

## CHAPTER IX

### MERCANTILISM AND PRAGMATICA SANCTIO

The forces outlined above made the power of the Habsburg monarchy irresistible at the beginning of the eighteenth century in its whole empire. Against this daily growing power all resistances and rebellions of the feudal classes became futile. The last leader of all the dissatisfied elements of Hungary, a man of a remarkable and tragic personality, Francis Rákóczi II (1675–1735), of the famous stock of the Transylvanian princes, the hero of the last *Kurucz* insurrection against the hated world of the *Labancz* forces (the nickname of the Austrian crowd) tried in vain to oust the Habsburg rule. The whole movement was a curious mixture of narrow feudal local interests and of the aspirations for religious freedom and social emancipation. On the one hand stands Rákóczi the leader, a man with almost kingly powers who possessed in Hungary and Transylvania 445 villages on an area of 1,400,000 yokes.<sup>1</sup> On the other hand were all the impoverished masses of the country: noblemen whose estates were confiscated; poor priests; teachers driven by the counter-reformation from their offices; small peasants ruined by the eternal *kurucz-labancz* conflicts; soldiers dismissed from the imperial, Turkish, or national armies; and other uprooted parts of the population without bread and without any chance for the future. This fundamental contradiction, like a red thread running through the whole plot, of a feudal leader like Rákóczi with his immense landed estates and loyal Catholic feelings joining forces with the Protestant masses and with the disinherited peasantry, gave to the whole movement a kind of psychological danger and a lack of balance which the prince could scarcely appease by very vague and uncertain promises. In spite of this dilemma his standards *Pro Deo et libertate* and his famous proclamation issued in 1703, *Recrudescunt inclytæ gentis Hungaræ vulnera* (“the old wounds of the glorious Hungarian nation reappear”), and the kind, humanitarian spirit of the leader in sympathy with the sufferings of all the peoples oppressed by the Viennese absolutism evoked such a mass of popular enthusiasm that he succeeded for seven years in fomenting the spirit of rebellion against the Habsburgs whom he dethroned at the memorable Diet of Ónod in 1707. Large parts of the country were again covered with blood and the rebellion menaced not only the Austrian elements but at the same time the noble and wealthy circles of Hungary. Rebellions of famine and anarchical plunderings

<sup>1</sup> A Hungarian yoke (*hold*)=1.066 acre.

disturbed very often the campaign of Rákóczi who got into an entirely helpless position in face of the highly disciplined and efficient Austrian army and his destiny was sealed when his foreign allies and inspirers, especially the shrewd diplomacy of the French, abandoned him. Though noble and enthusiastic in his intentions the prince remained always a semi-conscious instrument in the hands of foreign diplomatic intrigues. The lack of any serious financial and administrative background made the whole insurrection die from hunger.<sup>2</sup>

Rákóczi was compelled to flee and in his exile he made a last unsuccessful attempt to reconcile himself with the Habsburgs. The Viennese court became completely triumphant. The sequestration of the Rákóczi estates and the unheard of servility of the nobles who dishonored in a special law the memory of their former chief made the Habsburg rule in the country firmer than in any previous time. The possibilities of personal feudal wars were over. The lords abandoned their eagle nests, and their fortifications were demolished. At the same time a colonizing activity on an immense scale had begun in order to repopulate colossal territories devastated by the Turks and the civil wars. Many hundred thousands of foreigners, especially Germans, Rumanians, Ruthenians, and Serbs, came into the liberated areas of Hungary. One of the best experts of this movement thinks that the gigantic proportions of this new immigration can be compared only to that directed toward the United States in the nineteenth century. Very often the aims of colonization were connected with those of Germanization. These new immigrants having had no moral connection with the old traditions of the country became as a matter of fact ardent supporters of the Habsburgs both from an economic and a political point of view. Especially on the *military confines*, bulwarks erected on the frontiers of the liberated territories which remained under a strict military administration, there arose a proverbial Habsburg patriotism perhaps the only real one which the Habsburgs were capable of fomenting in their realm. The name of *graničar*, the soldier and citizen of these military confines, became a mock name for politicians who showed an exaggerated loyalty toward the Habsburgs.<sup>3</sup>

The great international events of this epoch only accentuated the predominance of the monarchy. As a result of the Spanish War of

<sup>2</sup> The romantic uprising of Prince Charles-Edward in 1745 for the reconquest of the throne of Scotland presents startling analogies with the upheaval of Rákóczi demonstrating the common traits of feudalism under different racial and political conditions. (See for particulars: R. Pauli, "Entstehung des Einheitstaates in Grossbritannien," *Preussische Jahrbücher* [Berlin, 1872].)

