THE ORIGINS OF THE MODERN GLOBAL-URBAN DYNAMIC

Seventeenth Century Amsterdam and Emergence of the Global Economy

Tymon Buesink
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Literature
INTRODUCTION

In recent decades, a literature has emerged around the growing awareness that in the post-World War Two period, a new phase in the development of the global economy has crystallized. Part of the wider cultural, social, political and technological process often referred to as globalisation, these restructurings encompass the increased integration and interdependence of economies. Rather than dissolving differences, this process has been accompanied by a new regionalism. Increasingly, the global economy is organised around a series of nodes, rather than national economies. This network economy defies the political system of nation states that had dominated social and economic interaction between people for centuries. According to Manuel Castells for example, we are witnessing the emergence of the network society, in which social and cultural boundaries are being reconstructed. Although the state remains an important factor, its function is changing from that of a sovereign subject to that of a strategic actor.¹ In the international system today, the state is competing for power with a variety of other actors, within a network structure mediating a dialectic between the new global order and grassroots movements resisting it. The new global order itself is localised in and controlled from a limited number of sites, as Saskia Sassen has argued. According to Sassen, certain key cities, especially New York, London and Tokyo, have become the command and control centres of the flows of investment and finance that are reconfiguring the global economy².

Literature on this subject mostly emphasises the newness of these developments, as they are closely connected to recent technological and commercial innovations. However, whereas the term globalisation usually refers to recent restructurings, the global economy itself is not new. The structure we see today, even if it is changing rapidly, is the result of a long process that can be traced back through the colonial period to the European age of discovery. While new in many ways, the recent wave of globalisation is also grounded in this history. To some extent, the recent developments can be conceived as a reshuffling of the existing basic characteristics of the global economy. In this thesis, we will explore the historic roots of the network economy. The basic assumption is the following: the global economy is the space that capitalist accumulation produces at the

² Sassen, The Global City.
most comprehensive level. This does not mean that all sub-global spaces are homogenously constructed, or that the totality of space is subjected to this spatial logic. Unlike state-space, the space of accumulation does not strive to produce homogeneity within clearly defined boundaries. Its aim is rather to optimize the input of differentiated locations as it seeks to integrate new locations which harbour specialized qualities or resources. In addition, accumulation does not take place (solely) by diffusion but tends to concentrate at certain locations. The assumption is that this mechanism is inherent to the global economy, though its relation to other forms social organization, such as the territorial state, may vary over time. The recent globalization process can be seen as a restructuring of this relation.

The subject of this thesis is the relation between the position of Amsterdam during the Dutch golden age of the seventeenth century and the emergence of the global economy. Throughout the following chapters, I will argue that, because the global economy is the space of capitalist accumulation, parallels can be drawn between contemporary command and control centers of the global economy and those in the seventeenth century. In other words, Amsterdam can be seen as an early expression of the global city phenomena. There are several reasons why this case in particular is interesting. In the seventeenth century, the global economy was still in formation. While it is generally seen as a period of recession in Europe, the Netherlands – and in the first place Amsterdam – saw a period of extraordinary accumulation of wealth. In 1670, Roger Coke wrote a treatise on the decline of the English and the rise of the Dutch, in which he tried to explain the differences. He concluded that the Dutch managed trade better as a result of a number of advantages, among others lower customs fees, less corruption and higher levels of education. His message is optimistic: if the English adopt the strategies of the Dutch, they will surely surpass them once again, for “England is capable of greater Wealth, and strength than the United Netherlands (or perhaps any Country else) and (...) from those natural prerogatives wherewith God hath endued it, the Nation may manage a greater, better, and more valuable Trade upon much less terms than the Dutch can a less, worse, and less valuable Trade”⁴. The economic success of the Dutch has since long been debated in terms of its significance in the history of Europe. In the world-systems literature for example, the period is often placed in a succession of cycles of world dominance. Modelski, for example, identified five long cycles of world

⁴ Coke, *A Discourse on Trade*. 
domination since 1500, first Portugal, second the Netherlands, third and fourth Britain, and finally the U.S. in the twentieth century⁴. For Wallerstein, the case of the Republic was an incomplete version of industrial capitalism. He, and others such as Barbour and Hobsbawm, see the accomplishments of the Republic in a negative light, as they try to explain why the industrial did not take place at this stage in history. I agree with the critique of De Vries and Van der Wouden⁵ that these authors make the mistake of too easily equating socio-political modernism with economic-technological industrialism. To understand the position of the Republic in the history of European economic development, it is not sufficient to compare the externally visible aspect of 19th and 20th century industrial capitalism. We have to look at the ‘genetic’ codes already in existence in the Republic that would later make the industrial revolution possible. Doing so also makes it possible to avoid the obvious difficulties that would arise from simply comparing seventeenth century Amsterdam to, say, contemporary New York. The focus will be on underlying formative developments rather than the outcome of these developments on the surface.

Historically, probably few cases seem at first sight as appropriate to investigate as seventeenth century Amsterdam. In a relatively short period, it grew from a small and insignificant village on the river Amstel into one of the great urban centres of Europe. Simultaneously a new state emerged around it, the Republic of Seven United Provinces, to which it had an ambivalent relation. On the one hand, it needed protection from its military apparatus, but on the other it could do without it meddling in its economic and political affairs. For all the historic differences, the parallel with the ambivalence between the city and the state is intriguing. In some ways, it seems that the city and the state have come full circle in their dialectic power struggle. This may seem a flagrant anachronism, as too many factors could hardly be more different when the two periods are compared. Nevertheless, if it is possible to see the history of the relation between the state, the city and the world economy in a different perspective, less dependent on the notion of the state system as inevitable, then perhaps it will become a little bit easier to see the future in the same way. The focus here is on the Dutch Republic and Amsterdam, and the question whether the conclusions can be extended to other countries or cities

⁴ Taylor and Flint, Political Geography.
⁵ De Vries and Van der Wouden, Nederland 1500-1815, English translation: De Vries and Van der Wouden, The First Modern Economy.
will only be addressed in the most general terms. A comparative study concerning other major centres of the time (Venice, Antwerp, London, to name but a few) might lead to similar outcomes on some counts, and on different ones on other. However, this is not an exhaustive case-study. Although examples will be used to illustrate the arguments made, those looking for a more complete historic account on the history of Amsterdam or the Republic in the seventeenth century can be referred to other more comprehensive works. What inspired this thesis is not so much a wish to recount the full spectrum of circumstances of seventeenth century Amsterdam, but rather its development in what appears to be a transition phase towards the emergence of the global economy.

The thesis consists of three chapters, each dedicated to one of three dimensions of the analysis: the space of accumulation (with the global economy as its most general expression), the state, and the urban environment. In the first chapter, we will look at how the global economy was produced as the spatial expression of the logic of accumulation. The focus will be on the dialectic between the urban and the global. In the space of accumulation, cities function as nodes in networks, channelling flows of people, capital and goods. However, this is not a purely economic concept. To explain why how the spatial logic that emerged from the European town could expand to encompass, as it does today, the entire world, we will look at some of the cultural aspects of the early modern world. This chapter will end with a description of the economic context of Amsterdam in the late sixteenth and early seventeenth century. The second chapter deals with the issues of governance and sovereignty in the space of accumulation. The period under consideration here appears as the mirror image of today’s Europe. While today, the sovereignty of the nation-state is beginning to show signs of disintegration, in the seventeenth century, it was still in its infancy, competing with other forms of political sovereignty. The Dutch case has particular characteristics that make it interesting here: it was a loosely organised federation, balancing between military and economic interests. In Amsterdam especially, economic interests (which fed directly off the expanding global economy) determined to a large degree political action. In the third

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6 See the literature used in this thesis. There is a vast literature, especially on the Republic, dealing with all aspects of the economy, culture and society in the Golden Age. On the Republic, see for example Israel, *Dutch Primacy*; Price, *Dutch society*; Schama *The Embarrassment of Riches*; Davids and Lucasse, *A Miracle Mirrored*; De Vries and Van der Wouden, *The first Modern Economy*; on Amsterdam, see for example Frijhoff and Prak, *Geschiedenis van Amsterdam*; Brugmans, *Geschiedenis van Amsterdam*. 
chapter, we will explore the internal structure of the city. To perform its function in the
global economy effectively, a city can be expected to develop those characteristics that
supports its functions as a node.

From the combination of these three dimensions, an image will arise of a city going
through a process of transformation from a small peripheral town to a leading centre at
a time when a social space on the global level was being formed. Amsterdam played an
important role in the creation of this global level, while the latter shaped the city. The
present thesis tries to explore this dialectical dynamic, which can still be discerned today
– though it looks quite different – in the interaction between urban centres and the
global economy. This dynamic, which was still in its infancy in the seventeenth century,
would become one of the key formative processes of the geography of the modern world.
1 – THE GEOGRAPHY OF CAPITALIST ACCUMULATION

1.1 Global Cities: Past and Present

In the very first sentence of *The Global City*, Sassen states that “[f]or centuries, the world economy has shaped the life of cities”. Her study of the relation between the global and the urban, however, is focused on the transformations in the latter decades of the 20th century. Within a body of literature that deals with the questions of economic globalisation, *The Global City* is one of the most detailed accounts of how the top tier cities function under conditions of late-20th century capitalism. In Sassen’s analysis, transformations in the function and structure of certain cities, most notably New York, London and Tokyo, point to the emergence of a new phase in the development of the global economy. These cities are transformed into a new type of city, which she calls global cities. The rapid expansion of the financial industry has changed the world economy in a way that requires new arrangements in the control of capital flows. The increased complexity of the world economy is managed by specialised firms producing financial services, both internal to companies as, increasingly, external as independent service producers. Despite the growing weight of the virtual economy, and the ‘death of distance’ due to innovations in communication technology, concentration remains a vital economic factor. In global cities, economic complexes have emerged that perform command and control functions for the globalisation of production and especially finance. The focus on the latter is the key to Sassen’s claim that in the 1980’s a new phase of globalisation emerged. While in 1983, Dunning could maintain that the last decades of the 19th century saw “the infancy and adolescence of the type of activity which mainly dominates today, that is, the setting up of foreign branches by enterprises already operating in their home countries”7, Sassen identifies a shift from predominance of direct investment to a situation where the financial industry dominates. This process is not without consequence, as global cities are characterised by a growing social and economic polarisation. The growth industries in these cities are based on global markets for capital and services and not so much on expanding production, as in earlier phases. The international dimensions of this complex create a crisis of sovereignty for the nation-state. In the past, the state apparatus has promoted an ideology of economic globalisation and in a sense, this ideology has its roots in a system of mutually exclusive

territorial states. Today however, the state is losing the capability to make and implement economic legislation and as a result, questions about the political accountability of the state emerge. This is in a nutshell the complex problematic of the global city, in the analysis by Sassen. Her concern is about certain restructurings in the development of capitalism, as played out in major cities.

The issue of global networks of cities has been at the centre of a body of literature since Friedmann and Wolff wrote on world cities as nodes in the world economy. From the way in which Sassen partly builds on and partly departs from this literature, we can identify the spatial dimensions. There are three layers of spatiality that are of interest here: the global, the national, and the metropolitan. The first consists of global economic networks of interconnections between (global) cities. In these networks cities compete with each other for access to capital flows, but Sassen also sees a division of labour, even in the top tier of global cities (New York, London and Tokyo). This first spatial layer is mostly based on the world cities idea. Second, global cities are embedded in a territorial nation-state, that in principle determines the legal policy framework of the city. In the latest phase of globalisation however, the sovereignty of the state has eroded as a result of the growing power of supra-national finance and institutions. This is in the first place a political level, but it also encompasses the national economy, the borders of which have become increasingly permeable. A third spatial layer, the metropolitan level, looks at global cities as specific geographical sites, instead of treating them as mere nodes in networks. It is here that Sassen departs most clearly from world cities literature and provides us with a more thoroughly spatial notion of what a global city is and how it functions. Although in *The Global City* the emphasis remains mostly on influences of the global economy on the city, she devotes considerable attention to the role of concentration in the constitution of the economy. The mechanisms of agglomeration advantage are the driving force behind the emergence of localised industrial complexes of services and finance. In this way, Sassen made clear that the restructurings in the global economy she traces occur not only in space, but in the context of a specific spatiality, the urban environment. In later works, such as *Globalization and its discontents* (1998), and *Territory, Authority, Rights* (2006), she

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8 Sassen, *Losing Control?*


10 Sassen, *Losing Control?*
explored further the particular nature of the relationship between the global economy and its key cities, primarily focussing on questions of governance, social inequality and the distribution of rights. In the present thesis, the question of governance is one that will be explored in the second chapter. Here, I will limit myself mostly to basic concept of the global city as put forward by Sassen in *The Global City*. The arguments made here are mostly similar so those forwarded by Sassen, while attempting to historicize them to a certain degree.

Sassen maintains that the global city is recent phenomena, that “a new type of city has appeared”, as the result of a rather rapid development that started after the Second World War, but gained real momentum in the 1980’s. The deeper historic roots of these transformations receive little attention in *The Global City*. In the first chapter she does sketch a broader historical referential framework when she refers to Max Weber’s analysis of the medieval cities part of the Hanseatic League. The second point of reference is Daniel Bell’s notion of the post-industrial society. Sassen maintains that we have to go beyond both to understand today’s global cities. These broad strokes demarcate the historical framework in which Sassen operates, divided into broad phases of development of the capitalist economy. The cities in Weber’s analysis functioned as traditional central market places in an economy which featured trade that was essentially added onto largely self-sufficient local economies. The subsequent phase was one of mass production of consumption products, in which cities were both industrial centres as concentrations of direct investment funds. This phase ends with the emergence of Bell’s post-industrial society, as cities face a decrease of fordist industrial production and an increase of services. By loosely using the here outlined referential framework Sassen implies that cities played an important role in the early development of the global economy without developing the argument in detail.

Although in the global cities literature the historicity of the phenomenon is acknowledged, this history is explored mostly to the extent that those processes causing the emergence of the global city are placed in a wider historic context. How the dialectic between the global economy and cities took place in specific cases in the past is a largely unexplored territory. In the following sections we will try to suggest how the introduction of the space of accumulation concept can provide us with a concept of how this dialectic took place in the past.
1.2 The Emergence of the Global Economy

The assertion by Sassen that the global city is a new phenomenon holds true if one uses a narrow definition of the concept. This implies that the global economy has entered a new period as well, that we see today a global economy that is as new as the global city is. If we are to understand the history of the global city then, we need to understand the history of the global economy. In this section, we will trace the emergence of the global economy as a single system, spanning the entire world. In doing so, I will follow the historians Braudel and Wallerstein in arguing that such a system in fact exists. One of the dangers of tracing the history of capitalism is reducing it to an abstract superstructure imposed upon pre-existing ‘traditional’ economies. Braudel, who perhaps comes closest to achieving an integrated vision of the development of early capitalism and the modern world, solved this problem by filling his work up with a flood of details. He avoids reducing capitalism to an abstraction by grounding it in what he calls ‘material life’: demography, food, housing, technology, money, cities – the basics of human existence\(^{11}\). From there on, Braudel reconstructs the edifice of the world economy. Braudel’s analytical schema – material life/ market economy/ capitalist economy – is aimed at uncovering the institutions of the modern economy. The central argument he is making, is that capitalism has never fully saturated western society, and does not do so today. Braudel reserves the term ‘capitalist’ for the world of the large corporations, that operate at the highest economic levels. What he calls the market economy consists of smaller companies, that according to Braudel can hardly be called capitalist:

\[
\text{There is a sort of lower layer in the economy – it may be small or large, and we may call it what we like, but it exists and it is made up of independent units. So we should not be too quick to assume that capitalism embraces the whole of western society, that it accounts for every stitch in the social fabric.}^{12}
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For this reason, there can be no such thing as ‘capitalist society’, just as there never was a ‘feudal society’ in the Middle Ages. Capitalism relates to society as a whole as a ‘set among sets’, within a larger ‘set’.\(^{13}\) The capitalist economy is one aspect of western society, making its entrance somewhere in the course of the twelfth or thirteenth

\(^{11}\) Braudel, *Civilization and Capitalism, Vol.1*.

\(^{12}\) Braudel, *Civilization and Capitalism, Vol. 3*, 630.

\(^{13}\) Braudel, *Civilization and Capitalism, Vol. 2*, 464.
century. Capitalism, for Braudel, is the economic sphere that operates with the most freedom. The lower market economy relies on direct contact between actors, and simple supply lines, and thus is bound to its locality to a large degree. The characteristic of the capitalist enterprise on the other hand, is that it can move its interest around, investing where it sees fit – of course constrained by many political, economic, or even cultural factors. Braudel’s approach to capitalism, introducing it, in his own words, as “an essential model, applicable to several centuries”\textsuperscript{14} (cursive in original), has its limitations to the present thesis. What we are looking for is not so much the stable characteristics of capitalism, but rather its capability to expand and transform in urban settings. With regard to cities, Braudel does give us some foothold as he locates the emergence of capitalism in the European towns. The strength of the latter vis-à-vis the state is the very reason that capitalism emerged in Europe, and not elsewhere: “only the West swung completely over in favour of its towns. The towns caused the West to advance”\textsuperscript{15}. In fact, “capitalism and towns were basically the same thing in the West”\textsuperscript{16}. In the course of the seventeenth and eighteenth centuries, the state took over the role of the city as the driver of capitalism. At the same time, cities grew tremendously in size. The relation between the city and the state will be explored more closely in the next chapter. Here it will suffice to say that the city and the state strengthened each other, and that neither can be said to embody the sole cause for the emergence of the global economy.

To the emergence of the global economy as a single system, a whole literature has been dedicated, beginning with Wallerstein’s \textit{The Modern World-System}.\textsuperscript{17} Wallerstein sees the world-system as a social system. He characterises social systems as entities that are “largely self-contained” and of which “the dynamics of its development are largely internal”\textsuperscript{18}. From this definition follows that

\begin{quote}
the only real social systems are, on the one hand, those relatively small, highly autonomous subsistence economies not part of some regular tribute-demanding system, and, on the other hand, world-systems. (...) It is further argued that thus far there have only existed two varieties of such world-systems: world-empires, in which there is a single
\end{quote}


\textsuperscript{15} Braudel, \textit{Civilization and Capitalism}, Vol. 1, 525.

