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IN EUROPA E NEL MEDITERRANEO FRA XV E XVIII SECOLO

a cura di Mario Rizzo

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## THE FISCAL-MILITARY STATE IN THE EIGHTEENTH CENTURY\*

The article seeks to assess the impact of the concept of fiscal-military state as coined by John Brewer in "Sinews of Power" (1988). After identifying the elements of the concept, originally delineated in relation to the eighteenth-century British state, the paper explores the ways in which historians applied the notion to other states in different eras. While considering some of the weaknesses of the concept both in its original and its later form, the article argues that Brewer's fiscal-military state still holds relevance for investigating eighteenth-century Europe.

Eighteenth Century, Europe, fiscal-military state, public finance, war

L'articolo discute l'impatto storiografico del concetto di stato fiscal-militare, originariamente coniato da John Brewer in relazione allo stato britannico del Settecento (*Sinews of Power*, 1988). Dopo averne tratteggiato gli elementi distintivi, il saggio illustra come tale concetto sia stato impiegato dagli storici anche a proposito di altri stati e per altre epoche. Pur evidenziandone alcune debolezze, emerse sia nella formulazione originaria sia nelle applicazioni successive, l'articolo dimostra nondimeno che il *fiscal-military state* di Brewer ancora oggi risulta fondamentale per chi studia l'Europa settecentesca.

Settecento, Europa, stato fiscal-militare, finanza pubblica, guerra

*All modern wars are a Contention of Purse*  
(Henry Dundas to William Pitt, 9 July 1794)

1. It is a cliché, that war requires the mobilisation both of large numbers of men and of large sums of money, that «The sinews of War are infinite Money» (Cicero). Countless contemporaries have observed as much throughout history and countless historians have val-

\* This essay is a substantially revised version of C. STORRS, *Introduction: The Fiscal-Military State in the 'Long' Eighteenth Century*, in *The Fiscal-Military State in Eighteenth-Century Europe*, edited by Id., Farnham 2009, pp. 1-22.

idated the observation since<sup>1</sup>. Twenty five years ago, however, John Brewer, an English historian of eighteenth century Britain, building upon the work of other English historians – Patrick O’Brien on taxation<sup>2</sup>, Peter Dickson on the “financial revolution”<sup>3</sup> –, gave new force to that insight by re-interpreting the British experience in the wake of the “Glorious Revolution” of 1688 within the framework of what he called the “fiscal-military state”<sup>4</sup>. Brewer’s work has had an enormous impact in shaping the way historians understand not only the British state in the “long eighteenth century” (1688-1815), but also many other polities inside and outside Europe before, during, and after that period. The present essay, after outlining Brewer’s initial argument, its impact and broader application, seeks to consider (1) the degree to which some if not all of the European states were fiscal-military states between 1688 and 1815, (2) the extent to which our understanding of what it meant to be a fiscal-military state has changed since Brewer articulated that concept more than 25 years ago, and (3) the relationship between the fiscal-military state, economy and soci-

<sup>1</sup> J. VICENS VIVES, *The Administrative Structure of the State in the Sixteenth and Seventeenth Centuries*, in *Government in Reformation Europe 1520-60*, edited by H.J. Cohn, London 1971, pp. 58-87; G. PARKER, *The emergence of modern finance in Europe 1500-1750*, in *The Fontana Economic History of Europe*, edited by C.M. Cipolla, London 1974, pp. 527-589; C. TILLY, *War Making and State Making as Organised Crime*, in *Bringing the State Back In*, edited by P.B. Evans, Cambridge 1985, pp. 169-191; ID. *Coercion, Capital and European States, AD 900-1990*, Oxford 1990; M. MANN, *Sources of Social Power, I, A History of Power from the Beginning to AD 1760*, Cambridge 1986; W. REINHARD, *Kriegsstaat-Steuerstaat-Machtstaat*, in *Der Absolutismus - ein Mythos? Strukturwandel monarchischer Herrschaft in West- und Mitteleuropa ca. 1550-1700*, edited by R.G. Asch and H. Duchhardt, Cologne 1996, pp. 277-310.

<sup>2</sup> It is impossible to list all of O’Brien’s relevant publications, but see P.K. O’BRIEN, *The political economy of British taxation 1660-1815*, «Economic History Review», New Series, 41 (1988), pp. 1-32; ID., *Fiscal and Financial Preconditions for the Rise of British Naval Hegemony 1485-1815*, Department of Economic History, London School of Economics, Working Papers in Economic History, 91/05 (November 2005); and ID., *The History, Nature and Economic Significance of an Exceptional Fiscal State for the Growth of the British Economy, 1453-1815*, Department of Economic History, London School of Economics, Working Papers in Economic History, 109/08 (October 2008).

<sup>3</sup> P.G.M. DICKSON, *The Financial Revolution in England 1688-1756*, London 1967; H. ROSEVEARE, *The Financial Revolution 1660-1760*, Harlow 1991.

<sup>4</sup> J. BREWER, *The Sinews of Power. War, money and the English state, 1688-1783*, London 1989, p. xviii; and ID., *The Eighteenth-Century British State. Contexts and Issues*, in *An Imperial State at War. Britain from 1689 to 1815*, edited by L. Stone, London and New York 1994, pp. 52-71.

ety. It will argue, on the one hand, that while the concept or model of the fiscal-military state remains useful to the historian of eighteenth century Europe, it risks becoming so broad as to lose any distinctive meaning or usefulness and, on the other hand, that research since 1989 suggests there was far more – and at the same time, paradoxically, rather less – to the fiscal-military state than Brewer himself acknowledged. It should also become clear that much more work needs to be done in order to clarify the complex reality – and the variety – of the fiscal-military state throughout eighteenth century Europe.

2. Brewer's identification of the fiscal-military state, whose creation between 1688 and 1713 he considered the most important transformation in English government between the sixteenth and the nineteenth century, was explicitly intended to explain Britain's extraordinary success in the "second Hundred Years War" against France between 1688 and 1815, from which Britain emerged as a global power. That success was attributed by Brewer to various subsidiary achievements<sup>5</sup>. These included the development of a substantial military establishment. The expense associated with large wartime armies and fleets and – not least because the fleet alone could not ensure victory in Europe – subsidies to allies<sup>6</sup> implied a substantial increase in expenditure in wartime and over the century as a whole. Average annual spending increased from almost £5.5 million in the Nine Years War (1688-97) to over £20 million in the American War of Independence (1776-1783).

Expenditure at these new levels depended in part upon the growth of tax revenues, the total of which rose from just over £3.6 million a year in the Nine Years War to just over £12 million in the Amer-

<sup>5</sup> For the following figures, cf. BREWER, *The Sinews of Power*, pp. 30, 66. See also R. PORTER, *English Society in the 18<sup>th</sup> Century*, London 1991, pp. 116-117; E. HELLMUTH, *The British State*, in *A Companion to Eighteenth Century Britain*, edited by H.T. Dickinson, Oxford 2002, pp. 19-29; and P.K. O'BRIEN, *Finance and Taxation*, *ibid.*, pp. 30-39.

<sup>6</sup> For the limitations of the fleet, cf. J. EHRMAN, *The Younger Pitt. The Reluctant Transition*, London 1986, p. 348. It is arguable that Brewer does not sufficiently appreciate the amount, the proportion of military and total spending, or the political and strategic importance of subsidies: cf. C. STORRS, "Grosse Erwartungen": *Britische Subsidienszahlungen an Savoyen im 18. Jahrhundert*, in *Das "Blut des Staatskörpers"*. *Forschungen zur Finanzgeschichte der Frühen Neuzeit*, special issue of «Historische Zeitschrift», 56 (2012), edited by P. Rauscher, A. Serles, and T. Winkelbauer, pp. 87-126; and J. SHERWIG, *Guineas and Gunpowder: British Foreign Aid in the Wars with France, 1793-1815*, Cambridge 1969.

ican War, and a broad shift from direct to indirect taxation, i.e. to excises levied on consumables<sup>7</sup>. But most new taxation was levied not so much to fund an ongoing war but to pay the interest on a growing national or public debt which was the means whereby most of Britain's eighteenth century wars were financed. The debt rose to £16.7 million by the end of the Nine Years War, about £35 million by 1713, almost £75 million in 1756, over £134 million by 1764, almost £243 million by the end of the American War – equivalent to 20 years annual revenue –, the annual debt charge rising from £3 million to over £9 million between 1713 and 1783. The military and fiscal pillars of this powerful British state rested in turn on an administrative achievement, i.e. the elaboration of remarkably effective agencies to oversee the expanding military and fiscal establishments; the number of full-time employees in the fiscal bureaucracy more than trebled in size from 2,524 in 1690 to 8,292 in 1782/83, when the excise employed 4,908, i.e. well over half of the total.

This, then, was a “fiscal-military” state, success in war depending on a military establishment relying on the mobilisation of tax revenues by an expanded state bureaucracy. Last, but by no means least, these institutions rested in turn on the attainment of long-term political stability following the revolution of 1688 and the achievement of an enduring new political compact between Crown and political nation embodied in Parliament (and Parliamentary taxation) which ensured that the taxation which funded the accumulating public debt was “legitimated” and that the emerging fiscal-military state was broadly accepted by the population as a whole.

Brewer's explanation of the rise of Britain in the eighteenth century was also a revisionist challenge to a long-established and entrenched meta-narrative of two different paths to modernity: that of the British state, supposedly libertarian and parliamentary, and a European model, supposedly absolutist and bureaucratic, where the hand of the state lay much heavier. Brewer's study demonstrated, on the contrary, that constitutional Britain was more effectively bureaucratic and more heavily taxed than was “absolutist” France in the eighteenth century. Whereas previous historians had thought of Britain as a state with hardly any of the institutions which supposedly characterised the absolutist European states, Brewer argued that the British state in

<sup>7</sup> J.V. BECKETT, *Land Tax or Excise: The Levying of Taxation in Seventeenth- and Eighteenth-Century England*, «English Historical Review», 100 (1985), pp. 285-308.



fact enjoyed a very efficient tax-collecting machine in the form above all of the excise administration: «the English excise more closely approximated to Max Weber's ideal of bureaucracy than any other government in eighteenth-century Europe»<sup>8</sup>.

Brewer was also saying something about the relative importance of economic resources and organisation. Whereas most previous explanations of Britain's rise emphasised, or assumed, that Britain's military success simply reflected its growing wealth and economic power – the consequence of the “commercial revolution” (c. 1660-1760) and subsequently of the “industrial revolution” – Brewer argued that «substantial economic resources were necessary to acquire the status of a major power; they were not, however, enough. Great states required both the economic wherewithal *and* [my italics] the organisational means to deploy resources in the cause of national aggrandisement». It followed that the heroes of Brewer's account – if there were any – were not soldiers and sailors but the administrators who staffed the burgeoning military and fiscal structures of the state both at the centre and in the localities<sup>9</sup>.

