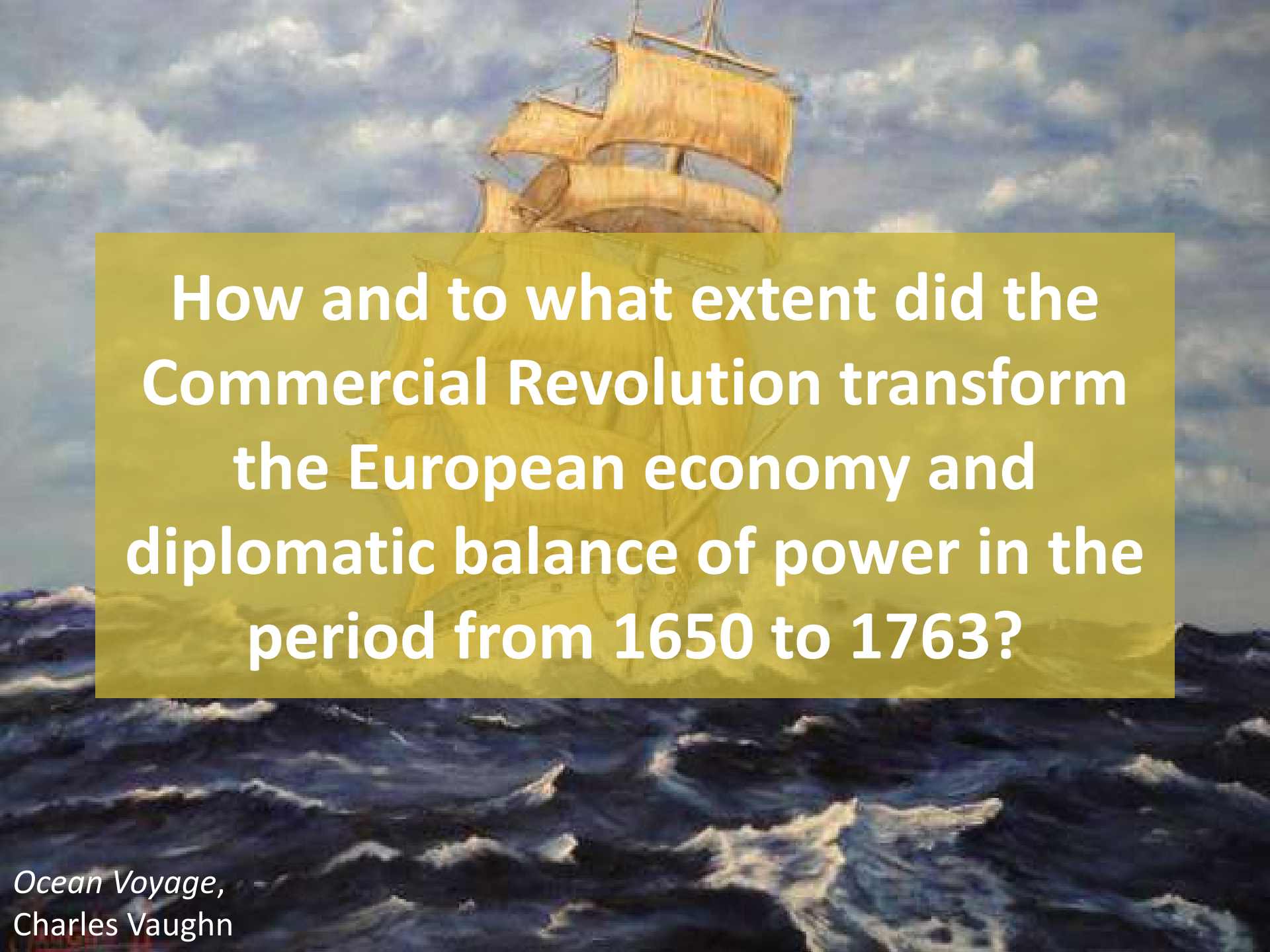


A detailed Baroque landscape painting by Claude Lorrain, titled 'Seaport (Villa Medici)'. The scene depicts a bustling harbor at sunset or sunrise, with a large classical building on the right and several sailing ships on the left. The foreground is filled with numerous figures engaged in various activities, creating a sense of a busy, lived-in port. The sky is filled with soft, golden light and a few birds in flight.