\textsuperscript{16} ibid., 514.

\textsuperscript{17} Wallerstein, \textit{The Modern World-System}.

\textsuperscript{18}ibid, vol.1, 347.
political system over most of the area, however attenuated the degree of its effective control; and those systems in which such a political system does not exist over all, or virtually all, of the space.¹⁹

The particularity of the modern world-economy lies in the fact that for the first time, a world-economy persisted, and was not converted into a world-empire or disintegrated, as had earlier world-economies. For Wallerstein, two processes are central to the explanation of this phenomena. First, a world-wide division of labour emerged dividing the entire economic sphere of the world-economy into core, semi-peripheral, and peripheral regions. The wealth and power of the core regions, the northern Netherlands and England, could only be sustained by drawing resources from other regions. The second process was the emergence of the state-system as the premier framework of political action. This prevented the world-system from turning into an empire, while providing the different economic actors with a framework within which they could effectively protect their interests.

For both Braudel and Wallerstein, the emergence of the nation state is at the core of capitalist development. City based economies might have been the cradle of capitalism, but they soon became a thing of the past. However, this focus on the nation-state to some extent undervalues the urban dynamic that also lies at the heart of capitalist development. For Wallerstein, the “underlying thrust of the world-economy” relates to the economic reality of localities in terms of the degree to which capitalist institutions are embedded in each particular locality through the lens of the national economy. However, the European world-economy, as it progressively transformed into the global economy, was driven by localities within states, that at the same time were part of structures beyond the state, as Braudel suggests in the third volume of Civilization and Capitalism. These localities can be cities, but also production sites or food stocks. The ‘thrust’ of the world-economy was felt in these localities in the first moment of its operational mode, and was transferred to the state in a secondary moment. The core localities were connected with each other throughout the world-economy. Of course, such patterns are to some extent a continuation of pre-existing patterns – there has always been trade between important centres. However, with the rise of capitalism, these patterns were transformed, and endowed with new characteristics that allowed it to

¹⁹ ibid., 348.
expand into what we know today as the global economy. This is not meant to suggest that the state and the national economy should be ignored. The difference with Wallerstein or Braudel is mostly one of emphasis. In this thesis, the emphasis is on the networks through which accumulation flows. State borders and the borders of national economies are in this interpretation one of the obstacles posed to the free flow of capital, information, and labour. Even so, questions such as how the state gained predominance over the city, or how the state mediates between the city and the world-economy, are important, and will be addressed in the next chapter.

In addition, it is important to realize that, as Abu-Lughod argued, that authors such as Braudel and Wallerstein operate to some extent from a Euro-centric perspective – as if the emergence of a world system dominated by Europe was the inevitable outcome of history. Their analysis thus serves “to rationalize why this supremacy had to be” (italics in original). Abu-Lughod shows how a world-system incorporating most of Eurasia and northern Africa existed in the thirteenth century. At that time, there was no indication that any of the several subsystems would rise to dominance. The difference between thirteenth century and sixteenth century Europe, according to Abu-Lughod, lies not in any structural advantage in terms of the development of capitalism compared to other regions. Rather, she argues that “the context – geographic, political, and demographic – in which development occurred was far more significant and determining than any internal psychological or institutional factors. Europe pulled ahead because the ‘Orient’ was temporarily in disarray”. Any account of European superiority triumphing on its own merit is therefore a myth: “of crucial importance is the fact that the ‘Fall of the East’ preceded the ‘Rise of the West’, and it was this devolution of the pre-existing system that facilitated Europe’s easy conquest.” However, this does not keep Abu-Lughod from stating that the Europeans did bring something new to the world-system: “it was the new European approach to trade-cum-plunder that caused a basic transformation in the world-system that had developed and persisted over some five centuries.” So, what gave Europe the edge that would allow it to control the world-system, which had until then been without a true centre, was not so much its internal

20 Abu-Lughod, Before European Hegemony, 12.
21 ibid., 18.
22 ibid., 361.
23 ibid., 361.
structure as the strategies it employed. What exactly this strategy is and how it came into existence, are questions that Abu-Lughod doesn’t answer. In the next section, we will explore these questions more closely.

1.3 The Geography of Accumulation

In this section, we will look at the geography of accumulation and how it is produced, with special attention paid to the position of cities. Accumulation does not necessarily mean capital accumulation in the traditional sense. The definition of capital can be broadened by incorporating all forms of capital goods – all goods employed in pursuit of economic success. This includes, for example, knowledge encoded in the form of maps or writing, or advanced technologies. What is perhaps more important than the question what is accumulated, is the nature of accumulation itself. In the West, capitalism as an economic mode of production has become associated with the accumulation of capital. The capitalist mode of production cannot exist without accumulation at the heart of its operational logic. The overall argument being made here is that accumulation also has a particular spatial logic, for which the movement of capital, information, goods, and people is essential as its aim is to optimise the process of accumulation. Such a logic produces a space of flows and networks in which these movements take place. Within networks, certain sites function as mediators and gain a level of control over the networks. As a result, accumulation is concentrated at certain sites that have the capacity to control flows. This spatial logic does not constitute the entirety of space, but rather coexists alongside other spatial forms. Two questions emerge: first, what constitutes the spatial existence of capitalism, and second, how does it relate to other (pre-existing or simultaneously emerging) spatial forms. Henri Lefebvre’s The Production of Space deals specifically with the way in which the capitalist mode of production produces its own space, that is distinct from the space produced by the feudal mode of production that preceded it. For Lefebvre, every mode of production produces its own social space. The space of society is in a sense composed of layers of sediment that impact on and blend in with each other, and consequently “the form of social space is encounter, assembly, simultaneity”. These characteristics set social space apart from the space of nature: “natural space juxtaposes – and thus disperses. (…) By contrast, social space implies actual or potential assembly at a single point, or around that point”.

24 Mukerji, From Graven Images.

although social space cannot be completely separated from natural space, for it is always grounded in nature. All social space can theoretically be traced back to a first inscription of social action into natural space. This does not mean that social action precedes social space—any social action is necessarily and inherently spatial. The transformation of Western European society, which has been described more conventionally as a chain of events connected through time, was for Lebevbre a transformation of the spatial production of society. For Lefebvre, social space is not merely the receptor of history—change over time unfolds in space, but it might as well be said that we simply experience spatial practice as the continuous progression of time. This means that as a analytical category, time has no greater explanatory potential than space. The emergence of modernity and capitalism can only be understood in their spatial realities, for outside of space they have no meaning.

In the High Middle Ages, a shift occurred in Western Europe from a non-accumulative to an accumulative society, a process for which many causes have been proposed, none of which, according to Lefebvre, are sufficient. He suggests that the solution can be found in the emergence in the twelfth century of a space of accumulation. This process is directly linked to the renaissance, and spread across Europe from the space where it originally emerged: Italy, northern France, Holland, and England. What was produced was a secularised space, which was able to establish itself alongside the main representational space of the Middle Ages, which was dominated by Christian symbolism. Associated with a religion that was centred around the codification of death, this latter space was dominated by underground spaces: church crypts. Visually, a break from this pattern was achieved by the gothic cathedrals, which seemed to rise from the earth and featured rich ornamentation unseen before. It was a symbolical movement from dark into light. According to Lefebvre, this was not merely an architectural development, but part of a “decrypting of the space that went before”. 26 A new mental and social space emerged, while at the same time the old space was cleared. This process did not occur as a transformation in the overarching abstract structure, but should be defined as a change in the forms of spatial practice, representations of space, and representational spaces. The example of the cathedrals points to a change in representational space, but to try to position this in a chain of cause and effect, or to ask which of the three aspects of the triad contains the source of the process, would be beside

26 ibid., 260.
the point. It would be to deny the dialectical relationship (or trialectics as Soja aptly called it) between the three aspects of the triad. The existence of social space is not so much the result of this relationship, as the latter is inherent in the reality of social space. The new space that thus emerged “would become the recipient of first accumulation of knowledge, then accumulation of riches. It’s source, to locate it precisely, was less the medieval town envisaged as a community ofburghers than that town’s marketplace and market hall”.27 The spatial logic that emerged thus favoured certain patterns: “this was essentially a space of communications and exchange, and therefore of networks”.28 What was created, was the geography of accumulation: a new spatial logic producing certain patterns and textures in space. This does not mean that the old space was completely erased, as Christian symbolism continued to exist, and the shift from a feudal to a capitalist economy should not be seen as a clean break. Nevertheless, the geography of accumulation is directly associated with the capitalist mode of production, and differs from the geography associated with the feudal economy in three major ways. First, although feudalism also featured trade networks, these consisted by and large of self-subsistinent cities. Trade was thus not key to the local economy. In a space of accumulation, trade flows are the essential operational mode of the economy. Networks connect specialised production sites and the production process is monitored and controlled from privileged locations (usually cities) within the networks. Second, the feudal economy was dominated by an hierarchical political system that to some extent determined the position of cities within the system. Thus, cities were granted certain privileges such as the right to organise markets. In a space of accumulation, the locations that control networks gain power and are able to challenge the established hierarchical system. The power concentrated at these locations is not primarily based on the control over a territory. In principle, the geography of accumulation is politically non-hierarchical. In practice however, new hierarchies emerge as a result of the need for concentration of control to operate networks of increasing complexity. Third, while feudal space was aimed at the conservation of the existing structure, the space of accumulation constantly seeks new sources to fuel accumulation.

The above leaves two important questions unanswered: why did accumulation expand to encapsulate the entire world, and how did this confer on upon the European powers a

27 ibid., 264.
28 ibid., 266.
position of dominance. To answer these questions, it is not sufficient to focus only on the shift from a feudal to a capitalist economy, for the emergence of the global economy is not a development of the economy alone. It is part of a broader process within European society that is the shift from the middle ages to modernity. The emergence of capitalism is a process that is closely linked to other transformations in European society in the same period. The same is true for any period of social change. Thematic analysis of change (i.e. economic change, technological change, political change, etc.) always amounts to a reduction of the complexity of the dynamics of society. Bringing together different fields of research can often bring to light the powerful convergence of thematic transformations. Stephen Kern\textsuperscript{29} for example has convincingly shown how in a relatively short period of about 35 years around 1900, dramatic changes occurred in the perception of both space and time in European society. Driven mainly by the industrial revolution and technological advances resulting from it, these developments had profound impact on western societies and played a major role in making the world that we know today. While this is not the place to reflect on modernity as such, some aspects are important to mention here. The significance of modernity for the emergence of the global economy can be described as a process with three interconnected moments. First, a change occurred in the mentality in Europe regarding the stance of man towards nature. Second, the age of European discovery as an expression of this mentality, resulting in the integration of geographically dispersed sites and areas into a single structure through imperialism and colonialism. This process constitutes the beginning of the production of the social/political textures of the global economy, in terms of centre-periphery relations. While Wallerstein and Braudel describe this process mainly in economic terms, it seems to me that they overlook important cultural aspects. And finally, the process of production and reproduction of the space of accumulation – the establishment of capitalism as permanent revolution. Although these three moments are part of a single process, I will try to treat each in turn below.

1) Mentality. In the late Middle Ages, a change occurred in the mentality of Europeans. Despite its universal pretensions, modernism was a European process from the start. Even calling it European is somewhat misleading, as it emerged first only in certain places and only very slowly became a dominant mentality throughout the continent. Pinpointing its conception is difficult, for it spread though elite communities and

\textsuperscript{29} Kern, \textit{The Culture of Space and Time}. 
transformed continuously and certainly in the beginning remained elusive. Hardt and Negri have located the transformation of medieval man into modern man in the early fourteenth century, in the writings of the Franciscan theologian and philosopher John Duns Scotus. He subverts “the medieval conception of being as an object of analogical, thus dualistic predication – a being with one foot in this world and one in a transcendent realm”, thus opening the way to a conception of being as an “immanent terrain of knowledge and action”30. In a series of philosophical movements that followed, “knowledge shifted from the transcendent plane to the immanent, and consequently, that human knowledge became a doing, a practice of transforming nature”31. Although Hardt and Negri have a particular project in mind when they determine their definition of ‘modern’ and, consequently, ‘post-modern’, I find their use of the concept of immanence useful here. The philosophical realisation of immanence opens the door to an active stance towards the world, in the sense that action becomes meaningful not only in its implications in a divine other-reality, but in its direct earthly implications as well. The earthly is no longer purely a prelude to the eternal, but has an intrinsic value. This means the worldly order is unsettled – the world no longer mirrors the eternal-divine – and open to transformation. At the same time however, the emergence of the immanent does not imply the destruction of the transcendent, but rather a shift in who occupies the position of transcendence. Science and reason, embodied in modern Man, assumed the position of transcendence, while at the same time the eternal-divine was eclipsed. Modernisation has thus always been infused with a recurring sense of optimism about the human ability to understand their environment and transform it for the better, a trait that has come to the surface in different forms at different times and in different places, from the Italian renaissance to the nineteenth century fin-de-siècle futurism in Kern’s book, to social positivism in the 1960’s.

This mentality involved the repositioning of man in the world and the instrumentalisation of reason. No longer was man seen as being embedded in nature, but as separate from it. In Cartesian philosophy, rather than being constituent parts of the cosmos, humans attain a position as separate from nature, and as masters over nature. The idea emerged that through reasoned thinking, man is able to control and alter the physical world of nature to suit his needs. This has been an important element

30 Hardt and Negri, Empire, 71.
31 ibid., 72.
in European thinking since the renaissance, and became one of the keystones of the ideological undercurrent of the emerging global economy and one of its main characteristics: the core-periphery structure.

2) Creation of the core-periphery structure. From the beginning modernity has triggered counter-revolutionary reactions trying to subjugate and control the forces it unleashed. According to Hardt and Negri, in the course of the seventeenth century, as a result of many conflicts, culminating in the Thirty Years War (1618-1648), modernity became defined by crisis – “a crisis that is born of the uninterrupted conflict between the immanent, constructive, creative forces and the transcendent forces aimed at restoring order”\(^{32}\). The first modern revolution was the creation of the multitude of liberated singularities, which was simultaneously subdued by the counter-revolutionary constitution of modern sovereignty in the form of (at least initially) the state, institutionally dominated by absolute monarchy. This was not merely an introspective European process, as it influenced the course of the Age of Discovery. Europeans were not the first to sail the seven seas. Recently discovered maps suggest that Chinese seafarers sailed around the world and discovered the Americas before Europeans did. This however leads to the question why the Chinese did not, as the Europeans later would, exploit the new territories. This issue has not received much attention as far as I know, although one reason could be, as suggested by Abu-Lughod (see above), that China lived through a period of chaos at the time. However, it would be a mistake to reduce the rise of Europe to a matter of circumstance altogether. If the answer lies not in any inherent characteristic of the Europeans, perhaps it can be found in the way the Europeans perceived themselves. The invention of the European self as conquering power has been explored by Enrique Dussel in his fascinating book *Von der Erfindung Amerikas zur Entdeckung des Anderen*.\(^{33}\) According to Dussel, the discovery of the Americas ushered in a re-defining of the European Self in relation to an external Other. During his travels in 1502-1504, Amerigo Vespucci finally reaches the conclusion that the discovered lands are not a part of Asia (as Columbus thought), but constitute a different, until then unknown continent. This marks the constitution of the European *ego cogito*, which in full represents Nietzsche’s Will to Power. The European *ego*

\(^{32}\) ibid., 76.

completes the transformation from a individuality confined by the Muslim world, to a exploring individuality, a 'conqueror-I' (erober-ich) as Dussel called it. This development is directly linked to the instrumentalisation of reason. The self-image of the European as a conquering entity allowed the projection of this characteristic of the renaissance to an outside that was previously non-existent. European man had been reinvented as Modern Man, as opposed to the 'primitive' peoples living on the 'fringes' of the world. As a result, the act of conquering came to mean not only domination (as in earlier instances of conquest, such as the Roman Empire), but incorporation of these ‘Others’ as a function of the European ‘Self’. It was not merely an act of control, but of transformation. This lead to the emergence of the core-periphery structure that survives to this day in terms such as the ‘Third World’ and the distinction between developed and developing countries. The latter distinction makes the case quite clearly: developing countries are part of the same world as developed countries – the same terms are used to define them – but their characteristics have not (yet) come to full fruition. These patterns go back to the earliest stages of the core-periphery structure, when they became a defining characteristic of what was to become the global economy.

3) (Re-)production of the space of accumulation. The active stance towards the world of Modern Man was the source of the reinvention of history as progressive, culminating in European civilization. This is an interpretation of history that has remained popular in different ways in Western thought, not least in Marxism. For Marx, history would go through a number of phases, before ultimately culminating in the inevitable – revolution. Berman identified a paradox in Marx’ thought. Marx thought that modernity had created a transparency that forced people to “face with sober senses the conditions of their lives and their relations to their fellow men”. In Marx's view, this transparency had been unleashed by the bourgeoisie, who, however, had only a limited view of the implications. It could not see the communist revolution coming that was its inevitable and final outcome. But as Berman rightly points out, why should not communism also be only temporary, the union of workers be fleeting; and, like capitalism, “melt into air”34? History has shown Marx to be wrong in his predictions, but his analysis of the capitalist mode of production as an underlying constant in society has proven more durable. Capitalism turned out not to be destined for collapse, but it remained vital throughout a series of transformations. Since the 1960’s, Marxists acknowledged this, and shifted

34 Berman, All that is Solid Melts into Air, chapter 2.
their attention from the conflicts inherent to capitalism to the reproduction of capitalist societies. Rather than tracing capitalism’s inherent flaws and attempting to prefigure its demise, it proved more fruitful to explore the ways in which it sustained itself. The tensions within capitalism do not render it unstable, but rather they make up the way in which capitalism reproduces itself. In Swyngedouw’s words:

The geographical dynamics of capital accumulation are faced with permanent struggle between capital and labor over the conditions of production and appropriation of the produced value, and between individual capitals, as well as between different forms of labor. In addition, the search for the ‘new’, and for the production of new spaces of production and consumption finds on its way all sorts of already existing communities, social ecologies, and geographies, which are transformed and/or incorporated. All of these struggles are infused by a myriad non-class-based cleavages and conflicts such as ethnic, gender, or territorial conflicts or conflicts outside the realm of production, and take distinctive geographical forms.