<sup>3</sup> An old song expressed this loyalty in the following way:

*"If the Glorious Emperor desires,  
The graničar jumps into death."*

Succession, Charles VI acquired the Italian possessions of the Bourbons in the Peace of Utrecht (1713). On the other hand, in the continued war against the Turks, Prince Eugene conquered Belgrade and in the Peace of Passarowicz (1718) he restored the whole Banat of Temesvár to the empire and placed the Habsburg sovereign in control of Serb and Rumanian territories. The unifying work of Ferdinand I was finished and made an overwhelming impression on all the countries, especially on Hungary where the Emperor, as Hungarian king, came into the possession of a power which no other Hungarian king since Matthias Corvinus (1458–90) could rival.

Under these advantageous inner and outer conditions for the monarchy, we witness a more and more conscious effort in the imperial court and among the leading elements to replace the mechanic and military unity of the empire with one that is economic and political. During the reign of Charles VI, as Hungarian King Charles III (1711–40), there was beginning a conscious and consequent mercantilistic policy. Until then every kingdom, province, or crownland constituted an economic unity but now the so-called *transito* was introduced, that is, measures were taken to make it possible for goods introduced in any of the Habsburg countries to pass from one into the other without paying custom duties over again. This policy was energetically continued by later kings and in 1775 it was successful in uniting the Bohemian countries and the Alpine countries (with the exception of Tyrol) in a single custom union. By and by all the countries grew into a vast united market. The local merchants of the former periods who supplied only a closely limited area with their goods were replaced by big industrial and agricultural producers who possessed privileges for the whole economic territory. A kind of division of labor between the various provinces made its first appearance. Wool and glass were manufactured in Bohemia, clothes in Moravia, iron in Styria, and fancy goods in Vienna, for the whole economy of the empire. Only Hungary remained until the middle of the nineteenth century a strictly separated economic unit resisting the unified circulation of the monarchy. This situation was not a result of a Hungarian chauvinism (on the contrary, it was an old grievance of the Hungarian diets that the custom barrier between Hungary and Austria was very detrimental to Hungarian economic progress) but a consequence of the narrow-minded fiscal policy of the Hungarian nobility who refused on the basis of their ancient feudal privileges to pay taxes and, therefore, the only means of getting a financial contribution from them was the indirect way of custom duties on Hungarian corn and cattle.

This quickly growing military economic, and administrative unity of the monarchy aroused in the best minds of the empire the effort to unify and centralize the vast territory—following the examples of

Louis XIV and Peter the Great—in a homogeneous system of law and constitution. The book already quoted, of von Hörnigk, emphasized the fact that the countries of the Emperor formed a *natural body* and by the exchange of their raw materials they *constituted a small world* which could exist by itself. A similar thought was expressed by the great philosopher Leibniz who encouraged Emperor Leopold to become a second Justinian by elaborating a new system of civil law for the whole territory of his empire. The same effort was renewed and continued by the victorious military leader, Prince Eugene of Savoy in 1726 when he advised Emperor Charles VI: “It would be necessary to make as far as possible a *totum* from the extended and glorious monarchy of your majesty. . . .”