Unit 3 Seminar: Absolutism and Constitutionalism (2006)

Kevin Hoang
Period 5

Seaport (Villa Medici),
Claude Lorrain

A three-masted sailing ship with yellow sails is shown on a dark blue sea under a cloudy sky. The ship is the central focus, with its sails fully deployed. The sea is dark and choppy, and the sky is filled with white and grey clouds. The overall scene is dramatic and historical.

How and to what extent did the Commercial Revolution transform the European economy and diplomatic balance of power in the period from 1650 to 1763?

Thesis

Europe witnessed a great change in economy and diplomatic balance of power in the 1600's and the 1700's, and such a change was the result of the Commercial Revolution. Kings in the time of the Commercial Revolution focused on centralizing their empires and desired to increase their power through these empires. Such desires, along with the nations' search for wealth, gave rise to the economic factors of the Commercial Revolution, including bullionism, mercantilism, the rise of joint-stock companies, and the expansion of trade across other parts of the world. The Commercial Revolution's groundbreaking political and economic characteristics created strong and lasting effects on Europe that would even extend towards today.

How the Economy was Changed

- Kings and governments wanted to achieve political centralization
- Political centralization would give leaders a chance to promote the economy
 - England opportune to economic advancement due to factors that would establish order (strong Parliament, cabinet system)
 - Louis XIV of France and Cardinal Richelieu succeeded in limiting the nobility's power for some time, thus allowing for economic support



Louis XIV

Specific Economic Changes

- Mercantilism
 - Made areas such as France self-sufficient
 - Insisted that a country had to sell more goods abroad than brought
 - Led to increased wealth within various nations, leading to enhancement of power and prestige
- Expansion and trade
 - Europe's trade extended to across the Atlantic Ocean, adding on to trade with Africa and Asia
 - Jean-Baptiste Colbert of France shipped many peasants to Canada so that he could gain Canada's minerals and agricultural lands
 - The Dutch West India company would establish trade with Africa as well as Latin America
 - The Commercial Revolution led to slave trades, which in turn led to slavery in South America

Return of the Bucentoro to the Molo on Ascension Day, Canaletto

Specific Economic Changes (Cont.)



Shipyard of the Dutch East India Company

- Bullionism
 - Indicated the power and prestige of a nation
 - Bullionism was present in many European nations, including Spain and France
- Joint Stock Companies
 - Involved investors receiving percentages of profits proportional to the amount of money had put in
 - The Dutch East India Company was a joint stock company, which cut into Portuguese trade with East Asia

Changes of Diplomatic Power

- Disunity or even decline within various European countries
 - Spain suffered due to factors such as depopulation and the lack of a strong middle class
 - Germany in ruins due to Thirty Years' War and could not quickly recover
- Only the more prosperous nations became international powers



Map of divisions of the
Thirty Years' War

Changes of Diplomatic Power (Cont.)

- Nations with better economy and government had more power
 - Louis XIV developed a modern army that would aid him in fighting the Dutch and gaining new territories
 - However, the War of Spanish Succession would lead to misery and revolt in France due to bankruptcy
 - England able to keep up its power and economy
 - Peace of Utrecht expanded the English empire
 - Strong Parliament preserved power
 - England would eventually surpass France economically and diplomatically

Conclusion

The Commercial Revolution's economic elements sprung from the successful political centralizations in various nations. The flow of bullion, the founding of joint-stock companies, the application of mercantilism, and the extension of trade, were key economic components of the Commercial Revolution, and such components would change European aspects on economy to an extent that these components would be applied to today's economy.

The higher power of England and France during the Commercial Revolution would also break new ground since the political centralizations of both nations would be pivotal to political evolution. Overall, the Commercial Revolution would introduce Europe to worldwide concerns as well as new forms of political authority; hence, the Commercial Revolution dramatically transformed European economy and diplomatic power.