

too, had suffered from the king's reckless ambition and from an economic policy which followed the most glaring errors of the Middle Ages. Every other consideration had been sacrificed to the accumulation of specie, with the result that prices were forced up to an abnormal height, while the wealth of the country bore no proportion to the currency. The nobles were carefully excluded from all political affairs and ceased to take the slightest interest in the administration. When this exclusion came to an end after Philip II's death, they appear as mere courtiers, rivalling each other in the extravagance of their expenditure, but contributing nothing to the efficiency of the state. The government had been centralized by successive kings, but it was carried on without either wisdom or impartiality. The administration of justice was venal and incompetent. The people had been deprived of their liberties, but they failed to receive compensation in increased order and security. Spain had to pay dearly for its short period of glory. Its rapid decline in the 17th century was the inevitable penalty for the faults and errors of the 16th.

Philip III.

"God," said Philip II, "who has been gracious in giving me so many states, has not given me an heir capable of governing them." His successor was the natural product of his father's system: the exhaustion of Spain was inevitably accompanied by the degeneracy of its rulers. Philip III, who was twenty-one years old at his accession, had been brought up among priests and women, and showed all the defects of his education. Spanish writers are never weary of dilating upon his piety and his devotion. The cares of government he left entirely to his favourite, the duke of Lerma, while he contented himself with the performance of religious duties and the ceremonies of a stately court. The change of rulers was significantly marked in a quarrel with the province of Biscay, which still retained its ancient privileges intact. An attempt was made in 1601 to impose new duties by a royal ordinance; the Biscayan deputies protested vigorously against this encroachment upon their liberties, and openly threatened to seek another ruler. Philip III hastened to avert the storm by withdrawing the obnoxious ordinance. Thus the policy of centralization was abandoned, and the tendencies to division and isolation were confirmed.

The Moors expelled from Spain.

The piety of Philip III, which was as disastrous to Spain as the more masculine bigotry of his predecessors, found characteristic expression in the persecution of the Moriscos. Ever since the suppression of their first revolt in 1502,—a revolt which was provoked by the breach of the compact made on the fall of Granada,—the conquered Moors had been cruelly oppressed. Charles V. renewed the edict of 1502 in 1526, and the overt profession of Mohammedanism was extinguished in Spain. But in secret they continued to cherish the faith of their ancestors, and this was enough to exasperate a monarch who preferred to have no subjects at all rather than to rule over heretics. An edict of Philip II in 1566 forbade them to speak or write in Arabic, and ordered them to renounce all their traditional habits and ceremonies. Futile remonstrances were followed by a desperate rising, which was quelled in 1570. The most obstinate of the rebels were exiled to Africa, but most of them sullenly submitted. Philip III determined to prove his zeal for orthodoxy by completing the work which his father had left unfinished. In 1609 all the Moriscos were ordered to depart from the Peninsula within three days, and the penalty of death was decreed against all who failed to obey, and against any Christians who should shelter the recalcitrant. The edict was obeyed, but it was the ruin of Spain. The Moriscos were the backbone of the industrial population, not only in trade and manufactures, but also in agriculture. The haughty and indolent

Spaniards had willingly left what they considered degrading employments to their inferiors. The Moors had introduced into Spain the cultivation of sugar, cotton, rice, and silk. They had established a system of irrigation which had given fertility to the soil. The province of Valencia in their hands had become a model of agriculture to the rest of Europe. In manufactures and commerce they had shown equal superiority to the Christian inhabitants, and many of the products of Spain were eagerly sought for by other countries. All these advantages were sacrificed to an insane desire for religious unity.