Insofar as Brewer was interested in the economic aspects or implications of his subject, he largely avoided the macro-economic question of the impact of war and the state on the eighteenth century British economy. Instead, Brewer focused on the short-term impact of war and of the reconfiguration of state power on different sections of the British economy and British society. According to Brewer, new economic interests were created, some seeking to restrain the new fiscal-military state, others to invest in it (not least in the growing debt)<sup>10</sup> and to ensure, by lobbying, that it pursued goals which benefited themselves.

The fiscal-military state identified by Brewer was thus an attempt to explain a specifically British experience and to some extent represented a paradoxical refashioning of a traditional and widely held sense of British exceptionalism which continues to shape perceptions of the

<sup>8</sup> BREWER, *The Sinews of Power*, p. 68; HELLMUTH, *The British State*. Cf. also M. DINGECCO, *Fiscal Centralisation, Limited Government and Public Revenues in Europe 1650-1913*, «Journal of Economic History», 69 (2009), pp. 48-103.

<sup>9</sup> BREWER, *The Sinews of Power*, pp. xv-xvi, 24. Employees of the excise included the English radical, Thomas Paine, who discussed taxation in his *Common Sense* (1776) and *The Rights of Man* (1791), and the Scottish poet Robert Burns.

<sup>10</sup> For 60,000 public creditors by mid century and half a million by 1815, cf. DICKSON, *The Financial Revolution*, pp. 285-286; and ROSEVEARE, *The Financial Revolution*, p. 68.

eighteenth century. At the same time, however, Brewer's «peculiarly British version of the fiscal-military state» suggested that the concept of such a state was not so novel, and that the fiscal-military state might take other forms than the British one. In fact, long before Brewer's study, and drawing particularly on the insights of Joseph Schumpeter, twentieth century historians have on the one hand charted the long transition from what has been called the "tribute state" to the "domain state", in which most royal revenue derived from private domain and regalia rights, and from the latter to the "tax state" or "fiscal state", in which the majority of royal or state income derived from taxation<sup>11</sup>, and were familiar with the concept of the "military" or "power" state<sup>12</sup>. Brewer's achievement was to fuse the two concepts of the state – "military" and "fiscal" – and to anchor his own new formulation by tying it firmly to eighteenth century Britain.

Since 1989 Brewer's "fiscal-military state" has been subject on the one hand to some criticism by historians of eighteenth century Britain (below) but has had remarkable success as a descriptor of both that polity and the continental European states, before, during and after the eighteenth century<sup>13</sup>. In an era of growing interest in global history, the concept has been extended to the extra-European world – China over a very long period<sup>14</sup>, early modern Japan<sup>15</sup> and the first years of the USA<sup>16</sup> – sometimes in the guise of the military-fiscal

<sup>11</sup> Cf. E. LADEWIG PETERSEN, *From Domain State to Tax State. Synthesis and Interpretation*, «Scandinavian Economic History Review», 23 (1975), pp. 115-148. On Schumpeter, cf. R. BONNEY, *Introduction*, in *The Rise of the Fiscal State in Europe, c. 1200-1815*, edited by Id., Oxford 1999, p. 13; and B. YUN CASALILLA, *Introduction*, in *Rise of Fiscal States. A Global History, 1500-1914*, edited by Id. and P.K. O'Brien, Cambridge 2012, pp. 1-2, 33-34.

<sup>12</sup> J. LINDEGREN, *The Swedish 'Military State', 1560-1720*, «Scandinavian Journal of History», 10 (1984), pp. 305-336.

<sup>13</sup> According to BONNEY, *Introduction*, p. 10, the emergence of the fiscal-military state is now a truism applied to the evolution of European states in general.

<sup>14</sup> K.G. DENG, *The continuation and efficiency of the Chinese fiscal state, 700 BC - AD 1911*, in *Rise of Fiscal States*, pp. 335-377.

<sup>15</sup> M. NAKABAYASHI, *The rise of a Japanese fiscal state*, in *Rise of Fiscal States*, pp. 378-409; T. TAMAKI, *Comparative Perspectives on the "Fiscal-Military State" in Europe and Japan*, in *War, State and Development. Fiscal-Military States in the Eighteenth Century*, edited by R. Torres Sánchez, Pamplona 2007, pp. 409-435.

<sup>16</sup> F. GRUBB, *The Spoils of War: U.S. Federal Government Finance in the Aftermath of the War for Independence, 1784-1802*, in *War, State and Development*, pp. 133-156.

state<sup>17</sup>, although this latter has rather different implications for some historians (below), sometimes simply as the fiscal state<sup>18</sup>.

This expanding historiography assumes various forms. It includes some narrowly focused comparisons, which consider a very few states. Exemplary in this respect is the late Jan Glete's comparative study of Spain, the Dutch Republic and Sweden as early examples of a distinctive type of fiscal-military state between the middle of the sixteenth and the middle of the seventeenth century<sup>19</sup>. Equally narrow are those studies which compare Britain and Germany (above all Prussia) within the absolute/non-absolute framework noted above<sup>20</sup>. But the most common of narrow comparisons is that which considers Britain and France, favoured because of their enduring rivalry, the triumph of Britain, and the general belief that the contrasting experiences of the two rivals owed much to their differing political systems<sup>21</sup>. A different genre is the very broad survey over long periods of time exemplified by the various volumes co-ordinated by Richard Bonney which seek to write a new fiscal history of Europe from the medieval to the modern eras<sup>22</sup>. Thus, *The Rise of the Fiscal State in Europe c. 1200-1815* (1999), includes case studies of a dozen or so states or regions, including England, France, Spain (Castile), the Holy

<sup>17</sup> For the most part the precise formulation is not important, not indicating any fundamental divergence: M. BRADDICK, *State Formation in Early Modern England, c. 1550-1700*, Cambridge 2001, p. 7, refers to the military-fiscal, elsewhere to the fiscal-military state. C.A. BAYLY, *The British Military-Fiscal State and Indigenous Resistance. India 1750-1820*, in *An Imperial State at War*, p. 32, clearly intends the fiscal-military state.

<sup>18</sup> Cf. P.K. O'BRIEN, P.A. HUNT, *Excises and the rise of a fiscal state in England, 1586-1688*, in *Crises, Revolutions and Self-Sustained Growth: Essays in European Fiscal History, 1130-1830*, edited by M. Ormrod, M. Bonney and R. Bonney, Stamford (UK) 1999, pp. 198-223; and J. COLLINS, *The State in Early Modern France*, Cambridge 1995, p. 145.

<sup>19</sup> J. GLETE, *War and the State in Early Modern Europe. Spain, the Dutch Republic and Sweden as Fiscal-Military States, 1500-1660*, London 2002.

<sup>20</sup> *Rethinking Leviathan. The Eighteenth-Century State in Britain and Germany*, edited by J. Brewer and E. Hellmuth, New York 1999.

<sup>21</sup> Cf. R. BONNEY, *Towards the comparative fiscal history of Britain and France during the 'long' eighteenth century*, in *Exceptionalism and Industrialisation. Britain and its European Rivals, 1688-1815*, edited by L. Prados de la Escosura, Cambridge 2004, pp. 191-215. This collection is very largely a comparison of the British and French experiences.

<sup>22</sup> *The Rise of the Fiscal State*; G. LEWIS, 'Fiscal States': *Taxes, War, Privilege and the Emergence of the European 'Nation State', c. 1200-1800*, «French History», 15 (2001), pp. 51-63.

Roman Empire, the Low Countries, Switzerland, various Italian states, Russia, and Poland-Lithuania. But while the chronological and geographical range are impressive, the absence of in-depth coverage of some important states is unfortunate. So, too, is the fact that the individual contributions lack a common approach, or model, or criteria in identifying the different fiscal systems of the states which are their subject(s). In consequence, comparisons – for example, of both income and expenditure – are difficult. In some part, these omissions reflect gaps in the secondary literature which are often due to problems with the primary sources, including the survival – or rather the destruction – of some records, and the proliferation of others<sup>23</sup>. Nevertheless, the lack of a common method is problematic.

Other multi-authored surveys, too, are weakened by omissions. Thus an otherwise invaluable collection on fiscal crises in early modern Europe omits Austria and the many German and Italian states<sup>24</sup>. A more recent collection, edited by Rafael Torres Sánchez, has extended the geographical range while extending its gaze beyond the state<sup>25</sup>. The volume edited by Christopher Storrs (2009) sought to provide more focus by limiting its attention to the eighteenth century and to the major powers – Austria, Britain, France, Prussia and Russia – supplemented by the addition of one of the most successful of the second rank powers, the Savoyard state. More recently, Bartolomé Yun Casalilla and Patrick O’Brien have edited a collection whose subject is the rise of fiscal states and which distinguishes these from “fiscal regimes”. This latter collection takes a broader geographical and chronological perspective than the other collections referred to, not only extending its range beyond 1789, but also embracing in a way no other surveys have so far done the extra-European experience; it also, while offering some “middle-range comparisons” (or case studies), emphatically eschews any attempt to fit the development of the states concerned into any straitjacket derived from the European experience which might be thought of as typifying “modernisation”, for example that derived from Schumpeter<sup>26</sup>. It should be noted that these collections, which self-consciously address the fiscal/fiscal-mili-

<sup>23</sup> For confusion in the British finances, cf. J. EHRMAN, *The Younger Pitt. The Years of Acclaim*, London 1969, pp. 275-276; and ID., *The Younger Pitt. The Consuming Struggle*, London 1996, p. 16.

<sup>24</sup> *Fiscal Crises, Liberty, and Representative Government 1450-1789*, edited by P. T. Hoffman and K. Norberg, Stanford (CA) 1994.

<sup>25</sup> *War, State and Development*.

<sup>26</sup> YUN CASALILLA, *Introduction*, pp. 1-37.

tary concept, by no means exhaust the list of publications of collections of essays on early modern public finance since 1989, to say nothing of peer-reviewed journal articles<sup>27</sup>.