But perhaps nobody saw more clearly the position of the monarchy at the beginning of the eighteenth century than the ingenious secretary of the court treasury, Christian Julius von Schierendorff, who, under the influence of the union between England and Scotland completed at this time, expressed the opinion in a scholarly memoir that the empire would be seriously endangered (and here the author was surely influenced by the experiences of the Hungarian rebellions) if it did not succeed in combining its various parts into a common constitution and a common order of succession for the throne. But this plan could only be achieved if a real popular representation were bestowed upon the whole in which all the classes of the monarchy, even the lower, would participate. This thinker, so much advanced for his age, at the same time emphasized the fact that the unjust and wretched state of the peasant masses especially of the Hungarian and Czech serfs, was the chief impediment of the consolidation of the monarchy. Therefore, the bondsmen of the noble rebels should be liberated. The *arcanum dominationis* (the secret of domination) would be a just policy of taxation.<sup>4</sup>

But these revolutionary ideas of a liberal centralization did not have a wide echo. Both the Habsburg absolutism and the particularism of the estates abhorred equally these measures. But his ideas concerning the legal succession to the throne had probably an effect on the carrying on of the *Pragmatica Sanctio* by which Charles VI, deprived of a male successor, proclaimed the hereditary right of the female line in case the male line should die out. This fundamental decision which was in Austria a purely personal decree of the Emperor emanating from the old patrimonial principles for the maintaining of his *fidei commissum* gained on the Hungarian Diet such a constitutional form and motivation that it was rightly called the “first declaration of a unitary state idea” in the empire. The Hungarian law of 1722–23, indeed, proclaimed not only the hereditary right of the fe-

<sup>4</sup> See for the particulars of Schierendorff's reform-plans, A. Fischel, *Studien zur österreichischen Rechtsgeschichte* (Wien, 1906), Abschnitt II.

male line in Hungary but at the same time declared that all the kingdoms and countries of the Emperor outside of Germany should come *indivisibiliter ac inseparabiliter* ("indivisible and inseparable") in contact with Hungary and its annexed countries and territories under the scepter of the Emperor entitled to the throne. This document, though it emphasizes solemnly the liberties and privileges of the Hungarian estates, nevertheless acknowledges the permanent connection of the countries of the Hungarian crown with the other countries of the dynasty and explains this connection as a defensive alliance established by the struggles against Islam. And though we know very well that the law was not a spontaneous act of the Hungarian upper classes but that it was the result of much previous softening, pressure and of a long series of grafts: still one cannot deny that the Habsburg empire which was a purely military dynastic and patrimonial unity until this moment, got in the *Pragmatica Sanctio* its first jural formulation and by it a certain moral cohesion.

## CHAPTER X

### THE SYSTEM OF DOUCE VIOLENCE

It was said that every Habsburg felt himself to be an instrument of Providence and interpreted this mission *à sa façon*. This statement is particularly true in the case of Maria Theresa (1740–80) who continued with new and personal means the realization of the traditional aims of the dynasty: the work of unification, Germanization, and Catholicization. She worked with an unbending energy for these ideals but she partly replaced the former methods of military violence by means of a feminine captivation, of patient compromises, of sugared violence, and even, if necessary, with the tears of the persecuted woman in all the cases in which she faced a more serious resistance. Indeed the only feudal opposition which remained dangerous for her in her empire, the opposition of the Hungarian nobility, she was able to disarm, at least transitorily, by these methods of feminine refinement; nay, she was successful in inducing Hungarian feudalism to make great efforts for the defense of her throne when it was threatened by a formidable coalition of her enemies. "The beautiful, brave young lady with the Hungarian face" as she was called in the circles of Hungarian nobility drew the estates into a veritable enthusiasm which among the luxuries of her Viennese court and in the refined social life of the baroque culture forgot more and more their former offenses and complaints.

The first lady of the empire lured the Hungarian aristocrats to Vienna and encouraged them for a permanent stay and for marriages with Austrian ladies. She adorned them with her decorations (even establishing a new Hungarian order for this purpose, the Order of St. Stephen) and founded for their sons a special institute and college, the so-called *Theresianum* where the noble Hungarian offsprings were educated together with the Austrians in the honor of the dynasty and in the cult of the empire. (More than a century ago in the same spirit another institution, the so-called *Pazmaneum*, was established by the brilliant leader of the Hungarian counter-reformation, Peter Pázmány, where the Hungarian theological pupils grew up in the spirit of the court and centralization.) Later she surrounded herself with the "Hungarian noble bodyguard," a corporation into which every county was entitled to send two youths. By this policy she laid a moral foundation for the Austrian court nobility. The successors of all those adventurers who poured into Vienna from all parts of the empire were melted for the first time into a conscious class regarding the