The resources of Spain, already exhausted, never recovered from this terrible blow. Under these circumstances it was an absolute necessity that the ambitious schemes of previous rulers should be abandoned; and it was fortunate that Lerma was personally inclined to a policy of peace and that events occurred to favour its adoption. The accession of James I. in England gave a convenient opportunity for concluding the long war that had been carried on with Elizabeth. English mediation brought about a twelve years' truce in 1609 with the United Provinces, which amounted to a practical recognition of their independence. The death of Henry IV. and the regency of Mary de' Medici enabled Lerma to arrange an alliance with France, which was cemented by a double marriage. Louis XIII. married the infanta Anne of Austria, and Elizabeth of France was betrothed to the son and heir of Philip III. For the moment Spain occupied a higher position in Europe than it had held since the defeat of the Armada. James I. was weakened by quarrels with his parliament and by the want of a definite policy. France under the regency had abandoned the attitude of Henry IV. and was distracted by internal squabbles. The empire was in the feeble hands of Mathias, and the Austrian Hapsburgs were still divided by the family jealousies that had arisen from the deposition of Rudolph II. The Turks had declined since the days of Soliman the Magnificent with a rapidity characteristic of Oriental powers. In the midst of these states Spain, subject to an apparently absolute monarchy, enjoyed much the same prestige as in the best days of Philip II. With the consciousness of power the old ambitions revived. An arrangement was being discussed for the recognition of the archduke Ferdinand as the successor of Mathias in the Austrian territories. Philip III, however, advanced a claim to Hungary and Bohemia on the ground that his mother was a daughter of Maximilian II, whereas Ferdinand was only descended from that emperor's brother. The claim was by no means indisputable, but it was inconvenient to Ferdinand to have to discuss it. He agreed therefore to purchase the support of Spain by ceding Alsace, and the vacant imperial fief of Finale in Italy (1617), and on these terms he succeeded in effecting his designs. Thus a prospect was opened to Spain of connecting its Italian possessions with the Netherlands and of forming a compact Spanish dominion in central Europe. At the same time the old policy of advancing Roman Catholicism was resumed, as the success of Ferdinand promised to secure a signal victory for the Counter-Reformation in Germany. But this forward policy was distasteful to Lerma, who found it necessary to retire in 1618. His withdrawal from affairs was not accompanied by any loss of the royal favour, and the offices which he had held were conferred upon his son, the duke of Uzeda.

The alliance between the two branches of the house of Hapsburg was not finally completed by the arrangement with Ferdinand. It was vigorously urged by Oñate, the Spanish representative at Vienna, by Khavenhüller, the

Austrian envoy at Madrid, and by the Spanish party, headed by Zuñiga, which had always opposed the policy of Lerma. But neither Uzeda nor the royal confessor Aliaga was in favour of an alliance by which Spanish blood and treasure were to be expended in securing the interests of Austria. Philip III, however, was gained over by an appeal to his religious feelings, and in January 1620 he undertook to send assistance in men and money to Ferdinand II. Thus Spain was involved in the Thirty Years' War, which had been commenced in 1618 by the revolt of Bohemia against Ferdinand, and the acceptance of the crown by the elector-palatine Frederick V. Spanish troops from Italy aided Tilly to win the battle of the White Hill, and Spinola led an army from the Netherlands against the Palatinate. But the party of peace was still strong in Spain. Frederick V. was the son-in-law of James I., and his complete humiliation would hinder the long-cherished project of a marriage between Prince Charles and the Spanish infanta. The truce with Holland would expire in April 1621, and if the war was to be resumed with the Dutch it was essential to isolate them by concluding the alliance with England. Moreover, the finances of Spain were by no means in a condition to support the extraordinary expenses of a European war. All these considerations pointed to peace, and Philip III. was on the point of recalling Lerma, when he died in March 1621. His reign had not been glorious or advantageous to Spain, but it contrasts favourably with those of his successors. Spanish literature and art, which had received a great impulse from the intercourse with foreign countries under previous rulers, reached their zenith during his lifetime. Three writers have obtained European fame—Cervantes, who produced the immortal *Don Quixote* between 1605 and 1613, and two of the most fertile of romantic dramatists, Lope de Vega and Calderon. In the domain of art Spain produced two of the greatest masters of the 17th century, Velazquez and Murillo.

The time which Philip III. had spent on his devotions was given by his successor to the more secular pleasures of hunting and the theatre. But Philip IV. shared to the full his father's disinclination to burden himself with the cares of government. The office of first minister was given to Zuñiga, the chief advocate of an aggressive policy in the late reign. Lerma and Uzeda were banished from the court. But the chief influence over the administration was exercised from the first by the royal favourite, the count of Olivares, who succeeded to Zuñiga's office on the latter's death. Olivares was a man of considerable industry and ability, though his reputation has suffered from the inevitable comparison with his great contemporary and rival, Richelieu. He conceived the plan of restoring Spain to its former greatness by returning to the policy of Philip II., regardless of the change in the internal resources of the country. All ideas of peace were abandoned, and Spain plunged headlong into the European struggle. The truce with the United Provinces was unpopular because the commercial progress of the Dutch was fatal to the trade of the Spanish Netherlands, and Amsterdam had already begun to take the place of Antwerp. The expiration of the truce in April 1621 was followed by an immediate renewal of the war. To make the war successful it was imperative to secure the alliance with England, but this was sacrificed because the emperor insisted upon confiscating the Palatinate, which was conferred upon Maximilian of Bavaria. The match with the Spanish infanta was broken off, and Prince Charles married Henrietta Maria of France. The alienation of England was enough in itself to ensure the ultimate failure of the Dutch War. On the mainland the succes-

sive stadtholders, Maurice and Frederick Henry, held their own even against the experienced Spinola, and after the latter's recall in 1629 had a distinct advantage. But it was by sea that the Dutch gained their most conspicuous successes. In 1628 the Spanish treasure-fleet was captured by Admiral Hein, whose booty was estimated at seven millions of guilders. The greater part of Brazil, together with Malacca, Ceylon, Java, and other islands, were conquered by the Dutch sailors. Instead of conquering the northern provinces, Spain had to make great exertions to defend the frontiers of the southern Netherlands.

