer – which often required significant investments of capital and expertise.

The payment and receipt of subsidies could have consequences that went far beyond the military and fiscal effects commonly referred to, affecting public opinion, political and economic relations, and social mobility.[40] Yet in older histories of diplomatic relations or war finance, the subsidies' part in state formation is usually discussed as a peripheral phenomenon in the context of a wider examination of particular diplomatic missions, or as one element of the factors that helped create alliances. Focusing on subsidies allows us to perceive the importance of access to international expertise, organization, and capital to early modern statecraft, and to see how access to foreign resources could create the possibility of altering domestic constitutions, politics, and patronage relationships.

Subsidies were a source of political conflict between competing power groupings. Perhaps the most explicit example of these dynamics was the secret Treaty of Dover between Louis XIV of France and Charles II of England, Scotland and Ireland. Louis XIV's offer of subsidies was intended not merely to draw Charles II's territories

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38 One thinks of the work of Edward Barbier, *Scarcity and Frontiers: How Economies Have Developed through Natural Resource Exploitation* (Cambridge: Cambridge University Press, 2011).

39 Richard Ehrenberg, *Das Zeitalter der Fugger: Geldkapital und Creditverkehr im 16. Jahrhundert*, 2 vols (Jena: Gustav Fischer, 1896).

40 Ingrao, *The Hessian Mercenary State*, pp. 164–174; Windler, '"Ohne Geld keine Schweizer"', pp. 105–134; Wilson, *War, State and Society*, pp. 28–42.

into a coalition against the United Provinces but also to undermine Parliament's efforts to limit its monarch's prerogative, and the identity of the Anglican Church and Presbyterian Churches and the monarch and putative head. James II sought subsidies from France in order to be able to ignore the British Parliament, which held the nation's purse strings. When Louis XIV refused, James II had to fall in line with Parliament's foreign policy, which in turn undermined French interests. The upshot was that Louis XIV reconsidered, and subsidies were paid on condition that British troops were withdrawn from the United Provinces.[41] In the 1690s the English Parliament in conflict with William III decided to dissolve most of the army – of which the majority were paid foreign soldiers – something that prevented William from taking active part in Scandinavian politics.[42] Thus, debates about taking subsidies – which, as Olson and Keckhauser's model would suggest, often involves smaller partners taking richer allies' money – frequently raise not only issues of autonomy and dependence but also questions concerning the very shape and content of the constitution itself. As a result, subsidies could hardly escape becoming a major subject of debate, particularly in those polities whose foreign policies and even survival were acutely dependent upon aid from another sovereign.

The English examples illustrate how subsidies were not always paid by a substantially stronger state to a substantially weaker state. Subsidies were sometimes a result of a need for countries like Spain or the United Provinces to hire troops in order to be participants in a war.[43] The subsidy system also stemmed from a need to find allies who could not only provide troops but also act more or less on behalf of the subsidizer in war – as Denmark and Sweden did from time to time on behalf of France. Subsidies could be a fleeting response to a particular need for troops and political support at a particular moment, or become a longer-lasting 'structural' element of European diplomacy. For example, French and Swedish statesmen came to view the payment of subsidies as almost a traditional element of their crowns' relationship, doubtless because of the frequency with which France paid subsidies to Sweden; not only did Sweden receive subsidies from France for eighty-nine of the years from 1631

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41 Robert H. George, 'The Financial Relations of Louis XIV and James II', *The Journal of Modern History* 3 (1931).

42 See Stewart P. Oakley, *William III and the Northern Crowns during the Nine Years' War, 1689–1697* (New York and London: Garland, 1987).

43 Thiele, 'The Prince as Military Entrepreneur?', p. 170.

to 1796 but occasionally these subsidy payments occurred for periods of more than twenty consecutive years.[44]

Subsidies prompted significant debates about the legal, political, and moral implications of the payment of subsidies. In a time when religion supposedly played an important role in all politics, and indeed war was sparked off by confessional differences, it is striking how many subsidy treaties were in fact signed between parties of different faiths. The French subsidies paid to the two Lutheran countries Denmark and Sweden to defend Lutheranism during the Thirty Years' War is only one such example; the ones paid to Anglican England to go to war against the Puritan United Provinces is another. Hesse-Cassel provided troops to both England and France, and Sweden accepted subsidies not only from France but also from Spain, the United Provinces, and England – all countries of another confession.