The space of accumulation not only expanded outward to create a global core-periphery structure, but it also continuously transformed itself. It is therefore impossible to speak of capitalism today as a ‘finished product’. Instead, accumulation is rather a instigator of change, affecting all aspects of society. In a capitalist society, as Clarke puts it, “economic representations are the ones around which all others are organised”. This pattern had already started in the late Middle Ages - the transition of serfdom to paid labour started as early as the 13th century. This created the habit of thinking in terms of money as a new logic on which to base action in the minds of the wage-earning farmers. The emergence of capitalism occurred simultaneously with the emergence of the modern mentality, and each influenced the development of the other. Since Max Weber’s influential work the assumption has generally been that the rise of

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37 Clarke, T.J. The Painting of Modern Life, 7. As mentioned earlier, this is not to imply (and neither does Clarke) that the space of accumulation fully encompasses society. Instead, it co-exists alongside other forms of spatiality, though under the conditions of capitalist accumulation, economic representations rise to a prominent position.
39 ibid., 48.
Protestantism was correlated with the rise of capitalism. In this view, early capitalism was associated with ascetism, while late capitalism stood for unbridled hedonism. According to the Weberian model, Protestants were the cultural innovators of their day because they advocated economic rationality. The ‘protestant ethic’ was said to be the source of capitalism. Evidence of early modern consumerism however raises questions about the strict separation between early and late capitalism. It is more likely that most early modern Europeans, whether Catholic or Protestant, combined the ascetic and hedonist tendencies. What we are dealing with then is an underlying rationale for the organisation of society, that cannot be attributed to a single cultural trait, although cultural differences can be expected to have had some diversifying effect. Today, the economic representations of Clarke’s observation are ubiquitous and seem inescapable. It has been suggested that for the current generation of analysts of consumer society, it is almost impossible to unravel the meaning of goods and consumption, because there is nothing to set it off against. The “world of goods” has expanded to fill the available analytical space, as J. Agnew wrote: “it has become the air we breath.” Thus the emergence of the global economy can be characterised as an outward bound European process, justified by the creation of a new self-image, spreading and imposing capitalist principles across the world.

So how does all this relate to the global cities problematic with which we started out? What is the particular role of cities in the expansion of the global economy? Cities have been important in any major civilization, and in fact the development of large urban centres is generally considered to be something of a condition for a society to be called a civilization. This depends of course, on how one defines ‘city’ – can any concentration of activities be called urban? In The Economy of Cities (1969) Jane Jacobs opened with a chapter on the origins of a fictional pre-historic city. She describes how a tribe of hunters and gatherers becomes the centre of a trading network based on obsidian, which is found on their hunting grounds near a volcano. The growing revenues of trade allows the tribe to settle in one place, where a some members specialise in certain types of manufacturing, such as making bags to carry obsidian. As the variety of product increases, and more and more food is brought in through trade, the settlement grows, an

41 Mukerji, From Graven Images.
urban centre emerges. Jacobs’ goal is to show that it is possible to envision a history of city origins outside the traditional paradigm, which states that surplus agricultural production was a necessary condition for the emergence of cities. Her idea has become known as the ‘cities first’ argument. Although the idea that agriculture came first is dominant among historians, it is an inspiring proposition to those dealing with the historical development of urbanism. Soja (2000) has built on Jacobs’ book to come to a definition of what he calls synekism. This is a dynamic specific to the urban environment: the concentration of people and activities on one location provides fertile ground for economic and cultural development. Synekism has connections with larger economic, social and cultural processes, but is also a dynamic in its own right. Soja’s work is based on that of Lefebvre and so provides a more recent appropriation of The Production of Space for purposes of analysing urban development. Although synekism has functioned since the earliest urban sites, it gained a boost after the Middle Ages. The geography of accumulation has favoured the mechanisms of synekism, because the latter thrive on just those aspects that define accumulation: flows, networks, concentration. Capitalism, imperialism, the constitution of the core-periphery dialectic and with it the re-defining of the European self, all are exponents of this dynamic emitting from the European cities. Rather than taking cities as the backdrop of historical developments, the central issue here will be how the mechanism implied by Lefebvre, Jacobs and, by extension, Soja have worked in the conditions of early modernism. In a way, Jacob’s fictional obsidian trade, controlled from a small settlement, has thus resulted in a development epitomised today by the global city. Not because it is the result of a socially determined process, but rather because of the social continuity inherent to spatial practice. It is now time to return to the case of Amsterdam at the turn of the seventeenth century. In the next section, we will look at the spatial configuration of Amsterdam in the late-sixteenth and the seventeenth centuries. The basic argument will be that to a large extent it is an expression of the space of accumulation in its multiple aspects as presented here.

1.4 The Space-Economy of Golden Age Amsterdam

Because we are dealing with an historical period that is long past, there is inevitably the issue of source material. There have been many analyses of the 17th century Dutch economy, but they all rely on the same limited amount of archive material. The historian

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43 Soja, Postmetropolis.
often has to interpret incomplete and indirect information to draw even a rough sketch of the economy. The first thing to look at is demography. Although it doesn’t say much about the exact configuration of the economy, this is one of the best indicators to get insight in the overall image of growth, stagnation and contraction of the economy. In his reconstruction of the demographic development of Amsterdam in the period 1540-1860, Nusteling has pointed out the main problems\textsuperscript{44}. The sources the different estimates use are drawn from a very limited range of material, and yet the conclusions often contradict each other. There are two direct sources, the censuses of 1622 and 1795. Then there are the estimates of contemporaries, which include among others the cloth-salesman Pieter de la Court, the demographer Willem Kersseboom, and William Temple. Both the censuses and the estimates need to be seen as only very general approximations of the true figures.\textsuperscript{45} Other methods of determining the development of the population rely on indirect sources, such as the number of children being baptized, of which there seem to be complete records since at least 1590, the number of marriages, the number of houses, or tax revenues for products such as grain and beer. In all cases, documentation is incomplete, and it is difficult to draw a reliable and coherent picture of the whole period in other than general terms. The same goes for analysis of economic sectors, especially industry. From toll records, trade flows can be reconstructed at least partially. A famous example are the sound tolls, which give a good impression of trade between Amsterdam and the Baltic. Because the present thesis focuses on a broad range of developments, it is not possible to delve deeply in specific primary sources. Instead, the following relies mostly on more or less recent interpretations of the case at hand.

Most analyses of the relation of Amsterdam to its economic context have focussed on its functioning as a world entrepôt (stapelplaats). This view is based on the assumption that economic changes in the early modern period occurred as a result of restructuring on a

\textsuperscript{44} Nusteling, \textit{Welvaart en werkgelegenheid in Amsterdam}, 9-30.

\textsuperscript{45} Even an official census in those days cannot be expected to be completely accurate, if only for the fact that those executing the count had an interest in the outcome. The 1622 census was set up to accommodate a one-time tax to finance the war against Spain (the cease-fire treaty of 1609 had ended in 1621), which was decided on one guilder per capita. The tax was to be paid not by individual citizens, but by the towns and villages. To ensure a fair distribution of the burden among local communities, a census was needed. Although there was strict supervision over the proceedings, it seems likely that local magistrates will have been tempted to set a lower number than was actually counted, or wilfully leave certain groups out.
global level. They propose that in the early modern international economy, a central stockpile of goods was needed as a buffer between demand and supply, because of the low speed of trade. This is the internationalist view, as found in the work of Braudel and Wallerstein, among others. Although these interpretations are not without merit, they leave out (or assume to be of minor relevance) the local spatial economy. They often imply that early modern cities functioned as independent units in international hierarchical networks. In the regionalist or nationalist view, economic changes in this period should be explained by looking at restructuring at lower scale levels, and at social and cultural aspects. Only recently has this approach been used to analyse the case of early modern Amsterdam and has attention shifted to the local structure of the economy in which Amsterdam could grow into its role as a leading centre of international trade. Especially the work of Clé Lesger is important in this respect. I will summarise his arguments here in some length. In addition to a better understanding of the regional as well as the international economic context, it will bring out some thoughts on the degree of unity of the province of Holland and the Republic as a whole.

Lesger describes the Dutch economy in which Amsterdam could grow into a leading international centre as a gateway system, in which different cities had specialised functions. Economically, the mid-sixteenth century Netherlands can be divided in a core region, consisting of Holland, Vlaanderen, Brabant and Zeeland, and a predominantly agrarian periphery. Within the core region, there were countless sub-regional specialisations, both in function and geographical orientation. For example, the textile industry was concentrated in Vlaanderen and Brabant, while shipbuilding was concentrated in the sea-towns of Holland. In the spatial organisation of trade, there was specialisation too. Antwerp was by far the largest export centre with 75% of all exports. Orientation of the towns was based on their relative location: Zeeland had connections with France, England and Southern Europe; towns on the Zuiderzee were linked to the north and northeast Netherlands, the Baltic, Scandinavia and Northern Germany; towns with access to rivers traded on the east-west axis. For Amsterdam, this meant that its ships sailed directly on the Baltic and Scandinavia, where they extracted mainly timber and grains. For these products, Amsterdam was already a regional centre by the mid-fifteenth century. But it had no direct links to other areas of Europe. There was a

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46 Lesger, *Handel in Amsterdam*.

47 ibid., 31.
considerable amount of indirect export. 30% of export from Amsterdam had entered the Netherlands through Antwerp: Sugar, spices, textiles – products from southern Europe and the colonial empires of Spain and Portugal. The core region functioned as a integrated system of harbours based on differentiation and (geographical) specialisation. Although little is known about internal shipping of goods, the above suggests that there was a vast exchange of goods between towns in the region. It is in this context of a dynamic and well integrated gateway-system that was in place long before the revolt, that the phenomenal growth of Amsterdam as an economic centre has to be explained. In effect, more emphasis is given to endogenous factors compared to earlier interpretations, in terms of the restructuring of the international economy. Not that the exogenous factors are unimportant. But the way in which they influenced the development of Amsterdam have to be re-evaluated.

Many authors have explained the success of Amsterdam compared to Antwerp in terms of the unique qualities of the different trade communities. In this view, trade in Amsterdam was ‘active’, driven by ambitious local merchants, while trade in Antwerp was ‘passive’, driven by merchants from outside the city. Lesger has found no evidence to support this claim.\(^48\) Trade in Antwerp was less ‘passive’, and trade in Amsterdam not quite as ‘active’ as has been suggested. This means that there must have been other dynamics at play. Lesger seeks them in the changes that occurred in the gateway-system from the 1580s onward, and turns his attention to theories of regional economic development. The continuity of urbanisation since the Middle Ages can be explained by the internal (spatial) dynamics of regional economies in the form of Myrdal’s processes of cumulative causation.\(^49\) These processes can be halted or diverted by external factors –

\(^48\) ibid., 60.

\(^49\) ibid., 107. Myrdal’s model attempts to explain the phenomena of geographical concentration of economic activities by pointing to the importance of regional advantages found in the availability of favourable production factors and/or a favourable investment climate. The central idea is that companies located in economically more developed areas have certain advantages over those in less developed areas, for example in terms of the size of the market (creating advantages of scale) and level of education of the population. As a result, production is higher in the former areas, as is the need for labour and therefore they attract (skilled) labour from the less developed areas. This causes the market to expand, creating an even larger advantage, attracting more people, etc.. In addition, the increase of production attracts additional supporting industries, which in turn attract labour. Furthermore, the increase of the population attracts businesses such as
in this case, the revolt. In the last two decades of the 16th century, the effects of the revolt became felt across the Netherlands. Pillaging, violence, mass murder, and so on swept through the land. Of special importance here is that the frontline came to lie between Zeeland and Holland on one side, and Brabant and Vlaanderen on the other. The result was that the old core region fell apart in two parts. The southern half was hit the hardest. Not only was fighting the fiercest in this area, the export industry on which these provinces relied, was devastated, in part because with the route to the northern Netherlands, access to the whole of Northeast Europe was effectively cut off. The result was massive depopulation. A considerable part of the refugees fled to the northern Netherlands, which was by comparison much less affected by the war, and as a result took over part of the functions of Antwerp. Lesger sees the shift of the economic centre of gravity that followed as a variant of Krugman’s model of labour market pooling, in which gradual outflow of the agrarian population from A to B eventually reaches a critical mass. This is the point when it becomes profitable for producers from A to set up production capacity in B, which creates demand for labour in B, which leads an increased inflow of population. And so a process of cumulative causation is set off in site B. According to Lesger the critical point for Holland was reached in the second half of the 1580’s. In addition, the revolt meant an increase of the cost of trade through Antwerp and the other towns in Brabant and Vlaanderen, so that it became profitable for merchants from the north to seek contact themselves with South Europe and the colonial empires of Spain and Portugal. This was never possible under rule of the Habsburgs, and in this sense the revolt provided for merchants in the young Republic. As Lesger summarizes, the Netherlands were one of the most developed regions of Europe, and the revolt did not destroy this potential, but rather redistributed it. The revolt should in this context not be seen as a unique event that inevitably triggered the spectacular rise of the young Republic. In this period, warfare was a normal part of life in Europe and thus the war with Spain should be treated as a part of the normal environment that created opportunities and difficulties for the Republic. When the Republic came into

different kinds of service providers, bakers, supermarkets, doctors, restaurants, etc., all of which in turn enhance the production environment. (Lambooy, Wever and Atzema, Ruimtelijke Economische Dynamiek, 83-5).

\(^{50}\) see Krugman, ‘Increasing Returns and Economic Geography’.

\(^{51}\) ibid., 130.

\(^{52}\) ibid., 135.

\(^{53}\) Price, Dutch Society, 60.
existence, its economic boom was already well underway. Nevertheless, we can safely say
that the 1580’s were the crucial years for the development of the regional economy of the
northern Netherlands. The incidental uprisings against Spain had become a sustained
struggle for independence, which Dutch industry and trade turned to their advantage in
a phenomenal way. It is important to stress the mutually re-enforcing interaction
between industry and trade in this matter, for often the importance of trade is
overvalued compared to industry. It is true that the Republic had an economic
disadvantage in its small domestic market, especially compared to the major European
countries at the time, such as France, England and Prussia (although Dutch domestic
market stretched out to some distance into the German hinterlands). It is also true that
the power of the Dutch economy was the result of its hold on international trade routes.
However, it should not be forgotten that this dominance in trade was grounded in the
urban nature of the domestic market, as mentioned above. It may have been a small
market, but the demand for industrial products was relatively high. As a result, industry
serving local demand flourished throughout the 16th century, but further expansion of
sectors that were more export-oriented in nature, such as breweries and the textile
industry, was limited due to a growing competitive (technological) disadvantage
compared to the southern Netherlands\(^{54}\). This pattern was reversed during the first
decades of the revolt.

As the political border between the north and south solidified, it affected the economic
relations between the two. Does this mean that the Republic can be seen as an economic
unit? Today, we have become accustomed to national economies as mutually exclusive
bodies, even if they interact intensively with each other. Although national borders are
essentially arbitrary, the homogenising effect of modern state-hood seems to have made
these borders much more solid than they had been in the early modern period. When the
Dutch Republic was created, a new territorial state came into being, but its future
predominant position was by no means clear at the time. Over the following decades, the
state would slowly establish itself as an important and eventually predominant political
player. The question what this meant for the position of Amsterdam will be addressed in
chapter 2. However, here it is useful to propose some considerations about the economy
of the Republic. The relationship between regional economies and the state is a complex
one. Before they formed an independent Republic, the territories of the northern and the

\(^{54}\) De Vries and Van der Wouden, *Nederland 1500-1810*, 274.
southern Netherlands were already a governmental unit, namely as property of the Spanish crown, enclosed between France and Germany. Does this reflect the economic situation of the region? To a large degree, the late medieval economy was determined by geographical circumstance. The geographical situation, and the possibilities it offers to utilisation for human activities, was determined by the big rivers Rhine, Maas and Waal, and their many smaller cousins, constituting a vast delta flowing into the North Sea.

The area covered with almost impenetrable swamps and peat bogs, but at the same time traffic was made possible by the many natural waterways. Much of the medieval development of the land must be seen in the context of this geographical situation, which posed threats, but also had the potential of richly rewarding efforts to alter natural conditions. It was an area of pioneers, relatively little interfered with by feudal landlords. This latter fact is of great importance for the later developments, as well as for the cultural development of the Netherlands: the area never had the strong feudal structures that prevailed in most of Europe. There was a drawback, of course. Until the 16th century, farmers in the Netherlands had relatively low productivity, due to the poor quality of the soil they worked on. Although farmers generally grew a broad range of products, they were not striving for self-sufficiency. As early as the fourteenth century, lakes were drained to create polders as a means of increasing the area of cultivable land. The ground in these polders however needed constant drainage and slowly set. Eventually these areas could not be used to grow crops and were used mainly for grazing cattle. (Later the polders would also become popular among the wealthy as places to build a second house.) This stimulated specialisation among farmers in dairy products. There was an extensive interregional trade in agricultural products, that was of modest proportions. It was a simple, and rather poor rural economy, which forced people seek additional incomes. As a result, the local economies in the Netherlands had since long been connected to larger economic networks. Due to the poor quality of the soil, the region had long been dependent on imports of grain, which came primarily from the North of France. This situation changed when in the last two decades of the 15th century, crop failures repeatedly interrupted the supply of French grain. At the same time, grain production for export in the Baltic was increased considerably. Merchants from Amsterdam became involved in shipping Baltic grain and distributing it to the Dutch market. The situation seems to have been somewhat different on the sandy soils

55 ibid., 11.
56 ibid., 195-8.
of the inland provinces. In the Middle Ages, it was here that the more important urban centres could be found. At a time when Amsterdam was still an insignificant village, the towns of Deventer and Zutphen, among others, were regional trading centres, part of the Hansa network stretching through northern Germany to the Baltic. Economically, the difference was that the maritime cities could profit from the growing importance of bulk trade, which was much more efficient and cost-effective over sea than over land. The need for grain due to crop failures and famine thus strengthened the economic position of the maritime cities and especially Amsterdam. On a local and regional level, trade and industrial branches were tied together in clusters of interdependencies. A clear example of this is the economic complex of timber trade, mechanised sawing, and shipbuilding in Holland. It is hard to say what was the main driver of the three, but they certainly supported and strengthened each other. This mechanism was accompanied by a spatial division of labour. As a long-time gateway to Scandinavia, Amsterdam had access to vast quantities of imported wood. These resources were transported to the nearby Zaan region, where the many sawmills made the raw material ready for use by the shipbuilding industry, which was mostly found in Amsterdam and the other cities on the Zuiderzee coast. In both the sawing industry and in shipbuilding, technological innovations at the end of the 16th century helped to strengthen the Dutch position. The development of the mechanised sawmill greatly improved the processing of wood, while the Dutch shipping industry developed two new types of ships that would give them a competitive advantage compared to the other main sea-faring nations, the herring-buss and the fluit. The latter in particular revolutionised shipping and made Holland the main ship wharf of Europe for a large part of the 17th century57. Although few documents on the subject have survived time, it can be safely assumed that this was good business for Amsterdam’s lumber trade as well as the Zaan sawmills.