In central Europe the fortune of war was more favourable to Spain and her allies. The crushing defeat of the elector-palatine was followed by the humiliation of the Protestant champion, Christian IV. of Denmark. Ferdinand II. enjoyed for a moment greater power than any other successor of Charles V., and the Edict of Restitution seemed to complete the triumph of the Catholic reaction in Germany. But the revival of the Hapsburg power awakened the jealousy of France, which in 1624 had fallen under the strong rule of Richelieu. The Spaniards had occupied the Valtelline, an important pass which connected Lombardy with Tyrol. A French army expelled the conquerors in 1624, and the treaty of Monçon restored the pass to the community of the Grisons. For a time France was occupied with the suppression of a Huguenot rising, but no sooner had La Rochelle fallen than Richelieu again interfered to thwart the designs of Spain in the question of the Mantuan succession. The Spaniards endeavoured to exclude the duke of Nevers, the rightful heir to the duchy, on account of his connexion with France. But Richelieu forced the Spanish troops to raise the siege of Casale, and ultimately extorted the treaty of Cherasco (1631), by which the emperor recognized the succession of the duke of Nevers in Mantua. The occupation of Pinerolo in this war gave the French an opening into Italy and threatened the ascendancy which Spain had so long exercised in the Peninsula. Meanwhile the victories of Gustavus Adolphus had destroyed the imperial and Catholic ascendancy in Germany. The Spaniards were ignominiously driven from the positions which they occupied on the Rhine.

The death of Gustavus Adolphus at Lützen inspired the Roman Catholic powers with new hopes. Spain determined to strain every nerve to turn the tide of victory. Philip IV.'s brother Ferdinand, the cardinal-archbishop of Toledo, was sent to raise troops in Italy and to lead them through Germany into the Netherlands. In 1634 Ferdinand effected a junction with the imperial forces, and their combined efforts won a signal victory at Nördlingen. The Lutheran princes, headed by John George of Saxony, hastened to make terms with the emperor in the treaty of Prague (1635). The Swedes were left almost isolated in Germany, and a speedy termination of the war seemed inevitable. At this crisis Richelieu decided to embark in the war as a principal, and concluded a close alliance with the Dutch against Spain. For two or three years the new policy of France seemed likely to be attended with failure. The French troops, unaccustomed to war, were no match for the trained veterans of Spain. Not only were they repulsed from the Netherlands, but the cardinal-infant actually invaded France (1636) and inspired a panic in the capital itself. His success, however, was only temporary, and before long the superior policy of Richelieu gave France the upper hand. The occupation of Alsace, which fell into French hands after the death of Bernhard of Saxe-Weimar, interrupted the connexion between the Netherlands and Italy. In the latter peninsula the French

gained ground and restored the regent of Savoy, whom the Spaniards had expelled. Finally, more important than all, the alliance with Holland gave France the superiority by sea. The destruction of a great Spanish fleet in the Downs, where it had taken refuge under the neutral flag of England, made it almost impossible to send reinforcements from Spain to Brussels. By striking at the points of connexion, Richelieu was breaking the unwieldy Spanish empire to pieces. At this moment his task was immensely facilitated by the outbreak of internal dissensions.

Olivares had been inspired by the success of his great rival with the idea of strengthening Spain by a vigorous policy of centralization. The monarchy consisted of a number of scattered provinces, each ruled by a separate council at Madrid, and each possessed of its own separate institutions. They were held together only by the predominance of Castile and by religious unity. This system Olivares determined to abolish by elevating the royal power to equal absolutism in all the provinces. The dangers from foreign enemies were to be met by forming Spain into one indissoluble whole. But the spirit of provincial independence was still strong, and it was artfully encouraged by the intrigues of Richelieu, who wished to absorb the attention of Spain in its domestic affairs. An edict ordering all able-bodied men to arm for the war, under penalty of confiscation, provoked a revolt in 1640 among the Catalans, who were jealously attached to their old privileges, and whose proximity to the French frontier had already exposed them to intolerable hardships. The Castilian troops were driven from the province, and Catalonia formed itself into a republic under the protection of France. This event exerted a magical influence upon Portugal, where Richelieu's emissaries had also been active, and where the antipathy to Castile was national rather than provincial. In December 1640 a revolution was successfully accomplished in Lisbon, and the crown was assumed by a native noble, John of Braganza, in whose veins ran the blood of the ancient kings. These disasters were fatal to Olivares, to whose system of government they were not unnaturally attributed. In 1643 he was compelled to resign his post, and Philip IV. announced his intention of ruling alone.

