

Commercial Revolution

Monday, August 22, 2005

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- **Commercial Revolution**

- **Money, money, money, money**

o **Definition**

- Term for the many economic changes of the 16th century
- Represents change from feudal economy to modern economy
- Rise of capitalism
- Very gradual

o **Leading Causes**

- Shift to the Atlantic
 - Powerful nations are bordering the Atlantic Ocean
 - Spain, Britain, Netherlands
- Age of Exploration
 - Christopher Columbus, Magellan (around world), Vasco de Gama (tip of Africa)
 - Ottoman controlled trade with the East
 - Changes in shipbuilding, navigation
 - New inventions for sailing
- Population Growth
 - Getting over the black death
 - 1500: 70million; 1600: 90million
 - More people = more demand for products
 - New markets
- Growing trade
 - Development of towns = merchants
- Price Revolution
 - Gradual inflation
 - Wages rose least... did not keep up with inflation
 - Growing population led to increased demand for food
 - Kings debase currency
 - Print out new money that does not have backed
 - Flow of gold from America

o **Characteristics of Commercial Capitalism**

- Domestic System replaced the guilds of Middle Ages
 - Guilds controlled production, prices and quality
 - Domestic System
 - Domestically produced goods
 - Merchant/trader would drop of supplies and pick up the products
 - Personable relationship
 - Produced by order (specific)
- New class of entrepreneurs developed
 - Put money into risky business
 - Start own business
- Banking developed
 - Make money by lending money
 - Usury = charging interest;
- Mercantilism
 - Basis
 - ◆ Ism = belief, way of thinking
 - ◆ Economic system of the 16th/17th century

- ◆ Economic belief
- ◆ New monarchs thought that it was the kings job to build up the economy
- Main Aspects
 - a) Government = controls economy
 - b) Self sufficient
 - c) Desire to gather specie (hard currency ex. Gold, silver)
- Effects
 - ◆ Build roads
 - ◆ Encourage new industries
 - ◆ Build colonies
 - ◆ Build up trade routes
 - ◆ Build navies
 - ◆ Impose tariffs (taxes on imported goods... protects domestic goods)
 - ◆ Give out subsidies
- New Social Classes
 - Most were *peasants*
 - Better off than in Middle Ages
 - Bubonic Plague
 - ◇ Higher demand for their work
 - ◇ Less workers
 - ◇ Fixed rents (their rent does not change)
 - *Aristocrats/Landlords*
 - Losing wealth
 - Wealth was passed down from families
 - *Primogeniture*
 - ◇ First son gets everything... all others get nothing
 - ◇ Daughters get dowry
 - "Had the wealth but not the pedigree"
 - ◇ Nobles of the robe (bought a nobility title)
 - ◇ Nobles of the sword (by birth)
 - *Urban Poor*
 - New class
 - City poor
 - Low wages
 - Worked very hard
 - Bourgeoisie
 - New Class
 - Merchants
 - Middle Class
- Joint Stock Companies
 - Joint entrepreneurs who wanted to minimize risk and share costs/profits
 - Special charter by the king = monopoly

Spain

Friday, September 23, 2005

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- **Ferdinand & Isabella (1469)**
 - o **Aragon and Castile**
 - Still ran as separate states
 - o **New Monarchs**
 - o **Religion**
 - Very Catholic
 - Very devoted to their faith
 - Inquisition against Moors (Muslims) and Jews
 - Morisco = Christian 2 Moorish heritage
 - Moranos = Christian of Jewish heritage
 - o **Economics**
 - Weakened monarchs
 - Mercantilist
 - Dependent on gold and silver from New World
 - o **Family Tree**
 - Joanna + Philip I (Hapsburg)
 - Charles II of Spain = Charles V
 - Philip II
 - Spain
 - Spanish America
 - Burgundy (low lands, Netherlands, Belgium, Luxembourg)
 - Some of Italy
 - o **Philip II**
 - NOT a new monarch
 - Absolute monarch
 - Spain at its height
 - **Background**
 - Large centralized bureaucracy
 - Palace = Escorial = palace/monastery/mausoleum
 - Tragic life
 - A big part of his family died
 - **Very religious**
 - Everything he did was for religion
 - Some people think that he was involved in the St. Bartholomew's day massacre
 - **Battle of Lepanto**
 - ◇ Muslims vs. Catholics
 - Expelled the moriscos and moranos
 - **Married Mary Tudor**
 - ◇ Because he wanted to make Spain and England joint together to make Europe Catholic
 - **3 Main Associations**
 - Dutch Revolt
 - Spanish Armada
 - Decline of Spain
 - **Dutch Revolt**
 - Religious war in the Spanish empire
 - Dutch resent Spanish rule