An important aspect in the shift of the economic centre of gravity from the southern provinces to the north, mainly Holland, was the large scale emigration from the war-torn south to the relatively calm north. Among the refugees were many artisans and entrepreneurs, who received a warm welcome in the cities of the young Republic. It is important to emphasise here that the cities benefited more from these developments than did the countryside. The textile industry, for example, is not by definition an urban industry. However, cloth producers arriving in Holland seeking a location to set up

57 ibid., 296.
production facilities were incited to do so in the cities for two main reasons. Firstly, since the northern Netherlands were already a relatively highly urbanised region, the necessary combination of factors such as worksites, capital, skilled labour, and commercial facilities, could be found only in the cities. Secondly, in this time of political and military turmoil, there was a strong need for physical security. The extent to which the mass-migrations determined Dutch development remain debated. According to Israel, it was important, but in the end not decisive. It was part of a development in which the maritime provinces of the Republic were able to attract the different elements needed to build economic momentum. The city governments were aware of this and in the latter decades of the 16th century, they started to pursue active politics of industrial stimulation. Although it was no coordinated effort, differences in the objectives of policies between cities seems to have strengthened to some extent the differentiated nature of the gateway system. In some cases, the aim was a more diversified economy, as in Amsterdam, while other cities pursued a specialized economy. Leiden, for example, became the centre for the textile industry in Holland, while Delft focussed on pottery.

There was fierce competition between cities to promote and protect their economic interests. In periods of economic expansion, economic policies focussed on attracting entrepreneurs and craftsmen, as was the case with the late 16th century refugees from the southern Netherlands. Such policies consisted mostly of offering packages of benefits to entrepreneurs seeking a place to settle, but could also turn into actual hostilities between cities. In times of economic contraction, policies turned to protectionism. The guilds played an important role in the execution of these policies, by shielding settled entrepreneurs and restricting admission of new members. The development of the regional economy triggered reactions in the policy makers of Amsterdam that were at times chaotic and often seemed contradictory. New opportunities in trade or as the result of technological innovations often led to conflicting interests between different groups in the city. One example which shows the complicated issues Amsterdam faced is the introduction of the mechanised sawmill, which was barred from Amsterdam for several decades after its emergence in the early 17th century, out of a strict protectionist stance from the guild of sawyers. The sawmill was an invention of Cornelis Corneliszoon van

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58 ibid. 279.
59 Israel, Dutch Primacy, 32-37.
60 De Vries and Van der Wouden, Nederland 1500-1815, 339-340.
Uitgeest, who built his first working sawmill around 1594. His hometown of Uitgeest is situated in the Zaanstreek, which rapidly became the core region for the wood sawing industry. In the context of the intensive import of wood from Scandinavia in Amsterdam and other towns in Holland, it is no accident that the invention was done here. The sawmill made the wood industry much more efficient, as the raw material could be processed much faster than before. In effect, the sawmill transformed sawing wood from an urban craft to a rural industry. As iron as a building material is associated with the steam engine, so wood and the sawmill were tied together in the first decades of the 17th century. Wood of course was already the main construction material, but the sawmill industrialised the production of timber. And if England was the cradle of the modern steam engine, then Holland can be seen as the place where the sawmill was first introduced. From a combination of the three factors industrial innovation, wind as energy source, and the wood trade with Scandinavia, a regional industrial complex emerged in which the supply of raw material from Amsterdam – as the window to Scandinavia within the gateway system, and therefore the main port for the wood trade – was crucial.

The overseas successes of the Portuguese and the Spanish inspired many merchants to try their luck in this new arena. Until this time, land routes had been the main arteries of trade, with shipping mostly restricted to rivers and some coastal routes. Rarely did ships stray far from the coast – the open seas and oceans were seen as dark and perilous territories filled with unholy creatures, that could only be travelled with the grace of God. As the expectations of profit from long journeys increased, the seas lost some of these symbolic associations, and in France, England, Scandinavia and the Netherlands, the first permanent oceanic fleets were built. The ‘discovery’ of America by Columbus in 1492 was not so much an act of discovery of new land, as it was the discovery of new economic potential. The same goes for other territories that were discovered in the Pacific, Atlantic, Africa and Asia in the Age of Discovery. From the late 16th century onwards, Amsterdam and the Dutch Republic were at the forefront of the expanding global economy. Although we have to see the economic boom of the late 16th-early 17th century

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63 Konvitz *Cities and the Sea*, 29.
century in this context, we have to be cautious about how to define the causalities in the process. The question is, to put it simply: did Amsterdam profit from the emergence of an economic superstructure it had little effective control over, or did the city, by its actions, help to create what we know today as the global economy. The answer is most likely both. It has to be remembered that the dialectic between the local and the global, so familiar today, looked quite different in the seventeenth century. To get a grip on how this relates to the evolution of globalisation, I will use the model of historical globalisation by Held, McGrew, Goldblatt, and Perraton\(^64\), as applied to the relation between Amsterdam and Lisbon in the period 1640-1705 by Antunes\(^65\). In this model, globalisation is seen as an historical process of ever increasing levels of interconnectedness. This process leads to restructuring of societies, which in its current phase has lead to a situation where both intensive integration and fragmentation can coexist. Before reaching this phase, globalisation has known different historical forms, reaching back to at least the Medieval period\(^66\). The early modern period is characterised by what the authors call ‘expansive globalisation’, in which globalisation had a high impact. This was mostly due to the fact that in this period, the growth dynamic of different networks created new connections between producers and consumers. In addition, the proximity of different cultures greatly shaped tastes, fashions, and general civilisation developments\(^67\). There was an intensification of the contacts between region, and between networks. Until the sixteenth century (and at least since the fall of the Roman Empire), contacts between northern Europe and the Levant had been sporadic and mostly indirect. Products brought in from Asia over land were sold in the cities in the Levant, where the Asian trade routes stopped. From there, Italian merchants brought these products to their main ports, such as Genoa and Venice. There were two routes from these ports to the north: via the land routes through France, or via the


\(^{65}\) Antunes, *Globalisation in the Early Modern Period.*

\(^{66}\) Antunes hesitates to give decisive answer as to whether the model can be applied to pre-medieval periods. I would suggest to use the model as an interpretative framework for a specific transformational mode in European (and possibly American) history since the Middle Ages, without giving it much relevance in a larger historical context. It is important that we move away from the apparent ingrained need of many economic historians to transpose the recent European experience to other periods and cultures.

\(^{67}\) Ibid., 16.
Atlantic directly to the Flemish cities. From Flanders, the products could be transported further into Germany and Scandinavia by merchants linked to the Hansa network. In the Age of Discovery, the main European powers set out to bypass these networks in search of more direct access to products. The ports of the Levant trade did not disappear, but other ports emerged as windows between their hinterlands and their, much more expansive, trade networks.

For many historians, the role of Amsterdam in these expanding networks was that of an entrepôt, an apex marketplace in a hierarchy of marketplaces through which surplus of production was redistributed. According to Lesger, this view, that was already commonplace in contemporary observations and was theoretically developed in 1931 in T.P. van der Kooy's *Hollandse Stapelmarkt en haar Verval*, is up for revision. Lesger criticizes two aspects of this theory. First, the presumption that products were brought by the seller to the marketplace in person and bought by the buyer in person. Since the fifteenth century, trade by Dutch merchants between the Baltic and the Mediterranean increasingly took place without stopping at the Dutch harbours. As the economic strength and reach of the Dutch merchants grew, these type of endeavours continued and became increasingly complex, especially in the early decades of the revolt, when merchants where testing the limits of expansion. The trade of Holland was not necessarily conducted in Holland, and did not only consist of products physically present in its warehouses. The merchants directed trade through a network of representatives, tracking stocks and prices in order to maximize profits. The second presumption Lesger criticizes, is the supposed hierarchy of markets. This hierarchy existed to some extent, but only insofar as it redistributed the surplus of local produce. As we have seen above, the economy of the maritime provinces was to some degree characterised by specialisation, and merchants dealt with advantages of scale and comparative advantages. In such a situation a simplistic hierarchical model does not explain the many variations between different markets. How could Amsterdam control wield a degree of control over world trade if there was no strict hierarchical system? The answer, Lesger suggests, lies in the importance of family networks. Holland merchants made use

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68 ibid., 20-1.
69 see for example Barbour, *Capitalism in Amsterdam*; Braudel, *Afterthoughts* and Israel, *Dutch Primacy*.
70 Lesger, ‘De mythe van de Hollandse wereldstapelmarkt in de zeventiende eeuw’.
71 see N.W. Posthumus, *De Oosterse Handel te Amsterdam*. 

of the ‘Flemish diaspora’\textsuperscript{72} that occurred in the late sixteenth century. As a result of the war, the merchant community of Antwerp spread out across Europe and as families split up, a tightly knit merchant network emerged. Because of the good connections already existent between merchant communities in the north and south Netherlands (consider the discussion above on the gateway system), and because many of the merchants fled to Amsterdam and other cities in the northern provinces, the Holland merchants could make use of this network. By delegating decision-making to local representatives, merchants dealt with the problem of relatively slow and incomplete provision of information. To regulate the extensive networks, the exchange of information was of paramount importance. In Amsterdam, information was gathered, combined and exchanged, stored and analysed, produced and diffused\textsuperscript{73}. The bourse was the nerve centre of trade, and information of all kinds was exchanged there. Not just economic news, but it was also the place to be to hear of political developments, and all sorts of gossip about the monarchies of Europe.

\textbf{1.5 Conclusion}

Many of the more traditional analyses of the economy of seventeenth century Amsterdam are based in one way or another on the assumption that the development of capitalism was not only inevitable, but took inevitably place in a certain way. This has led many scholars to the conclusion that in the time of the Dutch Republic, the key characteristics of capitalism were still insufficiently developed in the early modern period. The success of Amsterdam in this view is the result of deficiencies in the system: it became the entrepôt of Europe because flows of goods and information had not yet reached the speed and efficiency of later periods. However, from a seventeenth century point of view, doing business in Amsterdam was probably not seen as restricted by slow speed, but as opened up by the possibilities of higher concentrations of information, more frequent connections to cities across Europe and to colonies, fast and reliable transportation to the many other cities in the low countries, and the presence of representatives of merchant families from across the world. All these elements of the economy of the Republic, \textit{a fortiori} in the maritime provinces, point to the existence of a spatial logic in which the advantages of organising networks were strengthened. Moreover, it was not merely the strengthening of existing local networks, but also the

\textsuperscript{72} see W. Brulez, ‘De Diaspora der Vlaamse Kooplui op het einde der XVIe eeuw’.

\textsuperscript{73} Lesger, \textit{Handel in Amsterdam}. 
integration and expansion of European networks, such as those in the Baltic and the Mediterranean, and the colonial empires of Spain and Portugal. Despite many differences with the industrial and post-industrial phases of capitalism, this is a theme that ties the periods together. Of great importance are the actions of the merchants – in a way the merchants embody Dussel’s ‘conqueror-I’, while their actions are inspired by a logic of accumulation supported by spatial arrangements of flows, nodes and regional differences of demand and supply. As an entrepôt and financial and informational centre, Amsterdam was the premier site of control over these networks. Here, the merchants found the information and institutions needed to make and execute business decisions. Amsterdam did not become such a centre in isolation from its direct surroundings. The highly urbanised maritime provinces should be seen as a single economic urban system, somewhat analogue to the way in which one speaks today of the Randstad. But it should not be forgotten that the countryside too, was to a considerable degree affected by the spatial network-logic. Specialisation and regional trade made it less self-subsistent as most of Europe in this period. This empowered and enriched the countryside on their side of the bargain, and in return strengthened the position of Amsterdam by providing it with an extensive hinterland with considerable purchasing power. In short, the tremendous economic growth of the northern Netherlands was the result of the rise of a space of accumulation – a space of flows the logic of which directed capital and information, and with it control, to certain sites, first and foremost Amsterdam.

What has been attempted in this chapter, is to explore the first of the three components of the analysis, the position of leading cities in the global economy. The production of the spatial logic of accumulation involved the emergence of an economic dynamic that functions in a dialectical manner, with on one side the urban and on the other the global. This dialectical process took the form of networks channelling flows of capital, goods, people, and information. The building blocks of this dialectic were already present, arranged somewhat differently and more fragmented. The emergence of capitalist accumulation signalled not the occurrence of a sudden regime change, but rather an incremental rise to prominence, and gradual transformation, of certain pre-existing characteristics of the European space economy. Together with changes in the politico-religious balance of power and the formation of a new mentality, it formed a configuration in which all the components catalysed one another. Seventeenth century Amsterdam is an example that illustrates well the early workings of this process. The
Dutch revolt against Spain (and its effects), together with a newfound confidence on the part of the merchants, allowed the city to expand its reach beyond its traditional networks: incorporating routes to the Americas, Africa, and the Far East, its reach became global.
2 – GOVERNING THE GLOBAL CITY

2.1 Governance and Sovereignty

The relation between the city and the state is of particular importance to the position of today’s global cities. With the most recent wave of globalisation, states have lost some of the control they traditionally had over the production process, while major cities have seen an increased concentration of command and control capability in the form of financial institutions. In the last couple of decades, the state has lost its monopoly on sovereignty. As Sassen argues, “sovereignty has been decentred and territory partly denationalised. From a longer historical perspective, this would represent a transformation in the articulation of sovereignty and territory as they have marked the formation of the modern state and interstate system.”

Much of the analysis of the relation between the global city and the state depends on the definition of the former. For Sassen, the global city concept refers to a set of specific functions, rather than the whole of the city. Although these functions do impact the larger city, it cannot be said that all the conditions of the larger city are necessarily part of the global city functions. Focussing on the global city-region would raise other questions, among other things more attuned to problems of territoriality. With the increasing of awareness that today’s economy consists of interconnected urban regions, more than national territories, the city-region is increasingly seen as a political framework of reference, at the expense of the nation-state. The period under investigation in the present thesis shows a mirror image of this pattern in some ways. In the early sixteenth century, the nation state had not reached the dominant position it would have in the nineteenth century. Different political arrangements existed alongside each other: the fading Spanish empire, flourishing city-states of northern Italy, the city leagues of northern Germany, the absolute monarchy/nation-state par excellence of the future France. The structure was constantly changing, and in this chaotic situation, the modern state began to take shape. As Sassen has argued more recently, the emergence of the national state is not separate from the constitution of the global – the national and the global are not mutually exclusive, as is often thought. In her analysis of the current phase of globalisation, “the

74 Sassen, Losing Control?, 29-30.
75 Sassen, The Global City, 350-3.
76 see for example Scott, Global City-Regions.
territorial sovereign state, with its territorial fixity and exclusivity, represents a set of
capabilities that eventually enable the formation or evolution of particular global
systems – itself a partial condition – that require neither territoriality nor exclusivity.”77
Sassen traces back the constitutive elements of the global level, that emerged from the
sixteenth century onwards, to the medieval period. This is not the place to recapture the
arguments in full. Nevertheless, it is interesting to note the shift in attention Sassen
made in the course some fifteen years from global cities to national sovereignty in a
global context. Although she does not explicitly link Territory, Authority, Rights back to
The Global City, there are important connections to be made between the state, the city,
and the emergence of the global economy. These connections, revolving around
governance and sovereignty, will be explored in this chapter.

According to Braudel, the great capital cities “produced the modern states, an enormous
task requiring an enormous effort. (...) They produced the national markets, without
which the modern state would be a pure fiction”78. However, the growth of these cities
“would have been inconceivable without the steady advance of the states.”79 The relation
between the city and the state is thus defined in two ways: the state as extension of the
city, or the city as expression of the state. Both existed simultaneously during the
sixteenth century. According to Braudel, the latter became predominant in the
seventeenth century as the national market absorbed the city. At the same time
however, Braudel defines the upper layer of his three-tier economy, true capitalism, as
essentially without boundaries. Similarly, Wallerstein asserts that the strength of the
modern world-economy is based on its political diversity: “capitalism as an economic
mode is based on the fact that the economic factors operate within an arena larger than
that which any political entity can totally control”80. What happened in the sixteenth
century, is that the attempts to turn the European world economy into an empire
definitively failed. Spain (and to a lesser extent France) had been the main political force
of Europe, at the height of its power encompassing the Iberian peninsula, large portions
of central Europe, substantial colonies in northern Italy, and the Netherlands. However,

77 Sassen, Territory, Authority, Rights, 21.
79 ibid., 525. States provided a number of advantages to cities, mainly a reliable inflow of
resources and capital to be used for economic or military goals, as well as a stable political
environment.
Spain, like France, failed to erect a state machinery that would allow its elite to profit from the creation of a European world-economy. In its wake, the decline of Spain brought down those areas that had been linked to its ascension. The economic centre of gravity shifted to northwest Europe, especially the northern Netherlands and England. This development is closely linked to the religious strife that swept through Europe at the same time. The geographical distribution of the reformation and counter-reformation is linked to the fall of Spain as a political power. As Wallerstein asserts, the reformation was most successful in those areas that through long term taxation had paid for the wealth of the Mediterranean core of the European world economy as it was until the sixteenth century. The counter-reformation on the other hand, was most successful in those areas that became the periphery to the new core, northwest Europe. Wallerstein concludes:

The ultimate abatement of the passions of the battle of the reformation after 1648 may not have been because both sides were exhausted and there was a stalemate, but rather because the geographical division of Europe was the natural fulfilment of the underlying thrust of the world-economy.