The revolt of Catalonia and Portugal, together with the undisguised discontent shown by several of the other provinces, could not but hamper Spain in the conduct of the European War. The conquest of Roussillon in 1642 enabled the French to give effectual assistance to the Catalans, who acknowledged Louis XIII. as count of Barcelona. The successive deaths of Richelieu (1642) and Louis XIII. (1643) made no difference to the policy of France, which was directed by Mazarin under the regency of Anne of Austria. The French had now completely made up the military inferiority which had foiled their efforts at the beginning of the war. In 1643 Enghien (afterwards the great Condé) won the first of a brilliant series of victories at Rocroi, and his success was the more important because it placed the domestic authority of the regent upon a firm footing. The disasters of Spain were increased by the formidable rising of Masaniello in Naples (1647), which was carried on by the duke of Guise and was suppressed with difficulty in 1648. This was followed by the loss of the Austrian alliance through the treaty of Westphalia. As it would have been impossible for Spain to contend single-handed against the hostile coalition, the opportunity was seized to make terms with Holland. This was only achieved by consenting to great sacrifices. Not only did Spain surrender all claims to sovereignty over the northern provinces, but it also ceded to them the northern districts of Brabant, Flanders, and Limburg, with the strong fortresses of Maastricht, Her-

togenbosch (Bois-le-Duc), Bergen-op-Zoom, and Breda. The Dutch retained all their conquests in America and the Indies, and secured themselves from the rivalry of Antwerp by a clause which enjoined the permanent closing of the Scheldt. This marks the final recognition of the United Provinces as an independent state, and also the transference to the northern powers of the maritime supremacy hitherto claimed by Spain.

France and Spain were now left face to face with each other. For the next four years the disturbances of the Fronde gave the Spaniards a great opportunity, of which they were not slow to avail themselves. In the Netherlands they recovered Gravelines, Ypres, and Dunkirk, while Don John of Austria, a natural son of Philip IV., took Barcelona and reduced the Catalans to submission. But the triumph of Mazarin in 1653 enabled France once more to devote itself to the war, although at the same time it drove the great Condé into the Spanish service. The military operations now reduced themselves to a duel in the Netherlands between the rival generals Condé and Turenne. The old tactics, which were adhered to with Spanish obstinacy, were now out of date, and the once invincible infantry was almost useless against the quick movements of light-armed troops which had been introduced by Gustavus Adolphus. The struggle was finally decided by the intervention of England. Both powers had earnestly sued for the support of Cromwell. The rapid advance of the French power was a cogent reason for England to assist Spain, but the religious bigotry that still prevailed at Madrid made the alliance impossible. At last Mazarin gained over the Protector by promising to banish the Stuarts from France and to cede Dunkirk. Reinforced by 6000 Ironsides, probably the best soldiers in Europe, Turenne was irresistible. Dunkirk was reduced after an obstinate defence and handed over to the English, to the great scandal of Roman Catholic Europe. One after another the fortresses of Flanders fell into the hands of the French, and, though the death of Cromwell lost them the support of England, it was impossible for Spain to continue the war. In 1659 Mazarin and Don Luis de Haro, the successor of Olivares, met on a small island in the Bidassoa, and there arranged the treaty of the Pyrenees. Spain had again to make great sacrifices. Besides Artois and several fortresses in the Netherlands, Roussillon and Cerdagne were ceded to France, and thus the Pyrenees were fixed by law as the boundary between the two countries. Louis XIV. was to marry the infanta Maria Theresa, who was to receive a large dowry, but was to renounce all eventual claims to the Spanish crown. The only concessions made by France were the pardon of Condé, the recognition of Catalonia as a province of Spain, and the promise to give no more assistance to the Portuguese.