That war was expensive and that paying for it was (and remains) a major influence on state formation was not a particularly innovative insight on Brewer's part. Nevertheless, the works just discussed suggest that Brewer's conceptualisation of the "fiscal-military state" met a need felt by many historians for a label with which to designate certain defining features of the emerging state inside and outside Europe across many epochs. At the same time, however, and precisely because of its broad value, the concept risks becoming an imprecise term, describing any and every state which taxes and borrows to fund war<sup>28</sup>. What follows seeks to return the focus to the eighteenth century, an age particularly of war, and which Rafael Torres Sánchez considers the "golden age" of the fiscal-military state: «never before had states been capable of mustering such a quantity and variety of military, economic, technical or administrative resources», waging «the dearest and technically most complex wars of the whole Modern Period while at the same time – and this was new – achieving unprecedented levels of economic, social, cultural and political growth»<sup>29</sup>.

3. For some, Brewer's focus on 1688 as a turning point underestimates the importance of the cycle of wars which ended in 1659-60

<sup>27</sup> *Economic Systems and State Finance*, edited by R. Bonney, Oxford 1996, takes a thematic approach. *Fiscal systems in the European economy from the thirteenth to the eighteenth centuries*, edited by S. Cavaciocchi, Firenze 2008, publishes conference papers given at Prato in 2007 which also ranged widely, chronologically and geographically. The papers are available online at <http://www.istitutodati.it/temi/html/temi39.htm>. *Las finanzas estatales en España e Italia en la época moderna*, edited by L. Ribot, Madrid 2009, covers Spain and some of the Italian states. Cf. also *The Spending of States: Military Expenditure during the Long Eighteenth Century: Patterns, Organisation and Consequences, 1650-1815*, edited by S. Conway and R. Torres Sánchez, Saarbrücken 2011; and *Fiscalità e religione nell'Europa cattolica: teorie, linguaggi e pratiche (secoli XIV-XIX)*, edited by M.C. Giannini, Roma 2015.

<sup>28</sup> According to M. KNIGHTS, *Fiscal-Military State*, Oxford Bibliographies, Oxford 2010, «A fiscal-military state was one capable of sustaining large-scale warfare through taxation and fiscal innovation, such as the creation of a national debt or credit-providing institutions».

<sup>29</sup> R. TORRES SÁNCHEZ, *The Triumph of the Fiscal-Military State in the Eighteenth Century. War and Mercantilism*, in *War, State and Development*, pp. 14, 34-36.

in the genesis of the fiscal-military state. Historians have long acknowledged the importance of what Michael Roberts called a “Military Revolution” half a century ago<sup>30</sup>, although they disagree about exactly when it happened, whether it affected all spheres of activity, and – as David Parrott has recently suggested – whether what occurred was less Military Revolution than Military Devolution<sup>31</sup>. Nonetheless, despite these differences of view, all are agreed that the European way of war, and the military establishments of the various states were very different by the later seventeenth century from what they had been in the later fifteenth. Armies and navies were much larger, more complex in composition and structure, and more permanent; they were also far more expensive, not least because they required a whole range of services all of which required the elaboration of more complex administrative structures, not least to mobilise men, money and so on. Understandably, many historians see the crucial foundations of the fiscal/fiscal military state as being laid in the middle of the seventeenth century<sup>32</sup>.

But while recognising the importance of before 1660, there remains a strong case for seeing 1688 as launching a new era. In 1688 began the first of a succession of sometimes lengthy and always challenging conflicts: the Nine Years War (1688-97), The Great Northern War (1700-21), The War of the Spanish Succession (1701-13/14), the War of the Polish Succession (1733-35/38), the War of the Austrian Succession (1740-48), the Seven Years War (1756-63), the French Revolutionary and Napoleonic Wars (1792-1815) to identify only the most

<sup>30</sup> M. ROBERTS, *The Military Revolution 1560-1660*, in *Essays in Swedish History*, edited by Id., London 1967, pp. 195-225; G. PARKER, *The “Military Revolution” 1560-1660 - a Myth?*, «Journal of Modern History», 48 (1976), pp. 195-214; J. BLACK, *A Military Revolution? Military Change and European Society 1550-1800*, Basingstoke 1991; M. PALMER, *The “Military Revolution” Afloat. The Era of the Anglo-Dutch Wars and The Transition to Modern Warfare At Sea*, «War in History», 4 (1997), pp. 123-149. Roberts’ and Parker’s contributions are reprinted in *The Military Revolution Debate. Readings on the Military Transformation of Early Modern Europe*, edited by C.J. Rodgers, Boulder and Oxford 1995.

<sup>31</sup> Cf. D. PARROTT, *The Business of War. Military Enterprise and Military Revolution in Early Modern Europe*, Cambridge 2012.

<sup>32</sup> O’BRIEN, *Finance and Taxation*; M. BRADDICK, *The Nerves of State: Taxation and the Financing of the English State, 1558-1714*, Manchester 1996; J.S. WHEELER, *The making of a world power. War and the military revolution in seventeenth century England*, Stroud 1999; O’BRIEN, HUNT, *Excises*, pp. 198-223; R.G. ASCH, *Kriegsfinanzierung, Staatsbildung und ständische Ordnung in Westeuropa im 17. und 18. Jahrhundert*, «Historische Zeitschrift», 268 (1999), pp. 635-671.

important conflicts. Some historians have seen a relaxation of the scale of war between the end of the War of the Spanish Succession and the outbreak of the French Revolutionary Wars but nonetheless this was an age peculiarly of war, of conflicts which seriously tested the capacity of the participant states and which stimulated the development and perfection of the fiscal-military state, in Europe<sup>33</sup>. Those states which rose to the challenge most successfully formed by the close of the eighteenth century an exclusive club of just five Great Powers<sup>34</sup>.

By the second half of the eighteenth century the armies of most of those powers – and of a number of lesser ones – were larger and more permanent than ever before, and capable of being reinforced by better systems of wider mobilisation (of militias). This was true not only of Austria, France, Britain, Prussia, and Russia, but of a number of lesser states as well: in 1760, admittedly in the middle of the Seven Years War, there were far more men under arms in Europe than in 1660<sup>35</sup>. The same story of expansion applies to the navies of those states which had them; again, the contrast between the later seventeenth and the later eighteenth century is striking<sup>36</sup>. Armies, navies and subsidies to wartime allies (paid primarily but not only by Britain and France, and which also reached new heights between 1688 and 1815) contributed to an increase in expenditure in Austria<sup>37</sup>, Britain<sup>38</sup>,

<sup>33</sup> J.R. WESTERN, *War on a new scale: professionalism in armies, navies and diplomacy*, in *The Eighteenth Century*, edited by A. Cobban, London 1969, pp. 203-215; J. SHOVLIN, *War and Peace. Trade, International Competition and Political Economy*, in *Mercantilism Reimagined: Political Economy in Early Modern Britain and Its Empire*, edited by P.J. Stern and C. Wennerlind, Oxford 2013, pp. 305-327; J. BECKETT, M. TURNER, *Taxation and Economic Growth in Eighteenth Century England*, «English Historical Review», 43 (1990), p. 378; TORRES SÁNCHEZ, *The Triumph of the Fiscal-Military State*, pp. 13-44.

<sup>34</sup> Cf. D. MCKAY, H.M. SCOTT, *The Rise of the Great Powers 1648-1815*, Harlow 1983; H.M. SCOTT, *The Birth of a Great Power System 1740-1815*, Harlow 2006.

<sup>35</sup> Cf. the table in PARROTT, *The Business of War*, p. 294. It does not include the armies of some lesser powers. For Savoy, cf. S. LORIGA, *Soldati. L'istituzione militare nel Piemonte del Settecento*, Venezia 1992, p. 5.

<sup>36</sup> J. GLETE, *Navies and Nations: Warships, Navies and State Building in Europe and America, 1500-1860*, Stockholm 1993; J.R. BRUIJN, *States and their Navies from the Late Sixteenth to the End of the Eighteenth Centuries, in War and Competition between States*, edited by P. Contamine, Oxford 2000, pp. 69-98.

<sup>37</sup> P.G.M. DICKSON, *Finance and Government under Maria Theresia 1740-1780*, Oxford 1987, II, pp. 80-156; M. HOCHEDLINGER, *The Habsburg Monarchy: From 'Military-Fiscal State' to 'Militarisation'*, in *The Fiscal-Military State*, p. 64.

<sup>38</sup> Cf. P. HARLING, P. MANDLER, *From "Fiscal-Military" State to Laissez-Faire*

France<sup>39</sup>, Prussia<sup>40</sup>, Russia<sup>41</sup>, and Spain<sup>42</sup> among the greater powers and various lesser ones<sup>43</sup>. Revenues, too, rose dramatically, largely driven by military (including naval) spending which absorbed the largest share of expenditure in all of these states. The priority given to military and associated spending was not just a question of the proportion of total spending they absorbed; in addition when money was scarce military spending almost invariably came first<sup>44</sup>.

Of course, all figures relating to the size of armies and navies, and to totals of revenue and expenditure must be used with caution. Nevertheless, despite the many defects in the surviving evidence, the latter is fuller in the eighteenth century, in part reflecting the fact that in some states at least fiscal and military structures and systems were more fully developed than before, producing more – and more reliable – figures. It has also been suggested that the century witnessed a decisive “break-through” in the centralisation of power, a development thought to have been accompanied and underpinned by a revolution in political thinking which prioritised sovereignty and whose agent was the state, which needed appropriately educated (literate) agents<sup>45</sup>. Many European states were – finally – being transformed from “composite” monarchies to nation states (but see below)<sup>46</sup>.

To meet the challenge of war there was thus a definite expansion of government spending and income in the long eighteenth century.

*State, 1760-1850*, «Journal of British Studies», 33 (1993), pp. 44-70, for figures and percentages relating to spending in Britain 1688-1815.

<sup>39</sup> J. FELIX, F. TALLETT, *The French Experience, 1661-1815*, in *The Fiscal-Military State*, pp. 155-156; K. NORBERG, *The French Fiscal Crisis of 1788*, in *Fiscal Crises*, pp. 268-270, 283.

<sup>40</sup> P. WILSON, *Prussia as a Fiscal-Military State, 1640-1806*, in *The Fiscal-Military State*, pp. 119-121.

<sup>41</sup> J. HARTLEY, *Russia as a Fiscal-Military State, 1689-1825*, *ibid.*, pp. 125-146.

<sup>42</sup> Cf. J. JURADO SÁNCHEZ, *The Spanish National Budget in a Century of War. The Importance of Financing the Army and the Navy during the Eighteenth Century*, in *War, State and Development*, pp. 201-230; A. GONZÁLEZ ENCISO, *La Hacienda Real y la hacienda castellana en el siglo XVIII*, in *Las finanzas estatales*, pp. 209-238.