This is not to say that the particularities of Protestantism had anything to do with the emergence of the capitalist world-economy per se, as Weber suggested. The conflict between Catholics and Protestants became an expression of the restructuring within the European world economy as each became associated with either side of the core-periphery division. As a result of this struggle, the European world economy reached a new equilibrium, with the Netherlands and England at its core. With the failure of the establishment of an empire, the political structure consisted of smaller states, competing for power, without one ever truly attaining predominance. While pre-capitalist empires

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81 ibid., 191.
82 ibid., 153-5.
83 ibid., 156.
85 Not that the religious conflict can be reduced to being a function of the economy, of course. But religious conflict is rarely (if ever) detached from political and economic factors, and the rift between Catholics and Protestants no exception, if only because of the former’s allegiance and the latter’s resistance to the (political) power of Rome. Political relations influence the economy in many ways, for example through control over resources and trade routes.
were based on the concentration of political power in one place\textsuperscript{86}, the modern world economy is fractured into multiple political units. As we have seen above, in the modern world-economy the economic structure is larger than any body politic. Wallerstein integrates this issue into his analysis by defining the space of the world economy as a fractured political space. The state is the primary referential framework, not just for political action, but for economic action as well. All economic activity is thus primarily discussed in terms of its significance as internal or external to the national economy.

In the previous chapter, I have invoked Lefebvre to arrive at a theoretical conception of the spatial arrangements that link global cities together. However, in doing so I have temporarily suspended exploring another aspect of the production of capitalist space central in Lefebvre’s work: abstract space. Before we move towards the discussion of Amsterdam and the Dutch Republic, it may be useful to go back a few steps and consider how the space of accumulation and abstract space relate to each other. The decryption of medieval space, from which the space of accumulation emerged, was accompanied by the transition of absolute into abstract space. This transition was institutionalised in the form of the territorial state. According to Lefebvre, the state is the product of a national territory, but then proceeds to create its own space. This space regulates and organises a disintegrating national space at the heart of a consolidating global space. This state-space has the goal to become homogenous, which is a method to establish its presence and control everywhere\textsuperscript{87}. In the early modern period, this state space was only just beginning to exert its power across Europe. The great kingdoms of Europe were in full swing to try and bring as much land as possible under their reign. The violence that swept across Europe as a result, should not be seen as an entirely destructive evil, as one might be inclined to assume. While it certainly destroyed economic potential where fighting was fiercest, it also helped to create the space of accumulation and investment: “fought over areas of potential investment, [the] wars [between the twelfth and nineteenth century] were themselves the greatest of investments, and the most profitable. (...) The space of capitalist accumulation thus gradually came to life, and began to be fitted out”\textsuperscript{88}. The process by which capitalism was established is thus

\textsuperscript{86} For example, Rome was without question the core of the Roman Empire in terms of political power.


\textsuperscript{88} Lefebvre, \textit{The Production of Space}, 275.
understood as inherent to the emergence of the modern territorial state. A somewhat similar argument is made by Hardt and Negri: “modern sovereignty is capitalist sovereignty, a form of command that overdetermines the relationship between individuality and universality as a function of the development of capital”. It is thus impossible to fully dissociate the space of accumulation from modern sovereignty and its instrument, the state. At the same time however, modern sovereignty itself is characterised by a fundamental ambiguity. It is based on the same creativity and productivity of accumulation which it tries to subdue. Dussel’s European ‘conqueror-I’ archetype embodies both aspects: the entrepreneur setting sail to find new sources of wealth and productivity, and the modern sovereign, seeking to subdue the material as mental life-world of the non-European ‘Other’. The latter is simultaneously transformed from ‘Other’ into ‘Same’, as Dussel argues: “the modern ego appears in its confrontation with the Non-Self: the inhabitants of the newly discovered lands do not appear as Other, but after their conquest, colonisation and modernisation as the Same, as ‘matter’ of the modern ego”. Thus all ‘Others’ can be incorporated into the fabric of European instrumentality. In this way the core-periphery construct of the world economy becomes part of the mentality and politics of the European self-consciousness. In conclusion, it has become clear that cities, urban networks, territorial states, the modern individual as well as the modern universal, and the expanding capitalist economy, can all be brought into the same analytical moment without assigning a central role to a single element. It cannot be said that the modern state created the global economy, nor that capitalism was a precondition of modernity or vice versa. All these things developed as characteristics of the transformations in perceived, conceived and lived space – in social space. In the next two sections, we will return to the Amsterdam case. First, the focus

89 Hardt and Negri, Empire, 87.
91 Lefebvre, The Production of Space, 38-41. This triad and its spatial translation of spatial practice, representations of space and representational spaces, are Lefebvre’s main analytical tools to decipher the production of social space. The first element (perceived space/spatial practice) “propounds and presupposes [a society’s space], in a dialectical interaction: it produces it slowly and surely as it masters and appropriates it”. The second (conceived space/representations of space) deals with “conceptualised space, the space of scientists, planners, urbanists,
will be on the city’s regents in the period of the revolt and the economic boom. In the subsequent section, we will look at the political context provided by the emergence of the Republic.

2.2 Amsterdam: The Local Politics of Hegemony

The key political event that would determine the political situation in seventeenth century Amsterdam was the so called Alteration (Alteratie) of 1578. During the early years of the revolt, the Amsterdam elite had remained loyal to the Spanish crown. As a result, the city became isolated and endured an economic blockade as of 1572. In February 1578, the regents signed a treaty, the satisfactieverdrag, and joined the States of Holland in their uprising against Spain. However, according to the first article of the treaty, Roman-Catholicism was to remain the only publicly practiced religion. This state of affairs eventually became untenable. Growing resistance among protestants was strengthened by the fact that more and more of those who had fled Amsterdam because of the Inquisition, were now returning to the city. On May 26 1578, a committee of leading protestant burghers, supported by the States of Holland, drove out the city council. No blood was spilled that day; the council members were banned from the city and due to careful planning, the whole operation was executed within one afternoon.92 The Alteration finally came about due to external pressures: the success of the revolt throughout Holland and the blockade of Amsterdam made it inevitable that the catholic elite would eventually cave in. However, the tensions of the revolt existed in Amsterdam too. In the mid-sixteenth century, a group of wealthy merchants had emerged with good contacts with the protestant towns in the Baltic. In 1564, these merchants signed a petition against the so-called tenth penny of 1557 (a tax levied to finance the Spanish

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The third (lived space/representational spaces) is “space as directly lived though its associated images and symbols, and hence the space of ‘inhabitants’ and ‘users’, but also of some artists and perhaps of those, such as a few writers and philosophers, who describe and aspire to do no more than describe. This is the dominated – and hence passively experienced – space which the imagination seeks to change and appropriate. It overlays physical space, making symbolic use of its objects.”

military, which was an important source of resentment and one of the direct causes of the revolt), known as the doleantie. Many of these doleanten, as those who signed the petition became known, would end up in political functions after the Alteration.⁹³ Although a watershed in terms of who governed the city, not much changed in terms of how the city was governed. In 1903, historian Elias lamented the conservatism of the new elite with a sense of resignation: “seldom does a time of extraordinary material prosperity have an ennobling influence on a people”.⁹⁴ The new elite continued the practices of giving important posts to family members or otherwise closely associated individuals. However, the identity and loyalties of those in positions of power is in this case not a minor matter. It is significant that almost all regents in the period of the late sixteenth and early seventeenth centuries were active as either merchant or entrepreneur, and that most of them remained active in their businesses while in office. In the early decades of the Republic, intimate connections existed between politics and economy. Partly this is due to the fact that in the war with Spain, the political-military interests of the state coincided with the economic interests of the merchants and the cities.⁹⁵ The Iberians had established very lucrative trade routes to Asia and to the Americas, which they protected with military force. After the defeat of the Spanish armada by a combined English and Dutch fleet, Dutch confidence grew and more attacks on Spanish targets were executed, some together with the English. In this way, the demand for access to colonial products was combined with the need to weaken the enemy of the young state. The effectiveness by which these interests were combined was due to the system of governance and the social background of those holding office, at least in the maritime provinces⁹⁶.

The Alteration also brought change in another way: the distribution of power was loosened up somewhat. The new configuration of power needed some time to settle, and

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⁹³ Elias, De Vroedschap van Amsterdam, XXXVI-XXXVII.
⁹⁴ ibid., p. XLIV, my translation. “Zelden oefent een tijd van buitengewone materieelen voorspoed op een volk een veredelende invloed uit.”
⁹⁵ This was not always the case. Often, the Republic clashed with Amsterdam over the protection of their interests. While in this case, merchants profited from military involvement, prolonged warfare usually disrupted trade and thus interfered with the interests of Amsterdam and its merchants.
until the 1630s, it was relatively easy for citizens of some standing to take the step to political power, although it must be said that there were still many restrictions, for example for immigrants. The main condition for becoming a regent was that one was of high standing. It was thought that rich regents had sharper minds and could make more independent judgements than those of lower standing. In addition, it was thought that rich administrators would be less prone to corruption. The result was that in the early decades of the Republic, a symbiosis emerged between merchant and regent. It is in this context that we must see the relatively high levels of personal freedom in the Republic. When Méchoulan writes about Amsterdam as ‘the cradle of freedom’, what he refers to is a freedom of conscience that was extended insofar as it was beneficial to the economy, though not at all cost. There were many constraints on the level of freedom granted to civilians. Religious tolerance extended to Christians of many persuasions and Jews, but atheism was as severely persecuted as it was elsewhere in Europe. In general, tolerance was only applied in so far as it served the interests of the merchant elite, and was by no means based on an ideology of equality as would later emerge after the French and American Revolutions. Nevertheless, Méchoulan brings to attention some very interesting characteristics of the mentality prevailing among the commercial elite of the city, that to some extent were precursors to, and perhaps paved the way for, those later ideologies. According to Méchoulan, the Republic was the first country to become independent of the religious rule of the church. This does not mean that we are dealing with a secular society, nor that the state had reached such level of ideological strength that it could take over the role of the church as the cement of society. As we will see in the next section, the unity and strength of the state was in fact to a large degree dependant on the support of the dominant religion. What it does suggest is, that the power of commercial interests were stronger than anywhere in Europe at the time. The old alliance between the church and the monarch no longer existed in Amsterdam and the Republic – in fact, in the single sweep of the Alteration both had been removed from the political scene. In the vacuum that was thus created, those who could gather the most momentum were the merchants who had gathered their wealth in the wave of economic growth which, as we have seen in the previous chapter, had already started in

97 Hell, ‘De Oude Geuzen en de Opstand’, in Frijhoff and Prak, Geschiedenis van Amsterdam, 256.
99 Méchoulan, Amsterdam ten Tijde van Spinoza.
100 ibid., 129.
the mid-sixteenth century. A new alliance was created to take the place of that of the church and the state. From now on in Amsterdam, commerce was directly linked with politics, and was more than ever in a position to promote its interests. As we will see in the next section, Amsterdam wielded great power in the political system of the Republic. The city dominated the States of Holland, and Holland was the most powerful of the provinces due to its superior economic position. As a result, Amsterdam, and thus its elite of regent-merchants, could almost unilaterally determine the political course of the Republic at the time of its ascent to hegemony in the world-system. With his commercial interests in mind, the regent-merchant did not so much rule over a territory, as he did administer his expanding trade networks – the gateway system of Dutch towns and its connections to all the vital economic regions of the infant world-economy. Certainly, the case of Amsterdam does not conform to the traditional narrative of the modern state-driven capitalism. However, the discussion presented here so far contains enough unique characteristics as raise questions about Braudel’s assertion that Amsterdam was the last of the ‘city-centred economies of the European past’. But before we can confidently do so, we will have to look at the particularities of the nation-state that was formed around Amsterdam after the revolt, the Republic of Seven Provinces.

2.3 The Republic: Decentralised Unity as a Survival Strategy

The Republic of Seven United Netherlands has a rather particular position in the history of the emergence of capitalism and modernity. It has been said that the Republic was a modern enclave in a Europe that was still decidedly medieval\(^\text{101}\). That the Netherlands took an exceptional position in this period seems clear, but to what extent it was a ‘modern’ society is heavily debated. In this context, it is important to be clear about what is meant by ‘modern’. The term can refer to culture, art, or science, but here I mainly use it to refer to a certain type of economy. Defining economic modernity in terms of its history is a difficult undertaking. The case of Amsterdam and the Dutch Republic makes this all too clear, as opinions differ on the degree to which the Republic can be called ‘modern’. According to Braudel, the Republic was too determined by pre-modern structures to be called modern\(^\text{102}\). Hobsbawm thought the Republic to be a feudal trade economy, which had no chance of prevailing. Others have suggested that the Republic

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\(^{101}\) Price, *Dutch Society*.

\(^{102}\) Braudel, *Civilization and Capitalism, Vol.2*. Modernity here is defined mainly in terms of the presence of capitalist forms of economic organisations and practices.
was the first, but incomplete capitalist power (Wallerstein) or that the golden age of Amsterdam was the climax of a transition period (Balfour). As De Vries and Van der Woude have suggested, these views all suffer from the same problem: they look back from industrial Europe to pre-industrial Europe and ask the question why industrialisation did *not* take place here. They start from the premise that the Republic must have been either ‘modern’ or ‘pre-modern’ or a transition stage between the two. And even though they criticise this premise, De Vries and Van der Woude are compelled to take a clear position as well: they assert that the Dutch Republic was the “first modern national economy” (*volkshuishouding*). Although they explicitly avoid postulating a formal definition of what a modern economy is, they formulate four ‘genetic characteristics’ that have made industrial capitalism in Europe possible, and that were present in the Republic: 1) free and accessible markets for goods and production factors; 2) high levels of agricultural production; 3) a government with respect for property rights and the material living conditions of its citizens; and 4) technological development and social organisation supportive of long term economic growth, and a material culture of riches for market oriented consumer behaviour. The presence of these characteristics in the Dutch Republic in their analysis, leads the authors to the conclusion that the Republic was indeed ‘modern’. However, what De Vries and Van der Wouden do is simply change the criteria for defining economic modernity. In my view, the wish to define the Republic as either modern or pre-modern obscures the spatio-historical processes that are at work here. Thinking in these terms in a way predetermines the Republic as either a beginning, end, or hinge – in the grand historical scheme, the ‘incredible’ success of the Republic must have had some role to play. There is no question that the Republic was the stage for an exceptional round of economic success, and that therein aspects of the transformation of western European society converged and concentrated, whether in a conservative or a progressive way. However, as Latour wrote, “we are not modern”*104* – modernity is not a state of being, but a process. If we cannot say of ourselves that we are or are not modern, then surely the same goes for the 17th century Dutch Republic. Having said that, the problems of governance in Amsterdam as sketched above have to be considered in the context of the creation of the Republic. As we will see, the Republic was a decentralised state at a time when the strong centralised

103 De Vries and Van der Woude, *Nederland 1500-1815*, 798, my translation.
104 quoted in: Featherstone and Lash, *Spaces of Culture*, 1. Featherstone and Lash invoke Latour’s statement in support of the claim that ‘national cultures’ too have never existed.
state became the dominant political form throughout Europe. Its survival and success was not hindered by its fragmented political organisation, and was in fact in many ways secured by it.

In the late sixteenth century, the city of Amsterdam and its surrounding regional economy became encapsulated into the newly formed state the Republic of Seven Provinces. At first sight, the rise of the Republic fits in perfectly with the general trend across Europe in the seventeenth century of the strengthening of territorial states and its bureaucratic institutions. When we look closer however, it becomes clear that the opposite is the case: the emergence of the Republic was in many ways a unique exception. It was not only a direct response to centralising tendencies of the Habsburg empire, but its institutions provided for a decentralised state structure that would persist largely unchanged for over two hundred years, until the demise of the Republic in 1795. Before looking at the emergence and institutions of the Republic, it is useful to look for a moment at the Netherlands as they were before the state came into being. As a body politic and as a socio-cultural unit, the Netherlands can be said to have come into being only after the revolt against Spain. It was in the early decades of the revolt, that the basis was laid for the emergence of a Dutch identity that today is still prevalent in Dutch society. Yet it cannot be said that a uniform nation formed. What drove the unification of the provinces and the emergence of the Netherlands as a territorial state, was not some notion of a deeply experienced common Batavian identity as was later the explanation of the Romantic historians, but the existence of a common enemy. Politically, the area had been unified by Charles V, who in 1549 declared by edict the Netherlands to be a separate entity equal to the other Habsburg territories. In their relation to the king, the individual provinces enjoyed a certain degree of independence, that was seen as their natural right. What united the provinces shared in the second half of the sixteenth century was the notion that Phillip II infringed on these ancient rights. In the late Middle Ages, according to Schama, in the Burgundian provinces in the Netherlands a different notion of recognition of royal power was prevalent than was common in other parts of the kingdom. The periodical visits of royals or their representatives was characterised by a reversal of the symbolic connotation of the triumphal arch – the ceremonial royal progress here signified not the acceptance of Caesarism, but rather the barrier through which military power passed in order to regain access to civilised society. Throughout both the northern and the southern
Netherlands, the Burgundian rulers accepted this unusual resistance to Caesarism\textsuperscript{105}. This demonstrates how much a sense of independence was ingrained in much of Dutch society in the 16\textsuperscript{th} century. The revolt against the centralising tendencies by Phillip II did not come as quite a surprise. Each of the provinces had its own reasons to oppose the monarch, and joining forces, officially confirmed by the Union of Utrecht, was an act of pragmatism. In the early decades of the revolt, this notion was blown to mythological proportions in propagandist writings supporting the fight for independence.