Now that Spain was freed from external hostilities, it seemed possible that the reduction of Portugal might be at last accomplished. But the alliance of France was speedily replaced by that of England, and Catherine of Braganza was married to Charles II. Louis XIV., too, tried to obtain from the Spanish Government an acknowledgment of his wife's claims to the succession, and failing in this he continued to send secret assistance to the Portuguese. A French general, Schomberg, defeated Don John of Austria in 1663, and two years later routed the Spanish forces at the battle of Villa Viciosa. This final disaster crushed the declining energies of Philip IV., who died on September 17, 1665. As his son Charles II. was only four years old, he bequeathed the government to his widow Maria Anna of Austria, with a special junta to advise her in the conduct of affairs. As the Spanish monarchy had declined, its

authority had been exercised by a series of chief ministers, — Lerma, Olivares, and Haro, — and this was the only way in which the unity of the executive power could now be maintained. The favour of the queen-mother raised to this position her confessor, Father Nithard, a native of Styria. He was a man of ability and experience, and set himself to cope with the most glaring evils of the state. He endeavoured to diminish the public expenditure by limiting the salaries of officials, and by putting an end to the abuses which hindered the commerce with the colonies. But he was soon called upon to face unexpected difficulties. Louis XIV. advanced a claim, on behalf of his wife, to certain territories in the Netherlands in virtue of the so-called "law of devolution." This was an old custom by which the children of the first marriage succeeded, to the exclusion of all later descendants. As Spain resisted the claim, the French invaded Flanders and overran Franche-Comté. The regent was compelled to purchase the restoration of the latter province by ceding part of Flanders to France in the treaty of Aix-la-Chapelle (1668). At the same time the independence of Portugal was finally acknowledged. These disasters increased the jealousy with which the Spanish nobles regarded the rule of a Jesuit and a foreigner. A strong opposition party was formed under the leadership of Don John of Austria, and in 1669 Nithard was compelled to resign. But among the nobles themselves there was little unity, and a difference arose as to the policy to be pursued when Louis XIV. attacked Holland in 1672. The queen-mother was naturally on the side of Austria, and her influence was sufficient to secure the adhesion of Spain to the first European coalition against France. This success she followed up by obtaining the post of chief minister for another favourite, Fernando de Valenzuela, who was appointed marquis of Villafiera and raised to the rank of a grandee of Spain. This revived the jealousy of the nobles, who again formed a league for the maintenance of their privileges under Don John of Austria. This time they were completely successful. Not only was Valenzuela banished, but Maria Anna herself was compelled to retire from the court and to take up her residence in Toledo. Don John was now all-powerful. A natural antipathy to the policy of the regent led him to draw aloof from the Austrian alliance and to attach himself to France. A marriage was concluded between Charles II. and Maria Louisa of Orleans. It was hoped that by this means better terms would be obtained from Louis XIV., but in the treaty of Nimeguen Spain had to surrender Franche-Comté and fourteen fortresses in Flanders. This treaty marks the complete loss by Spain of its position as a first-rate power. Henceforth it could only exist by the support of those states which resented the aggrandizement of France. Don John was no more successful in his domestic than in his foreign policy. His industry was as unwearying as that of Philip II. himself, and he determined to rule independently of all interested advisers. The reform from which he hoped most was a revocation of the crown domains which had passed into private hands. But the scheme met with natural opposition from the nobles, and he died in 1679 without having accomplished anything. For a year Charles II. endeavoured to rule in person with the help of the ordinary council, but the attempt only showed how the strength of the monarchy was bound up with the personal character of the ruler. "Charles V.," says Mignet, "had been both general and king; Philip II. was merely king, Philip III. and Philip IV. had not been kings; Charles II. was not even a man." From infancy Charles's health had been so defective that his death had appeared an imminent contingency, and his intellect was as feeble as his body. It was impossible for

him to exercise any effective control over the government, and he was little more than a tool in the hands of the nobles, who, under Don Luis de Haro, had recovered much of the political influence from which Olivares had excluded them. In 1680 the office of first minister was given to the greatest of Spanish magnates, the duke of Medina-Celi. It was at this time that Louis XIV. was conducting his famous *réunions*, and the weakness of Spain enabled him to annex without opposition Courtrai, Dixmude, and the great fortress of Luxemburg. Medina-Celi, disgusted with his thankless task, resigned in 1685, and his place was taken by Count Oropesa. The new minister revived the alliance with Austria, and Spain became a member of the league of Augsburg in 1686. The success of the league seemed to be almost assured by the Revolution which gave the crown of England to William III., the leader of the opposition to Louis XIV. But in spite of apparently overwhelming odds France more than held her own, and Spain was humiliated by the capture of Urgel and Barcelona. Ministers held office only at the will of court factions, and the first disaster was fatal to Oropesa. Spain continued to play a secondary part in the war, which was concluded in 1697 by the treaty of Ryswick, the first for many years in which France did not obtain any addition of territory. The chief motive for Louis XIV.'s moderation was the desire to devote his attention to the approaching question of the Spanish succession.