<sup>43</sup> For the Savoyard state, LORIGA, *Soldati*, p. 6; for Venice, cf. L. PEZZOLO, *El sistema fisco-financiero en la República de Venecia durante la época moderna. Entre la política y las instituciones*, in *Las finanzas estatales*, pp. 289-334.

<sup>44</sup> NATIONAL ARCHIVES LONDON (henceforth NAL), *State Papers Portugal* (SP89), vol. 60, item 35, fol. 74-77, Hay to Earl of Halifax, 18 May 1765.

<sup>45</sup> T.C.W. BLANNING, *The Culture of Power and the Power of Culture. Old Regime Europe 1660-1789*, Oxford 2002, pp. 116-118.

<sup>46</sup> YUN CASALILLA, *Introduction*, p. 11.



Even taking into account the reality of inflation, most states grew their revenues. This was a secular tendency but was often achieved rather jerkily and war was often the time when expansion was most dramatic<sup>47</sup>. Indeed, expenditure and revenue both often fell sharply at the end of a conflict, although larger military and naval establishments tended to keep these at a high level. War fuelled the fiscal-military state for two basic reasons. Firstly, there was the increase in spending, not least the costly process of initial mobilisation. Secondly, however, there was the established consensus that wartime was an emergency in which the monarch or state could legitimately call on subjects for a greater fiscal contribution, to fund the defence of the polity<sup>48</sup>. Indeed, some radical critics believed with Paine that governments – states – took advantage, that «taxes were not raised to carry on wars, but wars raised to carry on taxes»<sup>49</sup>. It must also be admitted that, while war did generally stimulate the development of the fiscal-military state, it could also retard its progress in this respect, as for example when a prince or state alienated tax revenues to fund credit operations<sup>50</sup>. Similarly, there was no single innovation which created the fiscal-military state. Instead, there was (a need for) continued adaptation to changing circumstances<sup>51</sup>. In that sense individual fiscal-military states were in a constant process of development.

The age was also more clearly and self-consciously interested in fiscal-military issues than were earlier ones: from the political arithmeticians who flourished in late seventeenth century England – men like Locke, Davenant and King – and who continued to do so after 1700<sup>52</sup>, to the great surveys of the fiscal regimes of other states and fiscal reform projects mounted by various European states following the end of the costly Seven Years War<sup>53</sup>, which to some extent were

<sup>47</sup> For Spain, cf. JURADO SÁNCHEZ, *The Spanish National Budget*.

<sup>48</sup> J. LINDEGREN, *Men, Money and Means*, in *War and Competition*, p. 130.

<sup>49</sup> T. PAINE, *Rights of Man* (1791), cited by NORBERG, *The French Fiscal Crisis*, p. 270.

<sup>50</sup> LEWIS, 'Fiscal States', p. 54; D. DEE, *Wartime Government in Franche-Comté and the Demodernization of the French State, 1704-1715*, «French Historical Studies», 30 (2007), pp. 21-47.

<sup>51</sup> R. BONNEY, *The Eighteenth Century. II. The Struggle for Great Power Status and the End of the Old Fiscal Regime*, in *Economic Systems*, p. 388.

<sup>52</sup> Cf. J. HOPPIT, *Political arithmetic in eighteenth century England*, «Economic History Review», New Series, 49 (1996), pp. 516-540.

<sup>53</sup> P. MOUREAUX, *Les préoccupations statistiques du gouvernement des Pays-Bas autrichiens et le dénombrement des industries dressé en 1764*, Brussels 1971; F. SCHUI, *Learning from the French Experience: The Prussian Regie Tax Administration, 1766-*

part of both the phenomenon we call Enlightened Despotism in continental Europe and of the process which helped trigger the revolt of the New England colonies against British dominion<sup>54</sup>. Those surveys and projects reveal another important feature of the eighteenth century fiscal-military state: the widespread interest in and copying of foreign models. In the 1690s and 1700s, foreign diplomats in London reported home on the way the ministers of William III and queen Anne wrestled with and met the challenge of funding a European war<sup>55</sup>. In the first decades of the century Peter the Great expressed his admiration for the Swedish and French systems<sup>56</sup>. Half a century later, king Frederick William II of Prussia suggested that king Victor Amadeus III of Sardinia might copy Prussia in subjecting the nobility to taxation in order to find new revenues to fund the strengthening of his army<sup>57</sup>.

Throughout the century, too, ministers and their agents applied reasoning about the financial capacity of other states in their diplomatic negotiations. In 1700, during the Partition Treaty discussions reference was sometimes made to the financial value – revenues – of the territories under consideration<sup>58</sup>, while at the end of the Seven Years War the claims of king Charles Emanuel III of Sardinia to Piacenza were settled by promising him a cash equivalent to the rev-

1786, in *Global Debates about Taxation*, edited by H. Nehring and F. Schui, Basingstoke 2007, pp. 36-60.

<sup>54</sup> Cf. J.L. MOREAU DE BEAUMONT, *Mémoires concernant les impositions et droits en Europe*, Paris 1768-1769; P.C. HARTMANN, *Das Steuersystem der europäischen Staaten am Ende des Ancien Regime. Eine offizielle französische Enquete (1763-1768). Dokumente, Analyse und Auswertung: England und die Staaten Nord-und Mitteleuropas*, Zurich and Munich 1979; A. ALIMENTO, *Finanze e amministrazione. Un'inchiesta francese sui catasti nell'Italia del Settecento (1763-1764)*, Firenze 2008. For similar British interest in the fiscal resources and practices of other states at this time, cf. NAL, *State Papers France (SP78)*, vol. 265, fol. 300, Earl of Halifax to Earl of Hertford, 26 March 1765. For one Austrian minister with a statistical bent, cf. P.G.M. DICKSON, *Count Karl von Zinzendorf's 'New Accountancy': The Structure of Austrian Government Finance in Peace and War*, «International History Review», 29 (2007), pp. 22-56. In general, see H. KLUETING, *Die Lehre von der Macht der Staaten. Das aussenpolitische Machtproblem in der "politischen Wissenschaft" und in der praktischen Politik des 18. Jahrhunderts*, Berlin 1986.

<sup>55</sup> For the Prussian and Dutch agents, Bonnet and l'Hermitage in the 1690s, cf. W. KENNEDY, *English Taxation 1640-1799*, London 1913, pp. 57-61.

<sup>56</sup> HARTLEY, *Russia as a Fiscal-Military State*, p. 130.

<sup>57</sup> PRUSSIA STATE ARCHIVES (henceforth PSA), HA Geheimer Rat, Rep. 11 Auswartige Beziehungen, Akten, 11012/302, Frederick William II to Chambrier, 19 December 1788.

<sup>58</sup> ARCHIVIO DI STATO DI TORINO, Lettere Ministri, Olanda, m. 6, De la Tour to Victor Amadeus, 25 October 1700.

enues of that duchy in lieu of the territory itself<sup>59</sup>. In 1765, as the British and Spanish governments disputed the obligation of the latter to pay the so-called “Manila ransom” and the renewal of war between the two appeared a possibility, the British representative in Madrid sought to convince the Spanish minister of finance, Squillace, that the cost of mobilisation far outweighed that of paying the sum demanded, and informing ministers in London that Spain simply could not afford to go to war<sup>60</sup>. In that sense, while the institutions or practices associated with the fiscal military state may have made war easier to contemplate and thus more frequent – a radical complaint echoed long after 1815<sup>61</sup> –, they may also in certain circumstances have reduced its likelihood. Outside official circles, among the issues which engaged and stimulated the emergent public opinion – Habermas’s “public sphere” – was precisely the burdens of both tax and debt<sup>62</sup>.

Not all of the states of eighteenth century Europe were fiscal-military states. Among those which were not were two which had abdicated from that role: Sweden and the Dutch Republic. In the first decades of the eighteenth century both of these powers effectively abandoned any aspiration to be a major power. The Dutch Republic, arguably the first fiscal-military state – pioneering many of the features of public finance characteristic of Brewer’s British fiscal-military state<sup>63</sup> –, a status acquired during its struggle for independence from Spain<sup>64</sup>, surrendered this position after a largely successful but costly participation in the War of the Spanish Succession; thereafter, while Dutch investors played a key role in sustaining the credit of other fiscal-military states (below)<sup>65</sup>, the republic itself no longer was

<sup>59</sup> D. CARUTTI, *Storia della diplomazia della Corte di Savoia*, Torino 1875-1880, IV, pp. 405-420.

<sup>60</sup> NAL, *State Papers Spain* (SP94), vol. 171, f. 152, Earl of Rochford to Henry Seymour Conway, 3 Sept. 1765.

<sup>61</sup> Gladstone believed the funding system encouraged wars, R. SHANNON, *Gladstone*, I, *Peel’s Inheritor 1809-1865*, London 1999, p. 311.

<sup>62</sup> Cf. T.J. LE GOFF, *How to Finance an Eighteenth-Century War*, in *Crises, Revolutions*, pp. 385-386.

<sup>63</sup> S. CONWAY, *Britain, Ireland, and Continental Europe in the Eighteenth Century. Similarities, Connections, Identities*, Oxford 2011, p. 83.

<sup>64</sup> M.C. T HART, *The Making of a Bourgeois State: War, Politics, and Finance during the Dutch Revolt*, Manchester 1993; EAD., *The United Provinces, 1579-1806*, in *The Rise of the Fiscal State*, pp. 309-326; EAD., *Mobilising resources for war. The Dutch and British Financial Revolutions compared*, in *War, State and Development*, pp. 179-200.

<sup>65</sup> Cf. M.G. BUIST, *The Sinews of War: The Role of Dutch Finance in European*

one, despite a continued powerful economic position to c. 1740<sup>66</sup>. In the case of Sweden loss of its earlier standing followed defeat and the collapse of empire in the Great Northern War<sup>67</sup>. However, the thrust of most recent work has been to bring more states within the fold of what we might call fiscal-military states, including for example Portugal<sup>68</sup>. Even polities which were not, on the face of it, fiscal-military states might be subjected to similar pressures. During the Seven Years War, Frederick the Great's occupation and exploitation of neighbouring Saxony ensured that the latter was stripped of assets in a way no other state was in order to fund and supply Prussia's war effort<sup>69</sup>. As for Archduke Leopold of Tuscany (1765-90), he largely avoided the international power competition, sparing his subjects the associated burdens. However, in late 1788, Leopold introduced various extraordinary fiscal measures to raise money on behalf of his brother, Joseph

*Politics (c. 1750-1815)*, in *Britain and the Netherlands*, VI, *War and Society*, edited by A.C. Duke and C.A. Tamse, Dordrecht 1977, pp. 124-140; J.C. RILEY, *Dutch Investment in France, 1781-1787*, «Journal of Economic History», 33 (1973), pp. 732-760; and ID., *International Government Finance and the Amsterdam Capital Market 1740-1815*, Cambridge 1980.