In practice, the Republic was a confederation of independent provinces, cooperating on military issues, but with sovereignty on almost all other issues. The States-General decided on common policy, and was seated in The Hague. This city had been the seat of the States of Holland since the count of Holland had his residence there. Because Holland was the most powerful of the provinces, the States-General naturally gravitated to this place. Unanimity was required in important issues, such as war and peace, and on these issues, the provincial representatives in the States-General could not independently make decisions. This caused an impractical situation where representatives had to travel back and forth between The Hague and their provinces to assure themselves of

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{Leo_Belgicus_CJ_Visscher_1609.png}
\caption{Leo Belgicus (C.J. Visscher, 1609). Introduced in the 1580s, the cartographical depiction of the Netherlands in the form of a lion became increasingly popular in the seventeenth century. The lion was also adopted as an official symbol by the Republic.}
\end{figure}

\textsuperscript{105} Schama, \textit{The Embarrassment of Riches}, 66.
support. Despite the convoluted nature of politics, the system proved to be durable. One of the main reasons for the seven provinces to continue their cooperation in the Republic was the war. The continuing threat posed by first Spain, and later France and England, provided the provinces with strong incentives to stick together despite internal conflicts. As in other countries, war was the direct cause for the creation of the state. However, this relation was in the Netherlands very different than it was elsewhere. Warfare and its cost, which had to be paid for through taxation, are often cited as major factors in the rise of the absolutist state. As ‘t Hart has shown, the history of the Dutch Republic poses questions about the causality between the two. As we have seen, the Republic was far from an absolutist state. Nevertheless, it was able to wage war against powerful enemies and retain its position as a formidable military power, especially at sea, until the end of the seventeenth century. To shift the burden of war onto society, the state had three options: move towards central sources of revenue, draw on provincial taxation, and contracting loans. The first provided the republic with limited options, due to the decentralised nature of the state. Customs fell under the central administration, as did taxation of the generality lands, and taxes on a few products such as salt and soap. The provinces however had a broad tax base, facilitated by a high degree of urbanisation and commercialisation, relying mostly on excises. While these characteristics applied most strongly to the maritime provinces, the inland provinces were much more reliant on direct land taxes, as was more commonly practised in the rest of Europe. This division between maritime and inland provinces is found again with regard to the third means of shifting the burden of war: contracting loans. Especially Holland had very strong credit due to its tradition in that respect: it had access to international capital flows, control over financial markets, accumulation of wealth through trade, and a substantial rentier class. With its unprecedented and unrivalled financial position, Holland effectively managed the Republic’s debt. Interestingly, creditors of the state were all almost all domestic, so that the republic did not rely on foreign loans as did many other European states, and were found even in the lower middle classes. In short, the taxation system was geared to the provincial level at the expense of the central state, and in that sense, war taxation cannot be said to have contributed to a feeling of national unity. On the other hand, the multi-scaled taxation

system was effective enough to support the military apparatus without having to draw on external sources. In this way the Republic remained a federative constellation of independent provinces without sacrificing its external security. Internally, this structure effectively managed the balance between centripetal and centralising forces. Conflicts between provinces and cities were fought out, sometimes violently, but the flexible political structure prevented conflicts from escalating to the point of threatening its stability.

Despite (or perhaps thanks to) the decentralised political system, a common social body did emerge within the borders of the Republic. Religion was an important drive behind this process. Throughout the Netherlands, the reformation had found fertile ground. Partly this was due to the fact that there already existed popular support for a humanist movement started by Erasmus of Rotterdam. Although religious strife was not the cause for the revolt against Spain, it quickly was made into one. In the first decades of the revolt, pamphlets were written in which the existing political prerogatives were anachronistically interpreted as being a licence for religious freedom. Thus, the myth of an ancient religious tolerance was created as a justification of the revolt.108 Consequently, the state gained a sacred aura of a site chosen by god to oppose the diabolical oppression by the catholic church. Religion and politics were inextricably linked as they were everywhere in Europe, though in a very different way. In the early modern era, Europe was made up of confessional states, acknowledging Governments had since the late Middle Ages become aware of the role an official church could play in maintaining and strengthening social cohesion109. The Republic was not an exception to this rule, but it dealt with religious plurality in a different way. Not that the reformed church did not try to attain a dominant position, but no church was powerful enough dominate the state. Although the reformed church was the only official church, it remained a church of the state rather than a true state church. How did the Republic maintain a level of institutional integrity without the control of a dominant church? The answer, according to Gorski, is that while in other European countries, the disciplinary revolution took place from above, what took place in the Dutch Republic was a process of

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Calvinist disciplining from below. This process took place in three phases. In the first phase, from the 1570s to the early seventeenth century, ecclesiastical discipline was imposed along the lines of the teachings of Calvin. The primary purpose was to establish the moral purity of the church (Ecclesia Pura). In a second phase, from the 1580s to the end of the seventeenth century, the reformed churches turned towards society as a whole with the intention to impose social discipline: the Republic was to become a ‘New Israel’ (Respublica Christiana). In cooperation with city magistrates in different towns, new marriage laws were implemented, new poor laws that made work an obligation and provided support only to the most needy, and many houses of correction and orphanages were created. The tuchthuis in Amsterdam was famous throughout Europe as a state of the art penitentiary. The third phase, between the early seventeenth and late eighteenth centuries, was the further reformation. Centred in Utrecht, this movement strove towards the reformation of life itself based on individual self-discipline through the internalisation of the principles of Calvin into each individual (Exercitia Pietatis). Through this phased process, Calvinist discipline contributed to a gradual but profound pacification of everyday life within the Republic. However, the Republic was never a Calvinist country in the pure sense of the word. At most, only just over half of the population belonged to the reformed church. The difficult task of the Dutch was to create cultural unity from religious diversity. The answer to this problem came in the form of a peculiar constellation of religious and secular symbolism. A new culture emerged to deal with new circumstances, as Schama explains: “from ingredients drawn form earlier incarnations, the Dutch created a fresh identity (…). [They] had committed themselves irrevocably to a ‘cut’ with their actual past, and were now obliged to reinvent it so as to close the wound and make the body politic whole once again”111. This process of solidification of the Dutch identity was not an isolated event. In the 17th century, a crucial stage in the in the development of national taxonomies took place in Europe112. The intensification of connections between different parts of the world since the fifteenth century, had created the demand for descriptions and categorisations of different cultures. The existing vague notions of distant and largely unknown peoples, were gradually being transformed into elaborate taxonomies of national characteristics. In the

111 Schama, The Embarrassment of Riches, 67.
Netherlands... Under the influence of eighteenth century German Romanticism, this would flesh out in the idea that each Volk has its own unique character. The Dutch volksaard would continue to be considered as freedom loving among others. These characteristics could also be applied to Amsterdam. The seventeenth century historian Commelin compares the founders of Amsterdam to those of ancient Rome and concludes that they have a very different nature. The Roman founders were “wild, ferocious people, disposed to war and pillaging”, while the founders of Amsterdam on the other hand were “sedate and peace loving folk”. The people of Amsterdam and, by extension (or as an extension of), the Republic were therefore thought, at least by commentators such as Commelin, to be by nature more inclined to peace and morally elevated above other peoples.

2.4 Conclusion

As we have seen in chapter 1, even within Holland, not one city dominated all the others, although Amsterdam increasingly grew into the role of primum inter pares in the late sixteenth and seventeenth centuries. This also had impact on the problem of governance. To this day, Amsterdam is the capital of the Netherlands, while The Hague is the seat of government. This pattern goes back to the Middle Ages, when the counts of Holland had their domicile here, a habit that was continued by their successors, the representatives of Burgundy and Habsburg. The Hague did not get city rights until well into the 16th century, and was not fortified (aside from the castle). As a result it suffered greatly in the early years of the Eighty Years War. Eventually, the towns of Holland decided to rebuild the city, so that it could remain the seat of government, as a compromise between the rivalling Holland towns. The situation thus created, where the main city is not the seat of government, was and is uncommon throughout Europe, but it makes perfect sense in the context of the decentralised Republic. Virtually all economic, political and cultural power was concentrated in the space of one province, Holland, which was urbanised to such high degree, with for the time very fast connections between cities, that domination by one city was impossible and not a necessity for economic success. As we have seen in the previous chapter, it was in the first place the synergy between the towns that drove the economy. In the network society of the Republic, territorial control was a decentralised function of relatively independent cities that nevertheless found themselves inside the mental and political space of the state. The Republic was a strong state, but not in the traditional sense. It did not have a
powerful, centralised bureaucratic system, but was cemented by two interrelated factors: the external threat of war, and the internal moral order. Within this framework, the Amsterdam merchant-regents had the power to pursue much of their interests. Nevertheless, they constantly had to navigate between the need for collective political action, and the unilateral pursuit of economic interests.

Sassen has argued that globalisation today represents a rearrangement of assemblages of authority and territory. The history of the Republic as presented here shows the first stage of the initial constitution of those assemblages out of their medieval predecessors. In terms of the global-urban dialectic, the state was a facilitating factor, but at the same time it was formed and transformed by the dialectic as it became a constitutive element of the global space of accumulation. While the Republic facilitated the development of Amsterdam as global city to some extent, it also modified the direction of this process. The increasingly global operations from the city were beginning to be framed as part of a national project – even if state and nation had yet to be fused together as they would be in the nineteenth century. The revolt created the need for a new self-consciousness – the Dutch began to define themselves as Dutch, even though the strong identities of cities such as Amsterdam did not disappear. The latter were recontextualised within the framework of a national identity that would eventually eclipse (but not destroy) them. As the main financier of the army and the navy, the state became an important factor in the constitution of the core-periphery structure of the global economy. As a result, the networks looked very different outside Europe than they did within Europe. The territorial sovereignty of the state was extended into newly established colonies, a pattern that would continue to exist until the second half of the twentieth century.
3 – THE TIME/SPACE OF THE GLOBAL CITY

3.1 Topographic Imagery

In the previous chapters we have been looking at the space economy and the issues of sovereignty that characterised Amsterdam in the late sixteenth and early seventeenth century. The question that remains is how these developments relate to the spatial organisation of the city itself. The space of accumulation produces not only the environment of the city, but also a particular order in the city. As in the previous chapters, we will first turn briefly to Sassen’s book to see how she deals with the internal organisation of today’s global cities. In *The Global City*, Sassen discusses the social order of the New York, London and Tokyo in terms of employment and class and spatial divisions. The question she poses here brings the impact of the global city functions down to the following question: “does the success of the postindustrial core tend to reduce poverty and marginality for significant numbers of the population?” Her conclusions are that the global city is characterised by increased income polarisation, which is expressed in greater spatial and racial inequality. Because the focus in the present thesis is not so much on the global city concept itself, but rather its underlying dynamic, a broader view on the internal transformations of the city is needed, incorporating the physical space of the city and its social-cultural meanings.

There are indications that the restructuring of the global economy in the 1970s and 1980s has had profound implications for major urban centres. Jane M. Jacobs, for example, like Sassen, points at processes as a result of which cites are in a way transformed into new entities, but with a higher degree of historical awareness: the old ‘modern’ city becomes the new ‘post-modern’ city. In *Edge Of Empire*, Jacobs writes that in the 1980’s London “was both a post-imperial city and a ‘post-modern(ising)’ city. The city had moved from the confidence afforded by empire to a more competitive and at times precarious status constituted out of new global and regional alignments”114. This ‘movement’ of the city is in a way a movement away from the past, as ‘new global and regional alignments’ shape the future and create a rupture with the past. The world has become decidedly post-imperial since the Second World War, and with it, cities have

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114 Jacobs, *Edge of Empire*, 40.
changed. Of course, the present and future are always haunted by spirits of the past, and Jacobs presents the global city as being shaped from a struggle to shake its imperial self, and with it re-inventing itself as post-colonial and post-imperial. The importance of historic colonialism can also be found with Anthony King, for whom colonialism is the historical link between urbanism and the world economy\(^{115}\). But the end of colonialism is part of larger transformations in the global economy. The reshaping of London’s ‘global and regional alignments’ occurred simultaneously with the decline of the British colonial empire and of British dominance of the world economy. In the world economy, like in London, the past is present in social, economic and cultural institutions. The example of London is certainly not readily applicable to other cities, and the way in which imperialism, nationalism and a global context are interconnected here may be unique. But it does show how much global cities are entities with a history that is still clearly discernable, in spite of a movement away from the past. The historic components that continue to characterise cities do not do so uniformly, nor do they have fixed expiration dates. They are present in a layered fashion, different aspects surfacing at different places and different times. Each change in cities is in some way caused and preceded by other changes with roots in the past. As a result of this cumulative process shaping cities, multi-layered patterns can be discerned in the urban landscape that reflect the dynamics of society. At the same time, we need to be aware of the importance of the urban landscape in shaping the global economy. In *The Global City*, and even more so in *Losing Control?*, Sassen focuses more on the effects of global restructurings than the causes. As a result cities are in the first place recipients of change in the capitalist economy. Nevertheless, her work also contains the other side of the dialectic. As sites of command and control, global cities are the place where technological, financial, and organisational innovations are developed and first applied. However, this characteristic of the global city appears mostly in economic terms. For our present purposes, a broader conception of the spatial dialectic is needed. Just as the global economy must have a spatial existence as a mirror image of its existence as an abstract theoretical concept, it must also be produced in space from its very conception. In other words, like any other theoretical construct the global economy has no *a priori* existence outside of space. The designated space where the global economy first emerged was in urban space.

\(^{115}\) King, Urbanism, *Colonialism and the World Economy*
The development of cities within the framework of a globalising economy takes place in the form of a dialectic relationship in which it is sometimes difficult to discern cause and effect, if one can speak in such terms. However, this dialectic always takes place, in the most literal sense. To dissect this process, that produces and emerges from urban space, we turn once again to Lefebvre. In his view, space should not be understood as the stage on which history is played out, nor as a container in which objects are inserted – "space is social morphology: it is to lived experience what form itself is to the living organism, and just as intimately bound up with function and structure."\(^1\) Lived experience, of course, cannot be separated from individual bodies in space. Bodies themselves (besides occupying space and being space) generate spaces, which are produced by and for their gestures.\(^2\) In some cases this is true for natural space as well: consider a bee-hive or a birds’ nest. Social gestures are more complex. They are articulated, assembled movements made up of symbols, signs and signals. Each society thus produces its own spatial codes, within which individuals are able to act in a meaningful way.\(^3\) Social space therefore contains a spatial code that can be read and decoded. What Lefebvre is tracing are the coming into being and disappearance of certain codings and decodings. His analysis is built up around the conceptual triad spatial practice, representations of space and representational spaces.\(^4\) The three are interconnected and overlap each other, but form distinct aspects of the coding of space. Spatial practice encompasses the production and reproduction of social space. It takes place in and builds on pre-existing space as it simultaneously transforms it, and it thus stands in a dialectical relationship to space as perceived by members of a society. Representations of space are “tied to the relations of production and to the ‘order’ which those relations impose”, and they include codifications of knowledge and power. They have a tendency to be fixed into intellectual conceptions, and as such to be used by specialists such as scientists and policy makers. It is this the conceived space which directs the way in which the appropriation of space is organised in society. Representational space is the symbolic meaning that is given to physical space, in part subconsciously, and as such it is space as directly lived by members of a society. It is clear that the three concepts cannot be fully separated from each other, and each can and does impact the constitution of the others. This conceptual

\(^{1}\) Lefebvre, The Production of Space, 94.

\(^{2}\) ibid., 216.

\(^{3}\) ibid., 212-4.

\(^{4}\) ibid, 33.
triad is Lefebvre’s analytical tool for the decoding of social space. In changes in the content of the three aspects and their interrelations, changes in society can be traced and thus Lefebvre traces the emergence of the modernity and capitalism.

In order to make the foregoing more concrete, I will invoke what Karen Newman has called a ‘topographic imagery’. Newman challenges the notion that time precedes space in the development of urban culture. The urbanisation trend that characterised the transition from the Medieval to the Early Modern period, led to the emergence of urbanised cultures. Urbanisation in this sense does not mean only the numerical growth of cities, but also a structural urbanisation: the increased concentration of urban functions such as the operation of a centralised state, the production and exchange of goods, and the need for coordinated movement through space. Representations of cities increasingly served secular needs, especially those of the merchant. The growing crowds in the cities, active in expanding and intensifying urban activities, made an impression on observers, and was depicted in representations the cities. In this context, argues Newman, a distinctive urban space was produced, in which persons of different status mixed and in which the ‘rights of man’ could be imagined. Newman is, in her own words, “tracing an emerging psychic, cultural and material logic that leads to the Enlightenment with its notions of individualism, liberalism, and democracy”. If we accept that ideology is a response of society to transformations in space, as much as it is the force shaping social space, then we can (to some extent at last) explain the events that make up the emergence of modernity by focussing on the space of the Early Modern city. Newman’s arguments weave the economy of Early Modern cities (the merchant’s space), their changing context (the space of the centralising state) and their social transformation (the emergence of the urban mass and the formation of Enlightenment thinking) together into an intricate spatial-temporal web. When we follow these propositions, the city is no longer a passive receptor of social change, or the stage of history, but rather it channels and even initiates change. In addition, the focus becomes urban space rather than the city. Activities we can describe as urban become as

120 Newman, in: Mazzio and Trevor, Historicism, Psychoanalysis and Early Modern Culture, 60.
121 cf. Tilly, The Vendée
122 Newman, in: Mazzio and Trevor, Historicism, Psychoanalysis and Early Modern Culture, 73.
123 Many of these events are distinctly urban, take for example the French Revolution and its imagery of the barricades in the streets of Paris, or the slums associated with the industrial revolution.
important as the city itself, although this distinction is artificial. One of the things that distinguishes Early Modern societies from their Medieval predecessors, is their urban character. It was a reversal of the de-urbanisation that characterised the disintegration of the Roman Empire, during which whole cities disappeared from the face of the earth. Medieval society was rural in character and consequently, the power of the nobility had a rural base. In this context, it is not surprising that the process that would eventually overthrow the feudal order emerged from urban space. It has to be noted that this does not mean that it occurred strictly in cities. As early as the 13th century, examples can be found of farmers offering their labour for money – the transition from serfdom to paid labour was underway. This means that counting in terms of money was already beginning to take root in the mentality of farmers in the European countryside.\footnote{Braudel, \textit{Civilisation and Capitalism, Vol. 2}}

However, most of the essential inventions of capitalism are connected to the concentration of urban activities such as trade and transportation. Dutch society had a strong degree of urbanisation at a relatively early stage. Although the Netherlands, in the 16th century did not have any cities the size of Paris or London, the region as a whole was highly urbanised.\footnote{Hohenberg and Lees, \textit{The Making of Urban Europe}} Paris for example, was the only major city in a huge area, while in the Netherlands, there were many medium-sized towns. However, the intensive trade between these towns made it a laboratory for early capitalism. In the previous chapter, we have seen how Amsterdam was the centre in a space of networks on different levels. This chapter looks at the question how the city itself functioned and what kind of representations of space and representational spaces were involved in the constitution of Amsterdam as a world centre. The guiding principle is that the developments described in the previous chapters do not precede urban space, but that the spatial-economic context and the arrangement of the physical space of the city were transformed simultaneously in a dialectical manner. In my understanding, this is the essence of Newman’s topographic imagery. Without the inspiration emerging from the urban landscape, no logic of accumulation (of knowledge, capital, or culture) can exist. At the same time, changes in social reproduction need to be expressed in the spatial organisation of the city if they are to persist. In the following sections, three aspects of seventeenth century Amsterdam are explored. First, we will look at the growing significance of renaissance-influenced city planning as the city grew explosively between the mid-sixteenth and mid-seventeenth century. This development points to an

\footnote{Braudel, \textit{Civilisation and Capitalism, Vol. 2}} \footnote{Hohenberg and Lees, \textit{The Making of Urban Europe}}
increasing integration of renaissance thought into planning. The second aspect treated here concerns the changes that occurred in the cityscape during this same period. This incorporates both the creation of spaces that supported the economic functions of the city, as the symbols made to bear witness to the greatness of the city. Finally, we will look at some of the mechanisms in the city that made it ‘work’ as a key site in the world-economy.