The decline of Spain in the 17th century is not to be measured by its territorial losses. Holland had extorted a tardy recognition of its independence; Portugal was once more a separate kingdom; Catalonia was reduced only to very doubtful submission; France had seized upon Roussillon and Cerdagne, Franche-Comté, and great part of the southern Netherlands; French influence had been established in Italy as a counterpoise to that of Spain. But the weakness of the extremities, to which these facts bear conclusive testimony, was the result of still greater weakness at the centre. The population of the peninsula, estimated at twenty millions under the Arabs and at twelve under Ferdinand and Isabella, had fallen to less than six millions in the reign of Charles II. This decrease of numbers was doubtless due in the first place to the religious bigotry which had condemned thousands of Jews and Moriscos to death or exile, but it is partly traceable to a fatal decline in the economic prosperity of the country. Agriculture, for which many parts of Spain were peculiarly fitted, had suffered from the departure of the Moriscos and from a number of other causes. The want of any law of mortmain had led to the accumulation of at least one-fourth of the land in the hands of the monasteries, the most charitable but the most careless and conservative of landlords. Thanks to their obstinate adherence to obsolete methods of cultivation, their estates produced little more than one per cent. on the outlay. The system of entail, which earlier monarchs had striven to restrict, made enormous strides in the 16th century, and most of the secular estates were inalienably concentrated in the hands of a few great nobles, who lived at Madrid and spent their revenues in lavish extravagance without any regard to the interests of their tenants. In the fertile provinces of Andalusia and Estremadura agriculture was entirely ruined by the system of sheep-farming. In the 12th century, when the country was exposed to the destructive forays of the Moors, the inhabitants had been forbidden to enclose their lands with either hedges or ditches, and successive kings had encouraged the rearing of huge flocks of sheep which could easily be driven over the open country into a place of safety. In the 16th and 17th centuries the condition

Decline of Spain in the 17th century.

of things had entirely changed, but the old regulations were jealously maintained by the company of *La Mesta*, one of the most powerful and independent corporations in Spain. This body, which derived large revenues from the sale of wool, was enabled to retain its privileges intact until the reign of Charles III. Every summer their flocks poured down the northern mountains, and the absence of enclosures made it impossible to defend the crops from their ravages. Besides making agriculture impossible, the exclusive attention to sheep-rearing led to the gradual disappearance of the old forests, and, as no one ventured to plant new trees, great parts of Castile became an arid desert. Every kind of industry suffered in the same way as agriculture. The true Spaniard despised all who earned a living by handicraft, and when the Moriscos had been banished it was impossible to obtain skilled artisans except by importing them. The Spaniards could not even cut their own timber into ships or construct fortifications for their own towns. Madrid and other cities were crowded with foreigners, who hastened to make a fortune that they might carry it back to their native land. The Government was quite as much to blame as individuals. The gold from the New World would have enabled Spain to command the markets of Europe, but the mediæval restrictions on the exportation of the precious metals were strictly enforced. The high price of commodities was attributed, not to the superfluity of the medium of exchange, but to the competition of foreign and colonial markets. It was forbidden to export one article after another, and the colonies were expected to send gold without receiving anything in exchange. A more ruinous policy could hardly be conceived; but it was supported by the merchants themselves, who refused to fill their vessels with anything but gold and silver, and left the indigo, cotton, and other commodities to the English and the Dutch. Domestic production, crippled by these restrictions, was almost destroyed by the excessive taxation rendered necessary by the ambitious schemes of Philip II. and his descendants. It is notorious that Austria could never have carried on the Thirty Years' War so long but for the supplies received from Spain. Spain, in fact, was the great subsidizing power in the 17th century, as England was in the 18th. The enormous expenditure thus necessitated was wrung from the classes least able to pay it, as the Government was not strong enough to attack the exemption of the nobles and clergy. The *alcavala*, the tax on sales which Ximenes had abolished, was restored under Philip II., and in the 17th century reached the enormous amount of 14 per cent. The traders naturally sought to evade a tax which it was impossible to pay. But this only increased the vigilance of the revenue officers, who endeavoured to collect the tax at every opportunity, on the raw material, on the manufactured product, and again every time that it changed hands. Taxation in Spain was a caricature of Alva's system in the Netherlands, and was even more ruinous than that had been. Foreign nations reaped all the advantages which the short-sighted policy of the Spaniards threw away. It has been calculated that five-sixths of the manufactured commodities consumed in Spain were provided by foreigners, and that they carried on nine-tenths of the commerce with the Spanish colonies. By law all foreign trade with the colonies was prohibited, but the decline of native industry made it impossible to enforce the laws, and the Spanish Government had to connive at a contraband trade of which other countries gained all the profit. The policy of the earlier kings had made the colonies dependent upon European products, and when Spain could no longer supply them they had to be obtained elsewhere. Circumstances in the latter half of

the 17th century allied Spain with England and Holland against France, and the English and Dutch founded their commercial supremacy upon the trade which Spain threw into their hands. The country which had sent a hundred vessels to Lepanto, and which in 1588 had despatched the great Armada against England, was reduced under Charles II. to borrowing Genoese vessels to maintain its connexion with the New World. The army, which had once been the terror of Europe, had sunk at this time to an effective force of little more than 20,000 men. In literature and art the decadence of Spain was equally conspicuous and complete. The religious unity of the country was preserved, but all touch with the intellectual advance of Europe was deliberately sacrificed.