The Belgian legal historian Randall Lesaffer has noted how Roman ideals of *amicitia* or 'peaceful friendship' came to be central conditions in true alliances.[45] These ideals conferred obligations as if both parties to the treaty were equal and autonomous moral agents who could freely enter into a contract, even though they occupied different places in the hierarchy of dynastic precedence that constituted the Society of Princes.[46] Early modern treaties conferred different rights and privileges upon different parties to them, while those parties

44 For example: in 1738 members of the Swedish Council of the Realm spoke about how the relation between France and Sweden had become hereditary and, in 1774, an instruction for a new French ambassador to Stockholm says that the relation between the two countries had been formed by nature: 'la nature elle-même semble l'avoir formée'. See Carl Trolle Bonde, *Anteckningar om Bondesläkten, Riksrådet Grefwe Gustaf Bonde III* (Lund, 1898), p. 285, and La Courneuve, Archives diplomatiques (AD), Memoire et documents, Suède, 25 (Instructions for comte d'Usson before travelling to Stockholm as ambassador 1774).

45 Randall Lesaffer, '*Amicitia* in Renaissance Peace and Alliance Treaties (1450–1530)', *Journal of the History of International Law* 4 (2002), 77–99.

46 Lucien Bély's *La société des princes, XVIe–XVIIIe siècle* (Paris: Fayard, 1999); Wolfgang Weber, 'Interne und externe Dynamiken der Frühneuzeitlichen Herrscherdynastie: ein Aufriss', in *Bourbon und Wittelsbach: Neuere Forschungen zur Dynastiengeschichte*, ed. by Rainer Babel, Guido Braun, and Thomas Nicklas (Münster: Aschendorff, 2010), pp. 61–77; Wolfgang Weber, 'Dynastiesicherung und Staatsbildung: Die Entfaltung des frühmodernen Fürstenstaats', in *Der Fürst: Ideen und Wirklichkeiten in der europäischen Geschichte*, ed. by Wolfgang Weber (Cologne: Böhlau Verlag, 1998), pp. 91–136.

continued to be viewed as freely choosing autonomous moral agents who sought peace for reasons of friendship and mutual interest. Hugo Grotius was adamant that the only legitimate reason for war was a just cause, whether or not that war was on behalf of a sovereign, an ally, or even the cause of humanity, and consequently that a sovereign who declared war for economic benefit would be worse than a common mercenary, for '[d]id they sell only their own lives it were no great Matter: but they sell also the Lives of many an harmless inoffensive Creature: So much more odious than Hangmen, by how much it is worse to kill without a Reason, than with one.'[47] But if it would be criminal to go to war only for money, Grotius concludes, it would be completely acceptable and even praiseworthy to accept monetary support from a friendly prince for a just war. Theorists and practices differed, however, as to whether paying a subsidy entailed an act of war. Some manifestos included the payment of subsidies among the grounds for a just war, and certain treaties explicitly forbade the continuation of subsidy payments as a condition of peace, although powers evaded such conditions by continuing to pay subsidies. Other theorists, however, argued that princes were free to bestow gifts on whomever they chose, and that these gifts could not be interpreted as constituting grounds for war. Some subsidies were in fact so widely known as to be considered public knowledge, without this entailing war between the power who paid the subsidy and its ally's enemy.[48]

Study of the early modern state requires documenting not just how states raised resources to make war but also how access to transnational resource-transfers reshaped the practices, discourse, and constitutional form of early modern states. As such, subsidies are not just a subject for the 'new diplomatic history', particularly

47 Hugo Grotius, *The Rights of War and Peace*, ed. by Richard Tuck (Indianapolis: Liberty Fund, 2005), book II, chapter XXV, p. 1165.

