

2. In France, the Bourbon kings were able to circumvent the representative assembly known as the Estates General and develop an absolutist style of government. Louis XIV's finance minister Colbert was able to increase revenue through more efficient tax collection and by promoting economic growth while Louis entertained and controlled the French nobility by requiring them to attend his court at Versailles.

D. Warfare and Diplomacy

1. Constant warfare in early modern Europe led to a military revolution in which cannon, muskets, and commoner foot soldiers became the mainstays of European armies. Armies grew in size, and most European states maintained standing armies (except England, which maintained a standing navy).
2. In order to manage the large standing armies and in order to use the troops more effectively in battle, Europeans devised new command structures, signal techniques, and marching drills.
3. Developments in naval technology during this period included warships with multiple tiers of cannon and four-wheel cannon carriages that made reloading easier. England took the lead in the development of new naval technology, as was demonstrated when the English Royal Navy defeated Spain's Catholic Armada in 1588, signaling an end to Spain's military dominance in Europe.
4. With the defeat of Spain, France rose as the strongest power on continental Europe, while its rival England held superiority in naval power. During the War of the Spanish Succession, England, allied with Austria and Prussia, was able to prevent the French house of Bourbon from taking over the Spanish throne.
5. With the War of the Spanish Succession and with Russia's emergence as a power after the Great Northern war, the four powers of Europe—France, Britain, Austria, and Russia—were able to maintain a balance of power that prevented any one power from becoming too strong for about two centuries.

E. Paying the Piper

1. The rulers of European states needed to raise new revenue to pay the heavy costs of their wars; the most successful made profitable alliances with commercial elites. The Spanish, however, undermined their economy by driving out Jews, Protestants, and the descendants of Muslims so that the bullion they gained from their American empire was spent on payments to creditors and for manufactured goods and food.
2. The northern provinces of the Netherlands wrested their autonomy from Spain and became a dominant commercial power. The United Provinces of the Free Netherlands and particularly the province of Holland favored commercial interests, craftsmen, and manufacturing enterprises, and Amsterdam became a major center of finance and shipping.
3. After 1650 England used its naval power to break Dutch dominance in overseas trade. The English government also improved its financial position by collecting taxes directly and by creating a central bank.
4. The French government streamlined tax collection, used protective tariffs to promote domestic industries, and improved its transportation network. The French were not, however, able to introduce direct tax collection, tax the land of nobles, or secure low-cost loans.