<sup>66</sup> J. AALBERS, *Holland's Financial Problems (1713-1733) and the wars against Louis XIV*, in *Britain and the Netherlands*, pp. 79-93; A.J. VEENENDAAL, *Fiscal Crises and Constitutional Freedom in the Netherlands, 1450-1795*, in *Fiscal Crises*, pp. 96-139; J.I. ISRAEL, *The Dutch Republic. Its Rise, Greatness, and Fall 1477-1806*, Oxford 1995, pp. 959-997; J. DE VRIES, *The Netherlands in the New World*, in *Transferring Wealth and Power from the Old to the New World. Monetary and Fiscal Institutions in the 17<sup>th</sup> through the 19<sup>th</sup> Centuries*, edited by M.D. Bordo and R. Cortés-Conde, Cambridge 2001, pp. 132-133.

<sup>67</sup> J. GLETE, *The Swedish Fiscal-Military State in Transition and Decline, 1650-1815*, in *War, State and Development*, pp. 87-108; ID., *Swedish Naval Administration, 1521-1721. Resource Flows and Organisational Capabilities*, Leiden and Boston 2010. For the close link between war, finance and the transition from absolute to constitutional monarchy, cf. W. BUCHHOLZ, *Staat und Ständegesellschaft in Schweden zur Zeit des Überganges vom Absolutismus zum Ständeparlamentarismus, 1718-1720*, Stockholm 1979.

<sup>68</sup> Cf. J. BRAGA DE MACEDO, A. FERREIRA DA SILVA, R. MARTINS DE SOUSA, *War, Taxes, and Gold. The Inheritance of the Real*, in *Transferring Wealth*, pp. 187-228; J. M. PEDREIRA, *Costs and Financial Trends in the Portuguese Empire, 1415-1822*, in *Portuguese Oceanic Expansion, 1400-1800*, edited by F. Bethencourt and D. Ramada Curto, Cambridge 2007, pp. 49-87; M.C. MOREIRA, *Tracking down signs of the Portuguese Fiscal-Military State 1762-1816*, in *War, State and Development*, pp. 251-276; and E. MATA, *From pioneer mercantile state to ordinary fiscal state: Portugal, 1498-1914*, in *Rise of Fiscal States*, pp. 215-232.

<sup>69</sup> F. SZABO, *The Seven Years War in Europe 1756-1763*, Harlow 2008, pp. 36-40, 391-392, 422-423.

II, in the latter's war against the Turks<sup>70</sup>. It was clearly difficult to escape completely the demands of the fiscal-military state in late eighteenth century Europe.

4. Despite its generally positive reception and impact, Brewer's fiscal-military state model has prompted some debate insofar as it sought to describe and explain both the eighteenth century British state<sup>71</sup>, and its European neighbours and rivals. If Brewer's fiscal-military state was intended to explain Britain's unique situation and success, then it might well be the case that alternative "versions" of that model were more appropriate outside Britain. Some continental politicians certainly saw Britain and its institutions as worthy of imitation. In 1786, for example, Count Zinzendorf, president of the Austrian Hofrechnenkammer, urged Joseph II to introduce a Sinking Fund modelled on that recently introduced in Britain by William Pitt the Younger, in order to reduce the National Debt<sup>72</sup>. However, Zinzendorf's proposal failed, not least because the situation of the Austrian Habsburg Monarchy was not that of Britain. Different measures were therefore appropriate. The British model was equally unsuitable for a great many other European states.

According to Hochedlinger, while the British state was rather more fiscal, the Austrian Habsburg Monarchy was rather more military<sup>73</sup>. As for Hartley, Russia was only in some limited respects a military state and barely deserved the fiscal-military label<sup>74</sup>. Mention has already been made of the fact that some historians prefer the term "military-fiscal" state and have in mind a state rather different from Brewer's "fiscal-military" model. The "military-fiscal" state was one in which, while relatively poor in the tax (or taxable) resources needed to sustain a large army, the state could nonetheless mobilise large numbers of men and even in some cases hire out its forces to a power like Britain which – in part but by no means only because of its relatively small population – could not mobilise such large numbers of

<sup>70</sup> PSA, HA Geheimer Rat, Rep. 11 Auswartige Beziehungen, Akten, 11012/302, Chambrier to Frederick William II, October 1788.

<sup>71</sup> Within the British state, Brewer's focus is overwhelmingly England: for the anomalous fiscal position of Scotland in that state until the 1780s, cf. EHRMAN, *The Younger Pitt. The Years of Acclaim*, p. 290; for Ireland, cf. P. WALSH, *The Fiscal State in Ireland, 1691-1769*, «Historical Journal», 56 (2013), pp. 629-656.

<sup>72</sup> DICKSON, *Count Karl von Zinzendorf's 'New Accountancy'*, p. 39.

<sup>73</sup> HOCHEDLINGER, *The Habsburg Monarchy*, p. 62.

<sup>74</sup> HARTLEY, *Russia as a Fiscal-Military State*, pp. 126-127.

men. Those hired troops were not only often largely self-supporting but also became a source of revenue<sup>75</sup>. This was true for example of Hesse-Kassel, the small German state whose landgrave supplied the British government with troops throughout the eighteenth century, such that the British fiscal-military state subsidised taxpayers in Hesse-Kassel<sup>76</sup>. The term could easily be applied to a number of other German states, including Württemberg<sup>77</sup>. The “military-fiscal” states were most likely to be found in the less economically developed central and eastern Europe. As for the western powers – Britain, and to a lesser extent France and Spain – the importance of their navies suggests that the first certainly and the latter two possibly might equally be labelled “fiscal-naval” as fiscal-military states<sup>78</sup>.

Whether mobilising money, men or ships, Brewer emphasised – as Glete had done before him – the enormous importance of organisation. This might ensure that the public revenues grew at more than the rate of general economic development, such that the state was pressing harder on that economy<sup>79</sup>. This invaluable insight was relevant not only to eighteenth century Britain. Everywhere, improved procedures could increase revenue, in part by eradicating evasion, malpractice and other forms of wastage<sup>80</sup>, and by doing so even reduce the real fiscal burden for the population at large. Not surprisingly other historians of the (fiscal-military) state have also acknowledged the importance of organisation, in different types of society, the less commercialised ones of central and eastern Europe and the more trade oriented and wealthy in western Europe<sup>81</sup>. Organisational effectiveness took many forms, including supply of armed forces<sup>82</sup> and ac-

<sup>75</sup> P.K. TAYLOR, *Indentured to Liberty. Peasant Life and the Hessian Military State*, Ithaca and London 1994, p. 5.

<sup>76</sup> C. INGRAO, *The Hessian Mercenary State*, Cambridge 1987, pp. 127, 132.

<sup>77</sup> P. WILSON, *War, State and Society in Württemberg, 1677-1793*, Cambridge 1995; ID., *German Armies. War and German Politics 1648-1806*, London 1998.

<sup>78</sup> Cf. GLETE, *War and the State*, p. 40; ID., *Swedish Naval Administration*.

<sup>79</sup> GLETE, *War and the State*, also emphasised the importance of organisation in the «aggregation of interests» and selling of protection which for him were the distinguishing features of the early “fiscal-military” state, as exemplified by Spain, Sweden and the Dutch Republic.

<sup>80</sup> For the Austrian accounting system, cf. DICKSON, *Count Karl von Zinzendorf's 'New Accountancy'*, p. 24.

<sup>81</sup> Cf. TILLY, *Coercion*; ASCH, *Kriegsfinanzierung*.

<sup>82</sup> D. BAUGH, *Naval power: What gave the British navy superiority?*, in *Exceptionalism and Industrialisation*, pp. 235-257, emphasises the importance of the victualling service in enabling the British fleet to triumph at sea.

counting. We are increasingly aware of the need to consider not just the tax-raising administration but other areas of financial administration, including accounting. Indeed this latter is a booming sub-sector of historical investigation, as are other aspects of how money – however obtained – was got to where it was needed and spent<sup>83</sup>. However, we should not exaggerate the organisational success of the eighteenth century fiscal-military state or ignore the persistence of inefficiency, corruption, and waste, all of which pushed up costs. It has been suggested that Brewer himself takes insufficient account of the persistence of older, less effective branches of administration and may even have exaggerated the efficiency of the British excise<sup>84</sup>. It was much the same elsewhere: according to Count Zinzendorf, in 1782, 26% of gross revenue in the Austrian Habsburg Monarchy was either absorbed by collection costs or retained by the provincial estates<sup>85</sup>.

Brewer's thesis rested on an important insight regarding the weakness and limited range of the state, above all in Europe. New work tends to confirm that original insight in respect of for example France<sup>86</sup>. More broadly, it is increasingly apparent that, even in the narrow military sphere, the state often played a limited part. Instead, it relied extensively on private contractors and financiers<sup>87</sup>, seen by some as not standing apart from but playing a crucial role in the construction and articulation of the state<sup>88</sup>. Parrott emphasises the state's continuing dependence on contractors after 1650, even in France where the

<sup>83</sup> S. CONWAY, *Checking and Controlling British Military Expenditure, 1739-1783*, in *War, State and Development*, pp. 45-68; R. KNIGHT, *The Spending and Accounting Performance of the British Victualling Board 1793-1815*, in *The Spending of States*, pp. 181-200; M.-L. LEGAY, *The Beginnings of Public Management: Administrative Science and Political Choices in the Eighteenth Century in France, Austria, and the Austrian Netherlands*, «Journal of Modern History», 81 (2009), pp. 253-259; S. SOLBES FERRI, *Administrative and Accounting System of the Army Treasuries: The Treasuries of the Kingdoms of the Crown of Aragon from 1755 to 1765*, in *War, State and Development*, pp. 357-384; ID., *Tesorerías de Ejército: estructuras administrativo-contables para la gestión de los recursos fiscales en la España borbónica: Galicia, 1765-1780*, «Obradoiro de Historia Moderna», 16 (2007), pp. 187-211.

<sup>84</sup> Cf. L. STONE, *Introduction*, in *An Imperial State at War*, pp. 14-17.

<sup>85</sup> DICKSON, *Count Karl von Zinzendorf's 'New Accountancy'*, p. 24.

<sup>86</sup> C. GLINEUR, *Genèse d'un droit administratif sous le règne de Louis XV. Les pratiques de l'intendant dans les provinces du Nord (1726-1754)*, Orleans 2005.

<sup>87</sup> Cf. *The Contractor State and its Implications, 1659-1815*, edited by R. Harding and S. Solbes Ferri, Las Palmas 2012.