48 For example, Louis XIII's subsidies to the Swedes and the Dutch were mentioned in pamphlets by Richelieu's *dévots* opponents, and were mentioned in anti-French pamphlets after the outbreak of open war; see Caroline Maillet-Rao, *La pensée politique des dévots Mathieu de Morgues et Michel de Marillac: Une opposition au ministériat du cardinal de Richelieu* (Paris: Honoré Champion, 2015), pp. 326–343; Randal Lesaffer, 'Defensive Warfare, Prevention and Hegemony: The Justifications for the Franco-Spanish War of 1635 (Part II)', *Journal of the History of International Law* 8.2 (2006), 155–157, and [Cornelius Jansen], *Le Mars Francois ou la Guerre de France: En laquelle sont examinées les raisons et la justice pretendue des armes & des alliances du roi de France* (n.p., n.pub., 1637), pp. 436–437.

if that field only interests itself in the formation of a diplomatic culture without aspiring to analyse what caused war and peace, or participate in the analysis of deeper structural changes in the relations between polities. Scholars should consider subsidies as a major feature in the formation of the early modern state.

Content of the volume

Though the volume contains a wide variety of chapters covering different perspectives of the early modern subsidy system, its aim is not to be all-encompassing but to provide in-depth case studies. However, the authors have been careful to place each case study in a wider European context so as to make it clear to the reader how the individual example relates to a larger whole. We make no claims to have covered all aspects of the French use of subsidies, not to mention other important powers who engaged with subsidies in the early modern era. Rather, the chapters in this volume aim to suggest, rather than exhaust, different aspects of early modern history that can be engaged by examining subsidies as a central problem.

France, being one of the major providers of subsidies in the early modern period, and its capacity of giver are at the focus of Anuschka Tischer's chapter, which examines France's use of subsidies in politics and diplomacy in the seventeenth century. Subsidies were an important factor in the French struggle against the House of Habsburg, a resource that was made possible by the fact that the realm was quite advanced in the state-building process, and that the king thus had a solid income from taxes. Placed in a larger context, France, by using subsidies, influenced the state-building process in other territories and contributed to the formation of a balance between Protestants and Catholics in Germany and in Europe.

Tryntje Helfferich discusses how French subsidies to German states during the Thirty Years' War were understood by the recipients and what this can teach us about the war. Helfferich shows how subsidies, although they were primarily seen and described as necessary to maintain armies, were perceived as posing a threat to a prince's honour, independence, and power, as well as to German culture. Such fears, Helfferich argues, reinforced a process towards calls for the creation of a unified German nation centred on a shared linguistic-cultural inheritance.

Peter H. Wilson places subsidies in the broader context of what he terms 'Fiscal-Military Instruments', or a wide variety of ways in which resources needed for war were transferred among states, both

by statesmen and by various kinds of entrepreneurs. Wilson argues that subsidies must be viewed not only as part of a diplomatic and political history of states interacting with states but as part of what he calls a European Fiscal-Military System, distinguished by the flow of money, weapons, and men needed for wars through a diverse set of channels, determined by basic forces of geography, demography, economy, and politics.

Sweden is in focus in two chapters by Svante Norrhem and Erik Bodensten. Norrhem argues that France as the main supplier of subsidies over a lengthy period promoted Swedish state formation in various ways: subsidies were a prerequisite for war; they helped maintain an army, and they funded military building projects and thus increased the demand for military, administrative, and other expertise. Looking at the long eighteenth century, Erik Bodensten shows that the receipt of subsidies caused a variety of strategic problems, dilemmas, and challenges for the receiving party. With Sweden as his point of departure, he argues that a decrease in demand for subsidy troops posed a major challenge for minor powers as the states system of Europe changed.

Another example of the impact of payments from a stronger party on a weaker one is given by Philippe Rogger, who has investigated the Franco-Swiss relation during the sixteenth century. Individuals, Rogger argues, benefited from foreign-policy relations, and resources amassed as a result of French patronage were fundamental to the ruling elites' accumulation of political power.