3.2 City Planning and the Rationalisation of Space

Perhaps the most explicit and conscious example of changes to the city in response to a changing reality is city planning. To have a good impression of the changes that occurred, it is necessary to take a look at the city before the great changes, in the mid-sixteenth century. We have a reasonably good image of what the city looked like on the outside before the great extensions of the late 16th-early 17th century, thanks to the detailed map Cornelis Antonisz. made in 1544. Few studies exist on the living conditions of sixteenth century Amsterdam. The most detailed is the study by Van der Leeuw-Kistemaker, who singles out one street, the Warmoesstraat. She confirms the relative accurateness of Cornelis Antonisz.’ map. Based on the tax revenues of the 10th penny collected in 1557, she concludes that the Warmoesstraat was the most affluent street of the city. More so than Kalverstraat and Nieuwendijk, which were probably busier streets with denser traffic. Contrary to these streets, the Warmoesstraat ended in a part of the city with many monasteries. In absence of comparable studies of other parts of the city, it is difficult to say much about the spatial distribution of social groups. We can expect the better off to be situated in the more spacious and centrally located streets, while the poor reside in more cramped areas in the periphery. But even affluent streets had many narrow side-alleys in which the poor lived. In general, though the rich certainly claimed the best locations for themselves, there were no strict divisions in rich and poor areas of the city. In addition to this, there was no division between work and residential areas. There were some businesses so notoriously inconvenient as neighbours, such as sugar refining workshops, that repeatedly orders were sent out to force these to the countryside. But in general, work and residence were mixed up, and a business and

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126 The development of the city plan of Amsterdam between the late sixteenth and early seventeenth centuries can be traced in the many maps that were made throughout the period. Three examples are included as appendix 1-3.

127 Van der Leeuw-Kistemaker, Wonen en Werken in de Warmoesstraat.
living quarters were usually housed in the same building, or at least on the same parcel. The city hadn’t changed in shape and size since the city walls were built in 1482-1486. In the century that had passed, the population had grown from around 10,000 to around 50,000. As the population began to grow, the city became occupied with planned expansions. It is at this time that the city extracted itself to some extent from the grasp of nature. In the words of the contemporary author Geert Mak, the development of the city was “no longer (...) limited by natural conditions, as it had been in 1380. Here nature bent entirely on the will of the city carpenter, the military engineer, and the surveyor – the first true urban planners.”128 However, that these ‘planners’ were working on the basis of a master plan for the city is not all together clear. In his standard work on planning in the Dutch Republic, Taverne has argued that that there was no such plan, and that the shape of the city and its expansions was largely based on practical (military) considerations129. Planning was thus concerned with only two issues: how to provide homes for the growing population, and how to protect the same population from any future attacks on the city. More recently, Bakker has held the position that, because for a short time, the Republic was a kind of utopia in a Europe rife with conflict and depression, it is unthinkable that the city elite did not have a preconception of what the city should look like130. This means that planning was, in addition to the two issues mentioned, also concerned with the image of the city to the outside world, and with

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128 Mak, in: Musterd and Salet, *Amsterdam Human Capital*, 34.
129 Taverne, *In ‘t Land van Belofte*.
130 Bakker, ‘De Stadsuitleg van 1610’.
creating a pleasant space to live in. This seems plausible if one remembers what Schama wrote on the analogies that contemporaries saw between the Dutch Republic and the biblical promised land\textsuperscript{131}. Indeed, the elite of the Republic was very aware of what they perceived to be their role in history and the importance of the land therein, to the point that the land was likened to the Zion of scripture. In the words of Schama, one of the core cultural problems of the Dutch was to create a "moral order within a terrestrial paradise."\textsuperscript{132} It is only a small step to imagine that the same elite must have had a grand scheme in mind for the main centre of this earthly paradise. Although the original plans that in this case would have existed are now lost, from the succession of plans throughout the 17\textsuperscript{th} century Bakker deducts a single concept, based on the renaissance concepts of the divine harmony reflecting the dimensions of man and nature. It is known that the leading Dutch planner of the time, Simon Stevin, was influenced by 15\textsuperscript{th} and 16\textsuperscript{th} century Italian Renaissance planners and had adopted the Vitruvian concept of the \textit{città ideale} in his writings.

Mak implies a more ‘accidental’ ideal city as he observes that “the canal city developed into a monument of its own right. One without a single palace, but instead a collection of many hundreds of little palaces. A ‘compleat citie’ indeed, yet not one for a monarch or a royal court, but one for a thoroughly republican bourgeoisie”\textsuperscript{133}. Mak highlights an interesting aspect of the case here. While throughout Europe monarchies were showing centralising tendencies, that took the shape of grand palaces in the main urban centres, the opposite happened in Amsterdam. In fact, the Dutch Republic had emerged from the struggle against such a monarch. The ruling elite in the city, the regents, held a strong antipathy against the centralising tendencies that were going on elsewhere. However, this does not mean that they did not have a taste for grandeur. The city hall that was built in the mid-17\textsuperscript{th} century was a testimony to the visions of greatness and the biblical connotations of Amsterdam and the republic. Jacob van Campen designed it as a reflection of divine harmony. Here, again, Vitruvius was the main source of inspiration and in this sense Van Campen was in sync with the sciences of his time.\textsuperscript{134}

\textsuperscript{131} Schama, \textit{The Embarrassment of Riches}, 93-125.
\textsuperscript{132} ibid, 125.
\textsuperscript{133} Mak, in: Musterd and Salet, \textit{Amsterdam Human Capital}, 39
\textsuperscript{134} Goosens, \textit{Schat van Beitel en Penseel}.
Following Stevin’s ideas, certain planning elements were deemed vital, and apparently two in particular: state-of-the-art defence works, and an optimal circulation of traffic. The former should be placed in the context of the situation before the nation-state, in which regular outbreaks of conflict (even between cities within the Netherlands) and shifting borders were part of common political and military considerations. The latter was accomplished by expanding the canal structure – boats had always been an integral part of the city’s traffic. The extensions were a response to the unprecedented growth of the city’s population, but the dynamic of the growth was poorly understood: the first three extensions turned out to be insufficient, the fourth came at a time when growth was beginning to slow (and would eventually even turn into decline). In 1694, historian Casparus Commelin wrote in retrospect that after the second extension, grand houses were built on the western side of the old Singel, because it was clear that the city walls would again be brought down. On the eastern side, poorer houses were built, “because they had a view on the walls, and it was not foreseen, that the city would soon be further extended”. Apparently, it was not at all clear in the early 17th century, that the circular pattern of the outer defence works would be completed any time soon. Nonetheless, the growth of the city continued until the second half of the 17th century, and on edge of the 1647 map by Van Berckenrode, we can already see a glimpse of extensive building outside the eastern walls. In short, the argument of aesthetics raised by Mak seems to be somewhat contrived. Although, as Bakker notes, the odd shape of the city after the third extension was not strategically sound, and the planners probably had intended at an early stage to eventually complete the outer defence ring, this would not be accomplished until almost half a century later. The extensions were planned ad-hoc to deal with the growth of the city, and were fashioned after the latest on defence and traffic. This in contrast to 20th century city planning in which expectations of future developments would be projected on cities to substantiate plans. Nevertheless, in retrospect it is not difficult to see the extensions as a foreboding of future developments of European cities. In the 18th and especially 19th centuries, a tremendous wave of urbanisation would necessitate the physical growth of many cities, and the planning of large extensions became commonplace, particularly in the great centres of empires. This

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135 Commelin, Beschryvinge, 215: “omdat zy haar uytzicht tegen de wallen hadden, en men niet tegemoet zag, dat men de Stadt voor eerst verder zou uyt leggen”.

was often accompanied by great restructuring of the city, as was epitomized by Haussman’s Paris. Amsterdam was not the capital of a strong nation-state in its time, and perhaps this in part explains the lack of such a grand scheme: the old city remained largely intact. Nevertheless, the spacious layout of the upper echelon canals does seem to anachronistically echo the way in which Haussman’s boulevards opened up and sanitized Paris. To that extent, there might be a pattern regarding the response to city growth within the framework of the capitalist spatial logic. The ideology that inspired Haussman in Paris did not yet exist, and would for that matter never take root in the Netherlands. But even without such a scheme, the city around 1700 looked remarkably planned. As the boulevards and squares of Paris would later give expression of the imperial aspirations of France, so did space in Amsterdam give expression to the control it exerted over an empire of merchants. It was the centre of this empire – the centre of a web of trade relations that stretched across the globe. This is what the city did best: channel trade and concentrate information – in that sense it may have been a ‘compleat citie’ after all. What is essential here is to realise what the planners and those who ordered the plans were planning for, given that the rapid growth and the malleable nature of the natural environment created opportunities to determine the outcome to a large extent. Their intent was not to create a grand imperial city reflecting the glory of a monarch or some other personal representative of power. They created a city that reflected the nature of its business, by expanding on those characteristics that helped establish its business.

3.3 A Changing Cityscape

Whether planned in advance or not, the new parts of the city seem to have turned out more socially uniform compared to the old city. This is especially clear when we look at the first and second extensions. As mentioned earlier, in the mid-sixteenth century there was no real division between residential and industrial areas, nor was there a strict division between the rich and the poor. But in the early decades of the seventeenth century, this was changing. Even a quick glance on the map by Van Berckenrode of 1625 reveals that the new canals (Prinsegracht, Keizersgracht and Heeregracht) were not meant to be locations for the big trading companies, but rather living quarters for those heading these companies. The streets are spacious and lined with trees, and behind the building lie large gardens. On the east side, the picture is not completely different. Here we can also find tree-lined canals, but they do not have the stature of those on the west
side. They seem generally to be more busy, the Keulsche Kade for example, where services for destinations upriver towards Germany were stationed. On the East Islands, we find the shipbuilding industry, and it seems that those employed in it lived in the neighbourhood. In the Ridderstraat and Jonkerstraat for example, two long streets in which according to Commelin, a “greyish multitude of in general seafaring, and artisan folk, which make a living in the ship wharfs and in shipping”\textsuperscript{137} lives in cramped and generally unfavourable conditions. I have already mentioned the poor quality of housing near the city walls. An almost imperceptible change occurred in the social patterns of the city. In the late 16\textsuperscript{th} century the merchant still lived in the direct vicinity of his work – often his office or warehouse were in the same building. This changed as the newly created grachtengordel (literally: girdle of canals) became populated by the commercial elite of the city\textsuperscript{138}. At the same time, their businesses remained where they were: on and around the Amstel river. As a result, for the first time a structural division emerged in the city between residential and work areas. In the old harbour, the Oude Waal, which had become too shallow for large ships, a complete new island was created in the mid-

\textsuperscript{137} Commelin, \textit{Beschryvinge}, 212: “grouzamen menigte van gemeen varendt, en handwerksvolk, ’t welk met scheepstimmerwerven en vaarten, hun kost wint”.

\textsuperscript{138} Taverne, \textit{In ’t Land van Belofte}, 143.
1640s, which was developed exclusively for merchant houses. When the fourth extension was finally completed, a large portion of the newly acquired space was used to create recreational gardens within the city, the Plantage. All this considered, the image it amounts to is not that of a medieval city simply becoming bigger and pushing its walls outward once again. Beyond expanding itself to create the living space for new inhabitants, the city was re-shaping itself to suit the needs of its new function at the core of a worldwide network. The money flowing into the city over its waterways gave the it the means to plan, invest in, and execute huge projects that changed the cityscape forever. Aside from the extensions, this lead to many other changes in the city’s appearance.

A physical change that immediately catches the eye is the creation of 12 new towers in the early 17th century. Churches had always been important in the spatial configuration of the medieval city. Usually the physical centre of town and the symbolic centre of society, it was the link between the earthly and the sacred. Amsterdam was no different. Until the late 16th century, the city had featured one main church and steeple, the Old Church (the New Church had no steeple to speak of). The importance of this tower in civic life can hardly be overstated. It was the centre of the so-called bangebied, a circle drawn around the city originally used to keep lepers out. After leprosy disappeared, the bangebied was used to exclude loafers, the insane, and the licentious. By the 16th century, it had thus turned into a moral border between the moral order of the city and the outside. What becomes clear is how much the city was still perceived as a representation of the world. De Heer has pointed out that many of the depictions that were made of Amsterdam in the 17th century concentrate the city in a narrow ellipse between the water of the IJ bay and the horizon, which was purposefully drawn slightly arched to create the effect. The many towers that were built in the early 17th century seem to have been built with the vision in mind to create – quite literally – a crown on the city’s achievements. Most of these towers were created by the Amsterdam’s leading architect of the time, Hendrick de Keyser. The sudden creation of so many towers may have created an unexpected dilemma for cartographers. The church

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139 The IJ was connected to the Zuiderzee (in its turn a bay of the North Sea), which has been a fresh water lake, called IJsselmeer, since it was closed off from the sea by means of the 32 km long Afsluitdijk in 1933.

140 De Heer, *Het Architektuurloze Tijdperk*, 147.
Fig. 5 - View of Amsterdam from the IJ, from Commelin, *Beschryvinge van Amsterdam*.

towers of coastal towns were used by approaching ships to navigate along the coast. Because these towns usually had one dominant tower, a schematic drawing of it was used to depict the town on maps in shipping manuals. De Heer suggests a symbolic connection here: “the portrait of a town could be drawn with one single tower. All towers are needed for a portrait of the world. Could then the place with many towers not be the world in a nutshell?” 141. For ships navigating along the shore, it meant that Amsterdam would from that moment on be unmistakably where the most towers were concentrated. At the same time, then towers stood as proof of the reality that Amsterdam was a city of many religions. As we have seen above, the city was not so much centred around palace embodying a single power nexus, as it was a assemblage of small palaces: the merchant houses, which (when we keep in mind the strong bond and overlap between regents and merchants) at once embodied political and economic power. Similarly, the city was not so much centred around a single church embodying the heart of the city as religious community, as it was an assemblage of religious communities centred around churches in different parts of the city. The dam square at the heart of the city was the nexus of this urban kaleidoscope. Here the town hall, the New Church and (from 1611) the stock exchange stood side by side. None dominated the others: the dam was truly a meeting place between economy, religion and politics.

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141 ibid. 92.
Although it is not beyond doubt that the burgomasters perceived all the symbolic connotations that can be ascribed to it in hindsight, it seems clear that the changes in the cityscape were executed partly out of necessity and partly for symbolical significance. Perhaps the two buildings that represent both sides most clearly are the new town hall and the stock exchange. The old town hall dated from the middle ages, and had simply become too small to house the expanding bureaucracy. In 1648, construction started on the new town hall, which would later become (as it is to this day) the royal palace. As mentioned above, the building designed by Jacob Van Campen expressed the economic triumph of the city. The building was created in accordance with the renaissance laws that prescribed the perfect divine nature of the measurements of man and universe. It was a huge building by contemporary standards, and strictly symmetrical – it dominated its immediate surroundings and could be seen in a much wider area. Van Campen followed the 16th century Spanish architect Villalpando in his application of Vitruvus’ theories in a Christian context. Thus the new Town Hall fitted in an elaborate analogy in which the United Provinces were equated with the biblical promised land, Amsterdam with Jerusalem, and the Town Hall with Salomon’s temple. Built in the geographical centre of the city, and on the dam in the Amstel that gave the city its name, the Town Hall was meant to represent the radiant centre of a harmonious society. The central Burgerzaal was a representation of the universe, with the floor as earth in the form of a
world map, and the heavens on the ceiling. Interestingly, the earth is still placed at the centre of the universe – despite Copernicus. The Town Hall was also a reminder of the power of the regents: it effectively replaced the old church as the centre of the city – or at least came alongside it. If the new Town Hall was mostly a display of splendour, the bourse was built to improve the efficiency of economic transactions. The idea was not new – in Italy exchanges have been known to exist as early as the 15th century. Antwerp and London already had a building specifically made for housing the bourse when in 1611 the Amsterdam bourse was opened. The building was located on the southern part of the Dam, looking over the Rockin. It had a large inner court surrounded by arcades, in which trade negotiations took place. Many paintings from the period show a mixture of merchants from all over the world, all recognisable by different clothing styles. The bourse was the nerve centre of trade, and therefore the nerve centre of the city’s economy. But it was also the place to find the latest news from all over the known world.