<sup>88</sup> Cf. *Les financiers et la construction de l'État. France, Espagne (XVII<sup>e</sup>-XIX<sup>e</sup> siècles)*, edited by A. Dubet and J.-P. Luis, Rennes 2011.

experience of using them in previous decades encouraged a desire to have an army which was much more the tool of the sovereign. Indeed, for Parrott the persistence of military enterprise was crucial to the solution of the problem of the fiscal-military state: how European rulers could mobilise the resources which their own fiscal and administrative capacities could not do. The same was true elsewhere. In Austria, Britain, the Savoyard state and Spain – to identify just a few examples – the state depended on private contractors to supply its armies and navies<sup>89</sup>. Private contractors only really disappeared – and even then not entirely – in the later eighteenth century, in part in response to new attitudes towards “corruption” and new ideas about the state and its role<sup>90</sup>. But private sector collaboration with and penetration of the state was not just a matter of military contracting. In Britain, the East India Company was both a source of funds and also a sort of deputy or substitute for the state<sup>91</sup>. That corporation was in some respects exceptional but exemplifies the enormous contribution not only of private companies but also of extradomestic, overseas assets, and not least those derived from the Americas, the Caribbean and India<sup>92</sup>. Individuals and businesses which aided the fiscal-military state found their co-operation to be a profitable source of investment<sup>93</sup>.

Brewer’s original formulation contention was a salutary reminder to avoid simplistic explanations of the rise and fall of powers in terms of economic strength. But we should be wary, too, of ignoring the fact that in many states revenues and the ability to supply armies did depend upon the broader economic environment, buoyancy and growth. Britain’s success could not have happened without its extraordinary economic success in the eighteenth century. The most successful fis-

<sup>89</sup> HOCHEDLINGER, *The Habsburg Monarchy*, p. 84; G. BANNERMAN, *Merchants and the Military in Eighteenth-Century Britain: British Army Contracts and Domestic Supply 1739-1763*, London 2008.

<sup>90</sup> PARROTT, *The Business of War*, pp. 277, 315-317.

<sup>91</sup> H.J. PAUL, *Joint-Stock Companies as the Sinews of War: the South Sea and Royal African Companies*, in *War, State and Development*, pp. 277-294; P.J. STERN, “*Auspicio Regis et Senatus Angliae*”: *The Political Foundations of the East India Company’s Incorporation into the British Military-Fiscal State*, *ibid.*, pp. 385-408; and *Id.*, *Companies: Monopoly, Sovereignty and the East Indies*, in *Mercantilism Reimagined*, pp. 177-195. In France, cf. the French Farmers-General.

<sup>92</sup> J. CUENCA-ESTEBAN, *Fiscal dimensions of Britain’s regulated trade with Asia, 1765-1812*, in *War, State and Development*, pp. 69-86.

<sup>93</sup> Cf. NAL, *State Papers Spain (SP94)*, vol. 169, fol. 138, Stanier Porten to earl of Halifax, Madrid, 11 February 1765.



cal-military states enjoyed or sought to stimulate economic growth. Despite the example of Prussia, a truly poor (and small) state was unlikely to achieve the status of a major power; if it did its hold on that position might be tenuous. Establishing the relationship between the fiscal-military state – war – and economic growth is not easy. This is not least because of the negative implications of the approach of the so-called “New Institutional Economics” (NIE) according to which predatory “absolute” states are supposedly more damaging to the economy than constitutional regimes of the type which emerged from the Revolution of 1688 in Britain. According to this view, the fact that loans to the sovereign were backed by funds voted by a representative assembly inspired greater confidence, creating a more favourable environment for investment and economic growth<sup>94</sup>. Some fiscal-military states, especially those in which government was more inclined to default, could certainly have a negative impact in undermining confidence, some others also damaged the economy by draining it of labour and capital<sup>95</sup>. In fact, however, economically and financially weaker states often relied on militias, reducing the cost of mobilisation<sup>96</sup>, while the demands of war and the military machine often stimulated agriculture, commerce and industry<sup>97</sup>. Last, but by no means least, it seems clear that the more successful fiscal military states – and not only Britain – were more likely to enjoy economic success, not least because they were better able to pursue mercantilist policies inside and outside Europe, securing – often by conquest – colonies, markets and trades, as Britain so clearly did in the Seven Years War<sup>98</sup>. The consequent expansion of consumer demand facilitated changes in

<sup>94</sup> Cf. D.C. NORTH, B.R. WEINGAST, *Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth Century England*, «Journal of Economic History», 49 (1989), pp. 803-832, and critical discussion by R. GRAFE, *Distant Tyranny. Markets, Power, and Backwardness in Spain, 1650-1800*, Princeton 2012, pp. 5-11.

<sup>95</sup> HOCHEDLINGER, *The Habsburg Monarchy*, pp. 81-84; HARTLEY, *Russia as a Fiscal-Military State*, p. 141.

<sup>96</sup> HOCHEDLINGER, *The Habsburg Monarchy*, p. 61.

<sup>97</sup> HARTLEY, *Russia as a Fiscal-Military State*, p. 142 and ff.

<sup>98</sup> TORRES SÁNCHEZ, *The Triumph of the Fiscal-Military State*, pp. 24, 34, 44; F. CROUZET, *La guerre économique franco-anglaise au XVIII<sup>e</sup> siècle*, Paris 2008; P.K. O'BRIEN, *Inseparable Connections: Trade, Economy, Fiscal State, and the Expansion of Empire, 1688-1815*, in *The Oxford History of the British Empire*, 2, *The Eighteenth Century*, edited by P.J. Marshall, Oxford 1998, pp. 53-77; D. BAUGH, *The Global Seven Years War: Britain and France in a Great Power Contest*, Harlow 2011.

tax structures<sup>99</sup>, the highly commercialised economies relying on indirect taxes, more primitive ones on direct taxes<sup>100</sup>.

For those states without easy access to the oceans one simple alternative means of securing additional resources was territorial acquisition, expanding both tax base and revenues. This was not only true of Prussia, with its acquisition of Silesia and much of Poland, but also of Russia<sup>101</sup> and some lesser states<sup>102</sup>. Expansion of this sort was not cost free: new territories often rendered redundant existing defences on which large sums had been spent in the past, and generally necessitated new spending on a new defensive configuration. Nevertheless, new territories generally meant more resources. Conversely, loss of territories reduced revenues. Thus the loss of Silesia was a severe blow to Maria Theresa and her ministers; their determination to recover that rich province helped to shape policy in (and bring war to) central Europe for a generation and contributed to their refashioning of the Austrian Habsburg Monarchy as a fiscal-military (or military-fiscal, above) state<sup>103</sup>.

Brewer's fiscal-military state was one in which taxation underpinned borrowing. Indeed, it has been suggested that the key (to success) was not so much the introduction of new taxes and other means of instant wealth extraction as the pioneering of techniques for mobilizing credit<sup>104</sup>. In 1777, for example, Louis XVI, needing money to strengthen the French fleet on the eve of intervention in Britain's struggle against its American rebels, did not resort to tax, instead ordering a lottery and when that did not yield enough sought loans abroad (in Genoa) and at home<sup>105</sup>. In Spain, a junta proposing means whereby Carlos III might fund war against Britain in 1779, put the increase of existing taxes and the imposition of new ones at the bottom of its list<sup>106</sup>. Not surprisingly, therefore, the century witnessed a

<sup>99</sup> YUN CASALILLA, *Introduction*, p. 10.

<sup>100</sup> HOCHEDLINGER, *The Habsburg Monarchy*, p. 62.

<sup>101</sup> HARTLEY, *Russia as a Fiscal-Military State*, p. 131.

<sup>102</sup> Cf. C. STORRS, *The Savoyard Fiscal-Military State in the Long Eighteenth Century*, in *The Fiscal-Military State*, pp. 201-235.

<sup>103</sup> BONNEY, *The Eighteenth Century*, p. 333.

<sup>104</sup> G. PARKER, *Introduction: The Western Way of War*, in *The Cambridge History of Warfare*, edited by Id., Cambridge 2005, pp. 8-9.

<sup>105</sup> SCONE PALACE ARCHIVES, Box 48, Viscount Stormont to Earl of Weymouth, 5 February 1777.

<sup>106</sup> R. TORRES SÁNCHEZ, *El precio de la guerra. El estado fiscal-militar de Carlos III (1779-1783)*, Madrid 2013, pp. 135-136; ID., *Testing the Fiscal-Military State in the Anglo-Spanish War of 1779-1783*, in *War, State and Development*, pp. 437-460.

remarkable expansion of credit – and public debt – across Europe. However, credit was a complex issue. There was a big difference, for example, between merely allowing pension, salary and other arrears to accumulate – floating or short-term or unfunded debt – and a properly funded long-term debt paying interest<sup>107</sup>. Different states exploited different sources of credit. And, while credit is widely regarded as underpinning military performance, military success or failure – themselves in part dependent upon adequate funding – could also affect the ability of a prince or state to obtain credit<sup>108</sup>.

Much attention has been given to the debated question about just how far certain types of regime were more or less likely to secure loans. It is almost a cliché that constitutional regimes – above all that which developed in Britain in the wake of the revolution of 1688, in which the monarch was obliged to establish a working relationship with Parliament – are good for credit. Equally firmly rooted appears to be the view that supposedly absolute regimes – above all the French Bourbon monarchy – were less well placed to secure credit because the monarch could simply default, reneging on his obligations to borrowers in a way the British monarch could not<sup>109</sup>. However, while broadly true (see above), this view is too simplistic. It is increasingly evident, for example, that Louis XIV and his successors were able to tap the credit of corporate bodies – including provincial estates and venal officers –, institutions whose (privileged) existence was an essential, defining characteristic of the Bourbon absolute monarchy<sup>110</sup>.

<sup>107</sup> Britain's floating debt in 1783 totalled about £14 million, besides the funded debt of £243 million, EHRMAN, *The Younger Pitt. The Years of Acclaim*, pp. 256-260. For the large unfunded debt left by Philip V of Spain, cf. TORRES SÁNCHEZ, *El precio de la guerra*, pp. 293-304.

<sup>108</sup> For the negative impact on French government credit of defeat in the Seven Years War, cf. J.F. BOSHER, review of BONNEY, *The Rise of the Fiscal State*, «American Historical Review», 105 (2000), pp. 1372-1374.

<sup>109</sup> Cf. T.E. KAISER, *Money, Despotism, and Public Opinion in Early Eighteenth-Century France: John Law and the Debate on Royal Credit*, «Journal of Modern History», 63 (1991), pp. 1-28.