In his chapter about the principality of Waldeck in the seventeenth and eighteenth centuries, Andreas Flurschütz da Cruz shows how even very small European states could gain considerably from subsidy deals with states such as Venice, the Netherlands, and Great Britain. Waldeck thus serves as an example of how subsidies could help secure smaller states' place within the Holy Roman Empire and build their positions within the noble hierarchy of Europe. Tilman Haug, while discussing the often difficult position in which a ruling prince in a small German state was placed when he received subsidies from France or England, looks partly beyond the state. Alliances between smaller and larger states were often brokered by what he terms cross-border networks or clients of foreign powers within the Empire. Through three case studies, he investigates the role that such cross-border networks or clients played in negotiating subsidy treatises, especially within the Holy Roman Empire.

Erik Thomson and Marianne Klerk in their respective chapters both supply examples of the workings of and the central role played

by non-state actors for the procurement and transfer of resources for war-making. Following Wilson's model of a Fiscal-Military System, Marianne Klerk has studied how the handling of subsidies along with other war-making resources was organized in specific urban European centres, which she terms 'fiscal-military hubs'. Amsterdam, Hamburg, and Genoa became the most important such hubs for the flourishing war-organization industry because they attracted wealthy merchant-financiers. She particularly focuses on how Dutch and Swedish merchants attempted to use copper and other goods from Sweden to support the Swedish crown's credit, in various kinds of mercantile relations which bridged the gap between support and taking profits. The role of hubs is important for our understanding of the wider context of individual fiscal-military agents, Klerk argues, and she offers further insights into the relation between the business of war and European state formation. Erik Thomson focuses on the Hoeufft family, who remitted French subsidy payments to many of France's allies during the Thirty Years' War, including Sweden and the Dutch Republic. Thomson reveals how the skills and connections of Jean and Mattheus Hoeufft, acquired during years of large-scale arms dealing, were necessary to the remittance of the subsidies, but also how subsidies came to play a central role securing their business, as diplomatic pressure was enlisted to make the French crown pay them quickly. At this diplomatic moment the Hoeuffts made political power and mercantile credit act in parallel, serving their own Calvinist political goals as well as the aims of the most Christian monarch.

Money may have been one of the forces that served to dissolve Christendom; but money also proved a powerful reagent which shaped the reactions that caused the new states and system of states to arise. The prevalence of subsidy payments might be seen merely as a sign of the transitory brokerage phase of early modern state building. It might simply be regarded as a moment when sovereigns who were rich in capital 'rented' armies from those who had the ability to make war. Subsidy payments might be seen as a corrupt system which reduced those princes and states to the roles of dependents of those who paid them. They can be condemned as a method of finance that slowed or even prevented the emergence of modern states, delaying but not preventing the destruction of states that lacked the fiscal capacity and institutional strengths to survive until the modern age.

The chapters in this book, however, suggest that the role of subsidies was more complex. Subsidies were paid only after careful

consideration that the receiver would actually provide whatever the giver needed – military strength or neutrality, or access to land, fortresses, harbours, or people. In addition, the volume highlights the ways in which states and dynasties were strengthened by resources that offered prestige and military, and sometimes financial and cultural, power. Subsidies allowed both those who paid and those who received money a degree of flexibility and choice in making institutional reforms; and, if not every sovereign took advantage of time and opportunity, that is not necessarily the fault of the mechanism of subsidies. Through attracting subsidies and using them wisely, lesser German princes could rise in the intricate web of princely hierarchy within Europe. Moreover, the book goes beyond the state level to seek out the mechanisms that made the subsidy system function, and to show how the practices of early modern diplomacy influenced a wide range of commercial and financial relations. This book has brought together experts, each of whom has contributed to a volume that aims at introducing studies of subsidies as an important field of research which contributes greatly to a new understanding of early modern diplomacy and of European war-making, dynastic ambition, and state formation.