Besides vertical symbolic connotations (as mediation between heaven and earth), and an inside and outside (separated by the city walls), Amsterdam also had a horizontal asymmetry between the front (the water side) and back (the land side). One of the things that seems to have deeply impressed most observers of Amsterdam in its Golden Age, is the dense woods of masts in the harbour. It is also one of the most enduring images, depicted in thousands of paintings, etchings and engravings. This is not surprising, as this is the most visible aspect of what made the city great – the ships sailed out to the far corners of the earth and brought back vast riches. Windmills were the main visual element in the outer appearance on the land side. The bulwarks around the city were, aside from popular recreational places in peacetime, ideal spots for windmills. Probably none of them were sawmills though: there were corn-mills and at least two of the mills, known as the Big Stink-mill (Stinkmolen) and the Small Stink-mill, were used by tanneries to soften leather. Because the windmill was seen at the time as an important technology, this sight must have added to the image of Amsterdam of a city

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142 Goosens, *Schat van Beitel en Penseel*
144 Bakker, *Het Landschap van Rembrandt*, 194; see also Kannegieter, ‘De Elandstraat in haar Eerste Stadium’, 89-94.
bustling with activity: ships coming in on the water-side, bringing products being processed in the city’s industries. The windmill is perhaps the one single technology that was the most characteristic for the advance of industry in the Netherlands, and that was essential for the water balance in Amsterdam as in other towns and the countryside in Holland. The windmill was one of the main sources of power in industry until the invention of the steam engine in the 19th century, and was used for a range of activities, most commonly to grind grains, pump water, and since the late 16th century, saw wood. Especially the latter two applications have played an important role in the history of the Dutch maritime provinces. Without windmills, the landscape would not be what it is today. The scale of lake-draining in these provinces could not have been accomplished without the aid of mills. Windmills had been used in drainage since the second half of the 15th century, but these were small mills with a very limited capacity. The invention of the bovenkruier, which was bigger and had a rotating top, in the course of the 16th century greatly increased the speed with which a lake could be drained. After some additional improvements, the bovenkruier was used in drainage on a massive scale.\[145]\n
3.4 The City Machine

Many have been compelled to describe cities in terms of their efficient functionality. In the case of 17th century Amsterdam, the functionality of the city structure can be measured by its efficiency as a conduit for the economic flows that came together in the city. How well did it perform that function? The contemporary historian Michiel Wagenaar has called the canal belt of Amsterdam “the best conceivable infrastructure for making the city a perfect circulation machine.”\[146]\n
Of course, there was originally no such intention behind the construction of the first canals – although in later extension plans water would be used very efficiently. For It was simply necessary to prevent the city from sinking into the soil. However, it is clear that at a time when transport by water was greatly reducing transport costs, it didn’t hurt to have waterways reaching into each corner in the city. Merchants certainly made full use of this feature. Van der Leeuw-Kistemaker’s study reveals that in the Warmoesstraat in the 16th century, most merchants lived on the water side – here they had living quarters on the street, and behind it on the same plot they had their warehouses on the riverside. In this way,

\[145]\ Van Gelder and Kistemaker, Amsterdam 1275-1795.

\[146]\ quoted in Mak, ‘Amsterdam as the “Compleat Citie” – a city plan read in five episodes’, in: Musterd and Salet, Amsterdam Human Capital, 31-47.
merchant ships could be found everywhere – rather than having an harbour on the riverside, the whole city was a harbour.

Shipping was the most important means of transportation at the time, though not the fastest – horses would remain unbeaten in terms of speed until the industrial age. However, ships could travel over greater distances. The ability to cross nature’s most formidable barriers – the oceans – on a regular basis was the most basic pre-condition for the emergence of a world economy. Water and waterways were the lifeblood of the economy, and water was everywhere in Holland – rivers, lakes, canals. As a result, shipping was not only the main way of transportation for long-distance travel. Throughout Holland, the *trekvaart*, a type of (public) transportation featuring a barge (*trekschuit*) pulled by a horse walking alongside the waterway, boomed in the 1630's\textsuperscript{147}. The connections were many and on a frequent and strict time schedule, consider for example the following description by Sir Francis Child, visiting the Netherlands in 1697, who describes the appearance and operation of these vehicles:

> From Rotterdam there goes every hour of the day a treckschuit to Delft (...) Near the place whence these boats go is a clock and a bell: after the clock has struck, the bell rings to warn people of the boat’s going, which then must, if without one passenger, depart. It is a pleasant and easy way of travelling, and they set forward at such a constant time and are obliged to go at such a rate that if you were to go from The Hague to Amsterdam, which is more than thirty miles, you may depend on your arriving there within half a quarter of an hour of the time allowed.\textsuperscript{148}

Several travellers have mentioned that the *trekvaart* was used by all layers of society. Even the poorest could come aboard – with a note from the local church one could ride for free. For some, this was a source of irritation. Others found it a pleasant side effect, for it created the possibility of conversation with all manner of people that one would not normally meet\textsuperscript{149}. It is interesting to compare the seventeenth century picture of the Parisian bridge used as an example by Karen Newman to some of the reactions of upper class visitors using the *trekvaart*. Like the bridge, the boats brought together people from all layers of society. Some found it below their stature to travel in the same room as

\textsuperscript{147} De Vries, *Barges and Capitalism*.
\textsuperscript{148} Quoted in: Van Strien, *Touring the Low Countries*.
\textsuperscript{149} De Vries, *Barges and Capitalism*.  

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the poorest beggars (and in fact in the late seventeenth century first and second class spaces were created in the barges), while others found it an interesting experience. The trekvaart system can be seen as one of the first mass personal transport systems. The mass of people brought together in these barges can not be compared to the urban masses in the streets of the nineteenth century. However, in line with Newman’s concept of topographic imagery, perhaps the barges played their part in making visible the class differences in society. In any case, it is one of the most clear expressions of the space of networks. The trekvaart system had emerged from the vibrant trade between the towns, as described in the second chapter. Time schedules were a way of rationalising the system, and providing a reliable service for merchants – the trekvaart system made it easier to make trade arrangements. This points to a change in the perception of time, and the measurement of time. Chronometers had been around for a very long time – and in many forms, the most basic being the sundial. For centuries, people had been trying to devise complicated mechanisms to measure time. In ancient China, the water clock had a long history in which it had developed into an ingenious, though very large and impractical, machine. Many scholars have sought to connect these Chinese clocks to the entrapment clock that would emerge in medieval Europe, but David Landes has argued that we are dealing with two independent inventions. There were contacts, and the Chinese clocks were known in western Europe, but there seems to be no continuity from one to the other. The Chinese clock operated on the flow of water, and necessarily – either as cause or as consequence – time was conceived of as a continuous flow, in contrast to the European brake-and-release mechanism, which divided time into successive equal parts. Early clocks were very unreliable though, and Christiaan Huygens’ invention in 1656 of the pendulum as regulator of the mechanism proved to be a great step forward in term of accuracy. A second important innovation by Huygens was the spring for watches, which made it possible to make clocks much smaller – and thus easier to carry. These inventions had implications for the way in which time was experienced, that still resonate to this day. Stuart Sherman has linked Huygens’ chronology with the emergence with the diurnal form in English literature. This relation can be made even more concrete: Huygens brother, Constantijn junior kept a very detailed diary for some 25 years until his death in 1697. If the new form

150 Landes, Revolution in Time.
151 Sherman, Telling Time.
152 Dekker, ‘Tijd Meten en Dagboek Schrijven in de Zeventiende Eeuw’.
timekeeping had such an impact on society, and in the light of all the above, should we not be able to find some indication of a correlation with the way business was done in Amsterdam? I have already mentioned that many towers were built in the early 17th century, most of which had clockworks. In the course of the second half 17th century, it became common for members of the middle and upper classes to carry a pocket watch. Gradually, a 'modern' perception of time was taking hold of society. The bourse was opened between 11.00 and 12.00, passenger barge services were scheduled to leave for a large number of destinations at fixed hours. All this made it impossible for someone to participate in economy of the city without being aware of time. Interesting also is the time indication given by Sir Francis Child in the quote above: “half a quarter of an hour.” This to our ears somewhat clumsy sounding definition indicates that the perception of time was changing, and that ever more accurate timekeeping created the need for more precise vocabulary. In short, business influenced the production of a new time, one that was measured and uniform, and to some extent necessary for doing business.

The perception of time was changing and with it, the rhythms of the city. As mentioned above, the bourse was open for only one hour each day. The reason for this was to optimise the possibilities for fruitful business encounters. This does not mean that business did not continue in the merchant houses and in the many taverns and hotels. It does indicate however how economic life in the city was increasingly specified in time and space to achieve the highest possible efficiency. Different parts of the city had specific functions in the whole, tied together by a web of canals, and tied to the outside by the Amstel and the IJ harbour. Water was the lifeblood of this city machine, the function of which was to maximise profit from trade. At the centre of all this, the bourse (1611) and the new town hall stood besides the church on the Dam. This city was no longer a holy representation of the world, an *imago mundi* in the same way as the medieval city.¹⁵³ Not only did central protestant church share its place at the centre with these great symbols of worldly power, religious unity was fragmented as a result of the relatively high degree of religious freedom. Churches of a great number of denominations were present throughout the city, as contemporary descriptions confirm.¹⁵⁴ Visitors to

¹⁵³ Of course, this idea did not disappear completely, as we have seen earlier in this chapter (see for example the discussion on the town hall.)

¹⁵⁴ It was commonplace at the time to include in any description of the city a (sometimes illustrated) list of all churches in the city, see for example Fokkens, Beschryvinge and Commelin, *Beschryvinge.*
the city often wrote about this, for example Peter Mundy in 1640: “This city is not divided into parishes as with us, but everyone visits the church he prefers. There are only eight or nine public churches, aside from the English, Welsh, Lutheran, Baptist, etc. and the Jewish synagogues (...) There is tolerance towards all religious sects”. The religious landscape was fragmented and so the traditional image of the city as a divine unity was shattered. However, simultaneously a new holy unity was being constituted: “By stripping the urban (and rural) landscape of its religious elements, the town itself, in its role as body politic, became the new sacred community (...) which ensured a civic peace that went beyond differences of conviction.” This development is inextricably bound up with the new holy community that emerged in the Republic.

3.5 Conclusion

It is not easy to bring the discussion presented in this chapter to a satisfactory conclusion. Many different aspects of the internal change of Amsterdam have passed in the preceding sections. Can these changes be ascribed to the emergence of the new spatial-economic rationale, that we have called the space of accumulation? Certainly, what we have seen is not a modern capitalist city in the traditional sense. It has been argued that the early capitalist city already contained the seeds of the spatial restructuring that would later accompany industrialisation. Under early capitalism, urban space was ‘transparent’, in the sense that social inequalities were clear for everyone to see as a result form the fact that social groups head not been separated, as they later would. This caused protest throughout urban societies, hence the need for a new geography to mask these ‘transparencies’ – the more ‘opaque’ model of the industrial capitalist city in which there is a certain degree of social segregation. This pattern cannot be clearly discerned in our case study. This does not necessarily mean that the ‘medieval’ structure prevailed. However, we have to look for changes in other aspects of the city. There is a subtle difference between the medieval conception of the city as *imago mundi* and the self image of Amsterdam in the seventeenth century. This most clearly comes to the surface in the symbolism associated with the new town hall. By

bringing a representation of the world into the governmental centre, the world becomes internalised with the aim to subject it, just as the many maps (both world- and city maps) are an expression of the wish to achieve control over near and distant places through knowledge. By placing the world at the centre of the city, the reverse is achieved: the city is placed at the centre of the world – not as reflection of the world: the world is a resource of an apparent infinity of riches for the city to take. This fundamentally reconstitutes the city as a centre of accumulation, and its internal dynamics operate in such a way as to support this function. It is difficult to determine cause and effect in this process. Many of the necessary characteristics of the city predate its rise to greatness, such as its geographical position and the canals. As the city grew, it elaborated on its strengths, imported innovations and created its own, and doing so established its position in the emerging global economy.
CONCLUSION

Much has been made of the case of the Republic, and usually Amsterdam is presented as the key to its success: the staple market around which the Republic was organised. However, the ‘economic miracle’ was not concentrated in a single city, but rather the result of a specific ‘urban chemistry’ between the Holland towns. The basis for this development was laid in the fifteenth and sixteenth centuries. Then, in the late sixteenth-early seventeenth century, spurred by the revolt, fuelled by immigration, and shielded by the new state (even if it was fragmented), it came to full blossom. How one sees this history is a matter of what one chooses to focus on. It is possible to describe the things that remained unchanged after the Middle Ages and conclude that the Amsterdam was essentially not modern, because everyday life in it was such a long way from what we understand to be modern, as Braudel does. It is also possible to focus on the political independence of the city and conclude that is was the last of the great city-states, destined to eventually be caught by time in a Europe that was changing towards the era of the nation-state. In this thesis, another option has been explored.

In the end, the success of Amsterdam was the result of a combination of factors. The success of the Revolt and the fact that a border was drawn between the north and the south provided the decisive conditions. The Revolt and eventually the creation of the Republic was a reaction against the centralising tendencies of the great monarchical states of early modern Europe. Does this mean that the strategies that supported its success were merely short-lived phenomena that were destined to disappear? Or that it was a capitalist outpost that guided the way for a future in which the strong centralised states rose to power by using with greater efficiency the strategies it had pioneered? Both explanations are to some extent true, but are insufficient.

The case of Golden Age Amsterdam shows that the development of global capitalism has not been a linear process. The traditional view of the relation cities-state-capitalism would be of the following consecutive phases: 1) early capitalism, with largely independent cities; 2) high (industrial) capitalism, with state-led economies; 3) post-capitalism, with networks of interdependent cities and city-regions increasingly organised beyond the control of the state. It is clear that the Republic was not a high-capitalist state. However, Amsterdam was not quite a modern capitalist city either. The continuing political struggle between the state-loyal and the city-loyal is the most clear expression of the fact that something else was going on: it was not a struggle between
the old and the new, but between two distinct elements that were both new. On the one hand, emergence of the religious-bourgeois Republic was leaving definite marks on Dutch society. On the other, the city of Amsterdam found itself at the heart of the development of a spatial logic which was based on the rational management of flows of capital and goods, as well as the literal flows of rivers and canals, with accumulation as its goal. Perhaps the misidentification of this latter process is what caused the misinterpretation, as Lesger argued, of Amsterdam as the entrepôt of European trade. Of course, the warehouses of Amsterdam were full, but not because the European economy was stagnating and needed an entrepôt. Perhaps Amsterdam was the first city to profit from the space of accumulation, that had been opened up by the conquest of overseas territories and markets. Accumulation implies an active, aggressive stance to trade. The behavioural patterns associated with it are grounded in the belief in the instrumentality of the world, and they create a social space accordingly. The rapidly expanding activity of the Amsterdam merchants thus created a vast network of trading posts with Amsterdam at its centre. Inside the city, a concentration of activities emerged, and the urban landscape was changed irrevocably as a result. There is no doubt, that these changes emerged from the cities and the synergy between them. The concentration of knowledge and capital, and their encoding in the fabric of the cities was at once a precondition and a result of accumulation. At the same time, as in the case of Amsterdam, the nation-state was rapidly becoming an inescapable reality.

According to Lefebvre, the state claims to bring to perfection a unified homogenous society, while in fact it “consolidates a balance of power between classes and fractions of classes, as between the spaces they occupy.”

Class struggle may take different forms. Social spaces may be created in different ways, by different types of groups that have their own ways of self-identification whether or not this is class-based. The state could control and internalise class struggle because this struggle was at the heart of its conception. In its own way, the Republic had devised strategies to deal with the pressure on the fragile balance of power within its borders. William Speck, conscious of the exaggeration of the statement, compared, in terms of the differences of political systems, the seventeenth century relation between absolutist, aristocratic France and the

158 Lefebvre, The Production of Space, 281
republican, bourgeois Netherlands with the relation between the communist Soviet Union and the capitalist United States in the twentieth century. In both periods, European countries were faced with a choice between two ideological models. After the Glorious Revolution (a result of a direct intervention of the Dutch), the English decisively chose the a system more like the Dutch model than the French one. With this development, the fate of the absolutist regimes of Europe was effectively sealed. With an equal dose of exaggeration, it could be said that the Europeans were faced with a choice between two modes of economy. A model that was gaining ground in most of Europe, in which the global economy would be cut up into national, state led economies, and the Dutch model of regional economies only very loosely guided by weakly defined state governments. The latter never stood a chance, and in fact it never truly crystallised, because the Dutch Republic could only maintain its position by mobilising a large army and navy. In a world where conflicts were all too often settled by war, the regional network economy was vulnerable and could only exist if it routed a large portion of its wealth to its defence. Thus it had to compete on an arena where it could not succeed, where it was finally outdone by its stronger neighbours. Around the same time the Glorious Revolution tipped the balance in terms of politics, the economic balance was tipped in favour of mercantile protectionism and with that, the road towards a closed state system lay open. In hindsight, it is difficult to envision it turning out any other way. Nevertheless, perhaps the case of Golden Age Amsterdam gives us a historic indication of one of the basic mechanisms of modernity, the characteristics of which have resurfaced in recent decades: that of city operating in an almost borderless economic environment, constantly in conflict with its surrounding territorial state. However, there are essential differences. In the seventeenth century, Europe was rife with conflict, and for that reason, Amsterdam needed the Republic. Since the Second World War, Europe has seen an unprecedented period of peace. In addition, major changes have occurred in the global balance of power. Until the twentieth century, Europe dominated the global economy. In the twentieth century, the United States did. At the beginning of the twenty-first century, we seem to be moving towards a multi-polar world order. How exactly these changes will affect the relationship between the global and the urban remains to be seen although authors such as Saskia Sassen have already taken important steps in analysing the new patterns.

In this thesis, I have attempted to show that the basic dynamic shaping this global-urban relationship is one of the basic spatial processes involved in the production of the
geography of capitalist societies. Since its origins in the late medieval period, it has unfolded in the form of a dialectical process between a newly created global level, and a rapidly transforming urban level. The result was the creation of new spatial forms on all levels. On the global level, a core-periphery structure emerged, and at the continental level (at least in Europe) national states became the primary form of political-territorial organisation. Keeping it all together was a space of nodes and networks channelling flows of capital, goods and people. Control over these global flows was attained by a select number of nodes. In the seventeenth century, Amsterdam was such a place, as today New York (or London, or Tokyo) is one. Of course, there are countless differences in the exact circumstances. Nevertheless, the global-urban dialectic at work today can be clearly discerned in the seventeenth century if the analysis is broadened beyond the economic to incorporate aspects of the politics, culture and mentality involved in the production of capitalist geographies.
Appendix 1 – C. Antoniszoon, *De Vermaerde Koopstadt van Amstelredam* [etc.], 1544.
Appendix 3 – G. de Broen, *Amsterdam*, 1737
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