<sup>110</sup> M. POTTER, *Good offices: intermediation by corporate bodies in early modern French public finance*, «Journal of Economic History», 60 (2000), pp. 599-626; M.-L. LEGAY, *Les États provinciaux dans la construction de l'État moderne aux XVII<sup>e</sup> et XVIII<sup>e</sup> siècles*, Genève 2000; J. SWANN, *Provincial Power and Absolute Monarchy. The Estates of Burgundy, 1661-1790*, Cambridge 2003. The literature is more abundant on France but the same was true of many other states to a greater or lesser degree: cf. STORRS, *The Savoyard Fiscal-Military State*, pp. 228-229.

Nevertheless, that different types of regime enjoyed differing access to credit was still the case<sup>111</sup>.

Underpinning the credit of the state were its expanding tax revenues. But taxation covered a variety of different types of imposition, the most important distinction of course being between direct (land tax, or poll tax or capitation) and indirect (excises, levied on articles of consumption). But equally relevant was how any tax was administered, whether for example – in yet another example of the penetration of the state by the private sector – it was farmed. The preference for one type of fiscal system – or “fiscal constitution” – might reveal a great deal about the character of “the state” under consideration, and the real distribution of power within it<sup>112</sup>. Once again, whereas Brewer and others have emphasised the extent to which British taxpayers were obliged to pay, whereas in continental Europe the price of absolutism was the recognition of fiscal privilege, it is increasingly apparent that – witness the French capitation, *dixième* and *vingtième* – the fiscal-military state was chipping away at tax exemption, such that the fiscal burden was growing there as elsewhere<sup>113</sup>.

One of the most remarkable problems thrown up by the emergence of the fiscal-military state is why the growing demands it imposed, for men required to serve on land and at sea, for money and so on, did not provoke more resistance. The new levels of taxation associated with the emergence of the fiscal-military state in Britain clearly heightened the rage of party between 1689 and 1714<sup>114</sup>, while Walpole’s efforts to restructure the tax system in the early 1730s provoked the so-called “Excise Crisis”<sup>115</sup>. Everywhere, higher taxation

<sup>111</sup> For a not entirely convincing attack on the traditional view, cf. D. STASAVAGE, *Public Debt and the Birth of the Democratic State: France and Great Britain 1688-1789*, Cambridge 2003.

<sup>112</sup> J.V. BECKETT, *Land tax or excise: the levying of taxation in seventeenth- and eighteenth-century England*, «English Historical Review», 100 (1985), pp. 285-308; C. BROOKS, *Public Finance and Political Stability: The Administration of the Land Tax, 1688-1720*, «Historical Journal», 17 (1974), pp. 281-300.

<sup>113</sup> M. KWASS, *A Kingdom of Taxpayers: State Formation, Privilege and Political Culture in Eighteenth Century France*, «Journal of Modern History», 70 (1998), pp. 295-339. Of course the overall burden was still overwhelmingly borne by the non-privileged. For COLLINS, *The State in Early Modern France*, pp. 152-238, the capitation (1695) was part of a fundamental recasting of the French state between 1680 and 1720.

<sup>114</sup> G. HOLMES, *British Politics in the Age of Anne*, London and Ronceverte 1987<sup>2</sup>, pp. xliii-lxii, 148-182.

<sup>115</sup> P. LANGFORD, *The Excise Crisis. Society and Politics in the Age of Walpole*, Oxford 1975.

encouraged evasion in the form of contraband (above), necessitating further intervention by the state, sometimes deploying the military against the smugglers in what might be thought an encapsulation of the fiscal-military state<sup>116</sup>. A radical critique of the fiscal-military state emerged as the century progressed, articulated by Paine and others, and – while not inspired by the latter – resentment occasionally exploded into something more serious, and even obliged the nascent fiscal-military state into retreat. The most striking example of this was the Austrian Habsburg Monarchy, where resistance arose in Hungary c. 1700<sup>117</sup>, before the great age of fiscal restructuring and also during the latter in the 1780s, when other territories also reacted unfavourably, obliging Joseph II's successor to dismantle some of that fiscal-military state<sup>118</sup>. One of the consequences was that, despite the growing integration of states (above), most – including Austria, Britain, France, Spain and the Savoyard state – remained a patchwork of different fiscal regimes such as to justify us in continuing to use the term “composite state” if only in terms of tax systems<sup>119</sup>. Subsequently, the very triumph of the British fiscal-military state between 1793 and 1815 led to its dismantling thereafter, ushering in the *laissez-faire* state, not least because the cost – as exemplified during the recent wars – was simply too great (below)<sup>120</sup>.

Having said that, there was much less resistance than might have been expected given the great anxieties everywhere about the sheer volume of the debt in relation to national wealth and revenues, in Britain. Defeat in the struggle against the American colonists led many – inside and outside Britain – to believe that Britain's career as a major power was finished, and brought to a head latent fears that the debt which Brewer and others see as the foundation of its “rise” was in fact a potentially disastrous burden rather than an achievement to

<sup>116</sup> The extent of smuggling is self-evidently difficult to calculate, but cf. W.A. COLE, *Trends in Eighteenth Century Smuggling*, «Economic History Review», New Series, 10 (1958), pp. 395-410. For the use of troops against smugglers, cf. EHRMAN, *The Younger Pitt. The Years of Acclaim*, pp. 246-247, for Britain, and, for Piedmont, M. BATTISTONI, *Franchigie. Dazi, transiti e territori negli stati sabaudi del secolo XVIII*, Alessandria 2009.

<sup>117</sup> HOCHEDLINGER, *The Habsburg Monarchy*, p. 72.

<sup>118</sup> HOCHEDLINGER, *The Habsburg Monarchy*, pp. 88, 93.

<sup>119</sup> For Austria, *ibid.* For Spain, cf. C. MARTÍNEZ SHAW, M. ALFONSO MOLA, *Felipe V*, Madrid 2001, pp. 237-242. For the Savoyard state, cf. STORRS, *The Savoyard Fiscal-Military State*, pp. 224-225; and BATTISTONI, *Franchigie*.

<sup>120</sup> HARLING, MANDLER, *From “Fiscal-Military” State to Laissez-Faire State*.

be admired, making necessary Pitt's reinvigoration of Walpole's earlier Sinking Fund as a means to generate annual surpluses of current revenue whereby to reduce the long-term debt<sup>121</sup>. But such fears were by no means limited to Britain<sup>122</sup>. The explanation of the relative quiescence may lie in the fact that the fiscal-military state did not seek to do all itself, but delegated many tasks. This might include, for example, allowing local communities to select recruits they must supply for the army, such that those communities (or their elites) had an opportunity to get rid of undesirables. In this sense, as Glete argues, the subject population was in some respects less burdened<sup>123</sup>. At the same time, in Britain and wherever a public debt emerged, a growing body of investors could find their profit and at the same time – as in Carlos III's Spain – demonstrate loyalty by investing in it and/or making voluntary loans or gifts to the king in time of crisis.

5. So far, discussion has focused on the elements of the fiscal-military, or military-fiscal, or fiscal state without fundamentally challenging its relevance. However, we need to be more critical. The initial achievement of fiscal-military status was by no means problem-free. This was certainly the case of Britain in the 1690s<sup>124</sup>, and of France in the 1700s<sup>125</sup>. Jeremy Black has pointed out that the elaboration of the trappings of the “fiscal-military” state could not guarantee success in war<sup>126</sup>. Money was certainly not everything. Nor was it enough simply to have a large army or fleet; success in war depended on their effective use, which in turn required good strategic

<sup>121</sup> EHRMAN, *The Younger Pitt. The Years of Acclaim*, pp. 157-158. For a less pessimistic foreign view, cf. *La Relation du marquis de Cordon envoyé du Roi de Sardaigne en Angleterre (1774-1784)*, edited by C. Miller, Firenze 1932, pp. 34-36.

<sup>122</sup> For similar anxieties in France, cf. M. SONENSCHER, *The French Fiscal Deficit and the Politics of the Revolution of 1789*, «History of Political Thought», 18 (1997), pp. 64-103, 267-325; ID., *Before the Deluge: Public Debt, Inequality, and the Intellectual Origins of the French Revolution*, Princeton and Oxford 2007.

<sup>123</sup> GLETE, *War and the State*, pp. 29-30.

<sup>124</sup> D.W. JONES, *War and Economy in the Age of William III and Marlborough*, Oxford 1988; J. HOPPIT, *Attitudes to Credit in Britain, 1680-1790*, «Historical Journal», 33 (1990), p. 308.

<sup>125</sup> G. ROWLANDS, *The Financial Decline of a Great Power. War, Influence, and Money in Louis XIV's France*, Oxford 2012.

<sup>126</sup> Cf. J. BLACK, *Britain as a Military Power 1688-1815*, London 1999; ID., *Britain as a Military Power*, «British Journal for Eighteenth-Century Studies», 26 (2003), pp. 189-202; ID., *Empire-Building and the Problems of Analysis: The Case of Britain*, «British Journal for Eighteenth-Century Studies», 27 (2004), pp. 157-171.

thinking and leadership. The importance of structural foundations implicit in the notion of the fiscal-military state should not obscure the importance of individuals, i.e. the individual princes and ministers who directed the policy and ran the institutions – armies, navies, treasuries and so on – in the fiscal-military states, even where those states were effectively founded upon an alliance between monarch and elites, however articulated. On the positive side, the crucial role of personality is perhaps best exemplified in the eighteenth century by Frederick the Great of Prussia whose determination contributed enormously to the rise and survival of Prussia<sup>127</sup>. Similarly, the rise of the Savoyard state to 1748 owed much to the energy, intelligence and legacy of Victor Amadeus II. Weak leadership on the other hand might mean a reverse of fortune; the decline of the Savoyard polity after 1748 being a case in point. Many of these factors were in play when the British fiscal-military state incurred defeat in the War of American Independence. That conflict suggests, last, but by no means least, the importance of mere contingency, as Jeremy Black has again forcefully contended.

The attempt to give any eighteenth century state a single all-embracing, defining label also risks exaggerating one aspect or function of the early modern state, at the expense of – and omitting – others which were at least equally important. We must beware of seeing the eighteenth century state as exclusively a fiscal-military state<sup>128</sup>. Taxation was not only about funding the military machine, it served other purposes too, including the furtherance of economic and social policy by what some historians have labelled the “police”, or even “welfare” state. Indeed the two aspects – internal and external – might be difficult to disentangle<sup>129</sup>. In 1736, the British parliament, anxious about the moral and other consequences of cheap drink, imposed swingeing new duties on spirits<sup>130</sup>, although we should not rule out elite concerns about the impact of drink on the effectiveness of the country’s menfolk and thus on the army and navy. Relevant too is what others have identified as the “cultural” impulse in state formation in this period, for example, the “cultural” aspects of authority and power:

<sup>127</sup> For a critical recent assessment of Frederick in this light, cf. SZABO, *The Seven Years War*.