- Did not like Philip / ruled by foreigners
 - Did not like Catholicism (most were Lutheran, some Calvinist)
 - Did not like that Philip sent troops to United Provinces
 - Did not like **Duke of Alba** (Spanish ruler)
 - **Council of Blood** = Inquisition
 - **Insurrection** (1572) led by William of Orange
 - Southern provinces backed out
 - HUGE DRAIN ON SPANISH ECONOMY
 - Cease Fire (Truce) 1609
 - Independence: Peace of Westphalia, 1648
- **Spanish Armada (1588)**
 - Hated England
 - Because they were Protestant
 - Because England was helping Dutch
 - Because of Sea Dogs (Sir Francis Drake) (pirates)
- **Economic Decline**
 - Spain at height under Philip II
 - Price revolution = inflation
 - ◆ Specie from New World
 - ◇ Declining
 - ◆ Military Spending
 - ◆ Debasing of currency
 - ◆ Huge expenditures
 - ◇ Administer colonies
 - ◇ Increased shipbuilding
 - ◆ Taxes
 - ◇ High taxes reduce production and consumption
 - ◇ Inefficient collection
 - ◇ Dutch independence reduced tax revenues
 - Agricultural/Commercial decline
 - ◆ Moriscos = best farmers
 - ◆ Morranos = best business
 - ◆ Most productive workers expelled
 - Defeat of Armada
 - Increased royal borrowing
 - Monarchy declared bankruptcy
 - ◆ 1557
 - ◆ Defaulted on loans
 - Nobles and clergy did not want to work
 - Huge costs of War
 - ◆ Netherlands
 - ◆ England
 - ◆ France
 - ◆ Italy
 - ◆ 30 Years War

England

Monday, September 26, 2005

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- Henry VII

- **War of the Roses** (1455-1485)
 - *Lancaster* (red rose)
 - York (white rose)
 - *Battle of Losecote Field*
- Restored law and order
 - Married the opposite family
- **New monarch**
 - Strengthened royal authority
 - Centralized power
- **Economics**
 - No money
 - Always needed more
 - Very frugal
 - Made money by selling monopolies
 - Sold titles of Nobility
 - Did not want to call parliament
- **Star Change**
 - Perogative court
 - Personal court that he controlled the outcome

- Henry VIII

- **English Reformation**
 - At first was the "*Protector of the Faith*"
 - No divorce = made him furious
 - Created Anglican church
 - Not very different
 - Head of Church
- **Economics**
 - \Ver extravagant, spent much
 - Debased currency
 - Increased taxes
 - Confiscating church property
 - Forced loans
 - LOTS OF WARS (France, Wales, Ireland and Scotland)
- **Absolutist monarch**
- **Wars**
 - France
 - Wales
 - Ireland
 - VERY Catholic
 - Gave land to Englishmen
 - Absentee Landlords
 - Appointed Protestants to all GOV. positions
 - *Scotland*
 - Allied with France
- **Bureaucracy**
 - Built up

- Elizabeth I

- **Background**
 - Daughter of Ann-Boleyn
 - Long reign (1558-1603)
 - "Good Queen Beth"

- Relative peace
 - *Last Tudor monarch*
 - Virgin queen
 - Stuarts followed
- **Prosperity**
 - *"Golden Age of the Arts"*
 - *Voyages of Exploration*
 - Good relationship with parliament
 - Trade / Navy expanding
- **Religion**
 - *Politique*
 - Unity more important than religious beliefs
 - "Not prying into man's souls"
 - As long as people stayed loyal to her
 - **Act of Uniformity**
 - *Book of Common Prayer*
 - For all of the Anglicans
 - **Act of Supremacy**
 - Monarch was the head of church
 - **Thirty-nine articles**
 - Outline of Anglican beliefs
 - Very vague (purposely)
 - **Dissidents and dissenters**
 - Publicly disagreed with Anglican church
 - *Puritans* = wanted to "purify" the Anglican church; simplicity
 - More Protestant and less Catholic
 - *Catholics*
 - Mary Queen of Scots
 - ◇ (great grand daughter of Henry VII)
 - ◇ Had some right to the throne
 - ◇ Executed by Elizabeth
- **Administration**
 - Very Frugal
 - Parliament liked her (because she didn't spend much)
- **Nobles**
 - Dependent on Royal patronage
 - Used to build up power
- **Foreign relations**
 - Dutch = Allies
 - Wanted to protect the channel
 - France = did not like
 - Spain = BIGGEST ENEMY
 - Problems with Ireland
- **16th Century England**
 - Sense of national identity (*nationalism*)
 - Becoming a commercial and manufacturing power
 - London = Financial center of Europe
 - Increased population
 - Social system
 - Upper class = *gentlemen*
 - Nobles
 - Gentry (small landowners) (did not have a title)
 - Middle class = *middling sort*
 - Yeoman (higher than a farmer) (foreman)
 - Lower = *poor*