In spite of its loss of power and prestige, the crown of Spain was still regarded as a prize well worth winning. Ever since Charles II.'s accession the Spanish succession had been a prominent question for European diplomacy, and from 1697 it became the pivot on which international relations turned. Charles II.'s first wife, Maria Louisa of Orleans, had died childless in 1689, and his second marriage to Maria Anna of Neuburg was equally unfruitful. The male line of the Spanish Hapsburgs was evidently on the verge of extinction, and by law and tradition the crown would pass to the nearest female or her heir. But the question was complicated in many ways. Of Charles II.'s two sisters, the elder, Maria Theresa, had married Louis XIV., and had renounced her claims, but her husband had always protested against the renunciation, and the non-payment of the stipulated dowry gave him an argument for its nullity. The younger, Margaret Theresa, had married the emperor Leopold I., and had made no renunciation; but she had since died, leaving an only daughter, Maria, who married the elector of Bavaria. Going a generation back, the two sisters of Philip IV. had also married into the houses of Bourbon and Hapsburg. Anne of Austria, whose renunciation of the Spanish crown was undisputed, was the mother of Louis XIV., while Maria Anna was the mother of Leopold I. Ever since the division of the house of Hapsburg into two branches it had been agreed by a family compact that if either became extinct the other should succeed to its territories. Leopold I. was extremely anxious to restore the unity of the family by securing the observance of this compact, and he had a great advantage in the fact that Charles II.'s mother was his own sister, and Charles's second wife was his sister-in-law. The will of Philip IV. had arranged that, after Charles II. and his descendants, the crown should pass, first to Margaret Theresa and her children, and secondly to Leopold and his children. It was a great disappointment to Leopold that his first wife left him only a daughter, but he tried to secure the claims of his family by extorting from her on her marriage a renunciation of her rights to the crown of Spain. This renunciation the Spanish Government had never recognized, and the queen-mother, whose adherence to the Hapsburg interests was overcome by her feelings for her own family, induced Charles II. to make a will in 1696 in which he named Joseph Ferdinand, the infant electoral prince of Bavaria, as his heir. But the queen-mother's death withdrew the dominant influence at the court of Madrid and enabled the Austrian envoy, Count Harrach, with the help of the queen, to procure the revocation of this will. The succession now became the subject of party quarrels and intrigues, in which the rival envoys of Austria and France took a prominent part. The aim of Leopold I. was to obtain the succession of his second son, the archduke Charles, while Louis XIV. hoped to procure the Spanish crown, if not for his son, at least for one of his grandsons. The office of first minister

in Spain had not been filled up since the fall of Oropesa, and the most influential man in the kingdom was Cardinal Portocarrero, archbishop of Toledo. He was a bitter opponent of the queen, who was extremely unpopular, and all his efforts were directed to thwart the schemes of Austria. To depress the cardinal, Maria Anna induced Charles II. to recall Oropesa, but the latter declined to return to the Austrian alliance which he had previously championed, and espoused the cause of the electoral prince. There was no semblance at this time of a French party in Madrid, but Louis XIV. availed himself of the cessation of hostilities to send thither an able diplomatist, Count Harcourt, who speedily contrived to exercise considerable influence over the course of events.