<sup>128</sup> Cf. COLLINS, *The State in Early Modern France*, p. 145.

<sup>129</sup> J. INNES, *The Domestic Face of the Military-Fiscal State*, in *An Imperial State at War*, pp. 96-127.

<sup>130</sup> KENNEDY, *English Taxation*, pp. 139-140.

according to Tim Blanning, Britain and Prussia were more successful than was Bourbon in adapting to a new political culture and thus ensuring that subjects accepted new burdens, including taxation<sup>131</sup>. For his part, Tony Claydon has argued that England's (or Britain's) Protestant culture, reinvigorated in 1688, helped legitimise the wars it fought thereafter and thus underpinned its emergence as a major power in Europe<sup>132</sup>.

Without wishing to open up the complicated and debated question of just how to define the eighteenth century state, there are many other issues surrounding that polity which merit fuller discussion. We need to know and understand far more about the social and cultural impact of the emergence of the fiscal-military state<sup>133</sup>. On the one hand, there were the social and political tensions generated by new demands (above) but also by the new wealth created by that polity<sup>134</sup>. On the other hand, what was the impact on the structure of households and marriage patterns of, for example, conscription, and on patterns of commercialisation, consumption and monetisation of changing fiscal demands? Related to these issues were both the "militarisation" of not only the finances but of society generally, a topic which has attracted a great deal of interest on the part of some of those historians who have contributed to the debate about the fiscal-military state<sup>135</sup>, and – a more elusive topic – the "fiscalisation" of society and the subject.

The great test for the fiscal-military states was posed by the French Revolution and the wars fought between 1793 and 1815. The French republic and the Napoleonic empire which succeeded it was a new type of fiscal-military state – with the levée en masse arguably far more a military-fiscal state – which in many respects transformed the way war was conceived and fought<sup>136</sup>. French success necessitated ma-

<sup>131</sup> BLANNING, *The Culture of Power*, pp. 3-5, 354, 419; SCOTT, *The Birth of a Great Power System*, p. 6.

<sup>132</sup> T. CLAYDON, *Europe and the Making of England, 1660-1760*, Cambridge 2007.

<sup>133</sup> Cf. W. SPECK, review of C. NICHOLSON, *Writing and the Rise of Finance. Capital Satires of the Early Eighteenth Century*, Cambridge 1994, «English Historical Review», 112 (1997), pp. 207-208; HOPPIT, *Attitudes to Credit*.

<sup>134</sup> HOPPIT, *Attitudes to Credit*, p. 305 and ff.

<sup>135</sup> R. TORRES SÁNCHEZ, *La «militarisation» des finances royales d'Espagne au XVIII<sup>e</sup> siècle*, in *Les financiers*, pp. 177-198. Cf. HARTLEY, *Russia as a Fiscal-Military State*, pp. 125-146; HOCHEDLINGER, *The Habsburg Monarchy*, pp. 55-94; and G. ARTEUS, *Krigsmakt och samballe i frihetstidens Sveriga*, Stockholm 1982. On fiscalisation, cf. the discussion of English attitudes to taxation which permeates KENNEDY, *English Taxation*.

<sup>136</sup> FELIX, TALLETT, *The French Experience*, pp. 162-166.



jour, qualitative changes on the part of some of their *ancien régime* fiscal-military opponents. In this sense and despite the triumph of the old order in 1815, the quarter of a century after 1789 witnessed the demise of the old-style fiscal-military state and the emergence of a new type, one founded upon an even greater mobilization of men, money and resources than before 1789<sup>137</sup>. Armies grew even bigger, as did some navies<sup>138</sup>. William Pitt hoped that the cost of war against so many enemies must destroy France's economy and finances, ensuring victory<sup>139</sup>. It was not to be. France's opponents were themselves hard pressed, including Britain. Organisational weaknesses were exposed in the British fiscal-military state<sup>140</sup>. More important perhaps, spiralling expenditure – the army, the navy, subsidies to allies<sup>141</sup> – put real pressure on core institutions and practices of the British fiscal-military state and undermined the established emphasis on paying for war by borrowing underpinned by taxation<sup>142</sup>. There were renewed fears about the size of the debt in relation to national wealth<sup>143</sup> and some anxieties among foreign investors regarding the safety of the Sinking Fund devoted to servicing that debt<sup>144</sup>. Pitt decided to fund more of the war effort from current revenues (rather than debt) and to introduce new, direct taxation – the income tax, first imposed in 1799. The new tax generated its own bureaucracy, as did the expanding army – and navy (which had always in fact represented both a substantial bureaucratic structure and a sizeable economic enterprise) – such that the excise no longer figured so pre-eminently as before 1789.

For their part, Britain's allies depended not only on British subsidies and/or loans but on the greater exploitation of both traditional

<sup>137</sup> SCOTT, *The Birth of a Great Power System*, p. 6.

<sup>138</sup> C. ESDAILE, *The Wars of Napoleon*, Harlow 1995, pp. 15-18.

<sup>139</sup> EHRMAN, *The Younger Pitt. The Reluctant Transition*, pp. 541, 558.

<sup>140</sup> *Ibid.*, pp. 516-517.

<sup>141</sup> M. DUFFY, *British Diplomacy and the French Wars, 1789-1815*, in *Britain and the French Revolution*, edited by H.T. Dickinson, Basingstoke 1969, pp. 127-145; EHRMAN, *The Younger Pitt. The Reluctant Transition*, pp. 480-481, 519-520.

<sup>142</sup> P.K. O'BRIEN, *Public Finance in the Wars with France, 1793-1815*, in *Britain and the French Revolution*, pp. 165-187; *Id.*, *The Triumph and Denouement of the British Fiscal State: Taxation for the Wars against Revolutionary and Napoleonic France*, in *The Fiscal-Military State*, pp. 167-200; EHRMAN, *The Younger Pitt. The Reluctant Transition*, pp. 520-528.

<sup>143</sup> Cf. L. MITCHELL, *Charles James Fox*, London 1997, pp. 158-169.

<sup>144</sup> For investors in Switzerland (Bern) cf. William Wickham to lord Auckland, 25 November 1796, in W. WICKHAM, *The Correspondence of the Rt. Hon. William Wickham from the Year 1794*, London 1870, I, pp. 480-481.

and new taxes and credit of all sorts<sup>145</sup>, and the issue of paper which was resorted to on a massive, unprecedented scale. In some cases it proved a disaster. In the kingdom of Sardinia, for example, the gulf between revenue and war-driven spending which was largely met by the issue of paper notes, ultimately overwhelmed the state<sup>146</sup>. The burden and the social and political damage that it threatened became such that the Savoyard state was effectively forced out of the war in 1796 and within a few years had succumbed to the new French imperialism. Not all states suffered such extremes but most of the pre 1789 fiscal-military regimes were put under severe pressure<sup>147</sup>. It is not entirely surprising that the decades after Waterloo witnessed a reaction against the fiscal-military state which had reached new heights in its re-fashioned guise before 1815.

6. In conclusion, the concept of the fiscal-military state as originally articulated by Brewer in 1989 has clearly been diluted. War was not the only factor which shaped the fiscal-military, or fiscal, or military-fiscal state, while just how war did so was by no means a simple process<sup>148</sup>. Brewer's original work coincided with and stimulated – and continues to stimulate – invaluable new work on the finances of the states of eighteenth century Europe which has enormously increased our knowledge and understanding of public finance and individual state development in that era<sup>149</sup>. One consequence has been to enhance our awareness of the variety of models of the fiscal-mil-

<sup>145</sup> For Austria, cf. K. HELLEINER, *The Imperial Loans. A Study in Financial and Diplomatic History*, Oxford 1965; and M. HOCHEDLINGER, *Austria's Wars of Emergence. War, State and Society in the Habsburg Monarchy 1683-1797*, Harlow 2003, pp. 425-426.

<sup>146</sup> Cf. P. NORSA, *La Finanza Sabauda dal 1700 all'Unità d'Italia*, typescript, s.l. 1958, p. 473 ('Bilanci Annuali ... dal 1774 al 1798', and 'Andamento del Debito Pubblico Sabauda dal 1773 al 1798'. In fact it details the debt from 1730 onwards). See also STORRS, *The Savoyard Fiscal-Military State*, pp. 232-235. For a useful summary of the Savoyard finances, cf. NAL, *Foreign Office*, 67/25, Jackson to lord Grenville, Turin, 12 August 1797.

<sup>147</sup> For Spain, cf. J.A. BARBIER, H.S. KLEIN, *Revolutionary Wars and Public Finance: The Madrid Treasury, 1784-1807*, «Journal of Economic History», 41 (1981), pp. 315-339.

<sup>148</sup> YUN CASALILLA, *Introduction*, pp. 14-18.

<sup>149</sup> Cf. J.-C. WAQUET, *Le grand-duché de Toscane sous les derniers Médicis. Essai sur le système des finances et la stabilité des institutions dans les anciens États italiens*, Roma 1990; I. ZILLI, *Carlo di Borbone e la rinascita del Regno di Napoli. Le finanze pubbliche 1734-1742*, Napoli 1990.

itary state, something which Brewer himself recognised<sup>150</sup>. As long as we remain alert to this complexity and to the fact that states might progress in different ways and might combine different types of revenue generation in different ways, as also to the different ways in which state, economy and society could and did interact to fund war in the eighteenth century, the concept of the fiscal-military state remains a useful conceptual means whereby to explore and explain the early modern state, its medieval predecessors and its contemporary successors. More specifically, it facilitates comparisons from which a clearer understanding can emerge of the nature and working of the early modern – and above all the eighteenth century – state, and of other states, inside and outside Europe, and over a longer span. This is worth emphasising because we still know far too little about the public finances of too many states of the long eighteenth century, and the way these interacted with – influenced and were influenced by – economy, politics and society<sup>151</sup>.

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<sup>150</sup> Cf. TORRES SÁNCHEZ, *El precio de la guerra*, pp. 409-419, for Spanish preference for short-term (over long-term) debt cycles backed by periodic injections of American bullion.

<sup>151</sup> For the emergence of treasuries and their chiefs as de facto prime ministers, with specific reference to British policy in the eighteenth century, cf. D.M. CLARK, *The Rise of the British Treasury*, London and Oxford 1961.