Too many European interests were involved in the succession to allow it to be settled as a mere question of domestic politics. The idea of the balance of power dominated European diplomacy at this time, and William III. of England was its avowed and recognized champion. England and Holland, the two countries with which William was connected, were vitally interested in the Spanish trade. The accession of a French prince in Spain would almost inevitably transfer to France all the advantages which they at present enjoyed. It was obvious that William III. must have a voice in the settlement of this succession, and Louis XIV., who had no desire for a new European war, was willing to recognize this. The negotiations between England and France resulted in the first treaty of partition (October 11, 1698). The electoral prince was to receive the bulk of the Spanish empire, viz., Spain itself, the Netherlands, Sardinia, and the colonies; the dauphin was to have Naples, Sicily, Finale, and Guipuzcoa; while Lombardy was to go to the archduke Charles. This treaty had one fatal defect—that it was based solely on the interests of the contracting powers and took no account of the wishes of the Spaniards, who resented any proposal for the division of the empire. The first hint of the treaty irritated Charles II. into making a second will in November in favour of the electoral prince, and all parties in Spain agreed in its approval. But within three months both treaty and will were rendered null by the sudden death of the infant prince (February 1699), and the question, thus reopened, became more thorny than ever, as the choice now lay definitely between Austria and France. It seemed almost impossible to prevent the outbreak of a general war, but William III. patiently reunited the broken threads of his diplomacy, and arranged with France a second treaty of partition. The Spanish monarchy was to be divided into two parts. The larger, consisting of Spain, the Netherlands, Sardinia, and the colonies, was to go to the archduke Charles. The dauphin was to receive the share stipulated in the former treaty, with the material addition of Lorraine. The duke of Lorraine was to be compensated with the Milanese. This treaty, unlike the first, was communicated to Austria; but the emperor, who was now confident of securing the whole inheritance, refused to accept it.

Meanwhile the death of the electoral prince had destroyed the temporary unanimity at Madrid. Portocarrero and his partisans were gained over to the side of France by Harcourt. Oropesa fell back upon a scheme of his own for uniting the whole Peninsula under the king of Portugal. The queen returned to her old allegiance to her brother-in-law, and formed a close alliance with Harrach for the advancement of the interests of the archduke Charles. A popular rising overthrew Oropesa and enabled Portocarrero to regain his ascendancy. At this juncture came the news of the second partition treaty, which again irritated the tender susceptibility of the

Spaniards. The Austrian party hoped to utilize the popular feeling against Louis XIV. as a party to the hated treaty. But Harcourt adroitly contrived to suggest that the best way of annulling the partition project was to enlist Louis's own interests against it. The view steadily gained ground that the house of Bourbon was the only power strong enough to secure the unity of the Spanish empire. Portocarrero succeeded in inducing Pope Innocent XII. to support the French claim. Charles II., feeble to the last, succumbed to this combination of influences, and signed a testament bequeathing the succession to Philip of Anjou, the second grandson of Louis XIV., on condition that he would renounce all claims to the crown of France (October 3, 1700). Thus his last act was to disinherit his own family in favour of the enemy with whom he had been at war almost all his reign. He died on the 1st of November 1700.

Everything now depended upon the decision of Louis XIV. The treaty of partition offered substantial advantages to France; Charles II.'s will would exalt the house of Bourbon above every other family in Europe. His hesitation, whether real or feigned, did not last long. On November 16 he introduced his grandson to the French court as Philip V. of Spain. The dynastic ambition of the king was also based upon sound policy. In the face of Spanish opinion and of the emperor's refusal it was impossible to carry out the partition treaty. And for the moment it appeared that the accession of a Bourbon prince would be secured without difficulty. Philip V. was proclaimed in all parts of the Spanish monarchy amid popular acclamations. Leopold I. protested and prepared to attack Lombardy, but he could not hope to obtain the whole succession for his son without the assistance of the maritime powers. William III., who saw the aims of his life threatened with ruin, was eager for war, but his subjects, both in England and Holland, were resolute to maintain peace. In these circumstances Louis XIV. played into the hands of his enemies. He expelled the Dutch garrisons from the fortresses of the Netherlands which they had occupied since the treaty of Ryswick, and replaced them by French troops. He showed a cynical intention to regard Spain as a province of France, and he took measures to secure for the French the commercial advantages hitherto enjoyed by England and Holland. William III. was thus enabled to conclude the Grand Alliance (September 7, 1701), by which the contracting powers undertook to obtain the Netherlands and the Italian provinces of Spain for the archduke Charles and to preserve the mercantile monopoly of the English and Dutch. A few days afterwards James II. died at St. Germain, and Louis XIV. was injudicious enough to acknowledge his son as king of England. This insult exasperated public opinion in that country; the Tory parliament was dissolved; and the last obstacle to William's warlike policy was swept away. William himself died in March 1702, but he left the continuance of his policy to the able hands of Marlborough and Heinsius. The war which the emperor had commenced single-handed in 1701 became general in the next year.

It is needless to follow the military operations of the War of the Spanish Succession, which have been rendered famous by the exploits of Eugene and Marlborough. The chief scenes of hostilities were the Netherlands, Germany, and Italy, in each of which the French suffered fatal and humiliating reverses. At first the peninsula of Spain was not directly concerned in the war. The Grand Alliance did not aim at excluding Philip from the Spanish monarchy as a whole, but only from those parts which the maritime powers wished to preserve from French influence. But in 1703 Pedro II. of Portugal deserted the cause of