

Olivares's failure to restore Spain

by D. Stephen Pepper

The Count-Duke of Olivares, The Statesman in an Age of Decline

by J.H. Elliott

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Don Gaspar de Guzman, Count-Duke of Olivares is usually presented in historical writings, when he appears at all, as an arrogant buffoon, or as a foil to Cardinal Richelieu. It is to the great credit of Prof. J.H. Elliott's biography of the Count-Duke that he appears as an intelligent, aggressive statesman whose policies were by no means foolish, nor whose defeat in the end was due to his stupidity. This is all the more remarkable because this is the first time that this enigmatic and powerful statesman will have been presented to English-speaking readers. Compared to his great rival, Cardinal Richelieu, Olivares is all but unknown, and yet to men of the 17th century he was the more powerful figure, and his rise and fall was considered the exemplary tale of the fate of such a statesman and favorite. For those readers who wish to learn the lessons of history, this book has content enough for more than one session.

Olivares was the key player in the struggle of national ambitions that occupied all of Europe during the first half of the 17th century. There is no question that at the outset of the century Spain was the dominant power, and by the majority of Louis XIV in 1659, France had replaced it. This consideration has condemned Olivares to play the role of loser. Elliott, however, presents Olivares not in his habitual role, but as one who was more undone by the deficiencies of his situation than by his personal shortcomings.

It is extremely rare for the English-speaking world to be graced with such a careful study of a Spanish subject, for the history of that country is largely ignored in the Anglo-Saxon world. It suffers from the dictum that Henry Kissinger once applied to Ibero-America, that history was never made in the Southern Hemisphere. Elliott's work, therefore, is all the more valuable, for being free of prejudice of this sort. It puts before us in a clear and useful fashion the question, "Why did Spain and Olivares lose the contest to France and Richelieu?" since the answer lies not in Olivares's stupidity, nor in some

historical inevitability.

Olivares came to power upon the accession of the young King, Philip IV, in 1621. It was the widespread perception of the Spanish political class that the Empire and kingdom were in decline, and Olivares adopted the attitude of the reformers to attack the problems of the monarchy. The two great goals of his reform were to create a central bank that could control the credit of the monarchy and so lessen its dependence on Genoese bankers, and to create a central strategic policy for the monarchy in which the diverse political entities owing allegiance to the Spanish King would contribute on a parity basis to its finances, to its defense, and would share equally in its governance. This project Olivares called the "Union of Arms."

In neither of these goals was he successful. His projected banking system was defeated by the powerful commercial interests of the cities, particularly those of Castile. The crown was never sufficiently free of debt to be able to overcome the urban interests centered in the Cortes (parliament), because it desperately needed the grant known as the "milliones" which depended on an annual agreement with the Cortes. Thus the mere threat to withhold these funds was sufficient to drive out all thoughts of reform.

Equally, the parliaments of the different nations were able to defeat the projected Union of Arms. The local elites took the position that their allegiance to the monarch was a social compact in which the King agreed to respect their traditional constitutions. Olivares's attempt to overcome this particularist policy earned him the reputation of tyrant, and led to disastrous insurrections in Portugal, Aragon, and elsewhere.

However, Olivares also contributed to his own defeat through blunders he made in foreign policy. These arose from his commitment to the glory of the Hapsburg dynasty which led him to overreach the limits of Spanish capabilities strategically. In 1627 he attempted to seize strategic positions in the north of Italy upon the death of the last of the Gonzaga line of the Dukes of Mantua. His policy suffered from fatal defects similar to Anthony Eden's disastrous invasion of Suez in 1956. Morally flawed to begin with, only rapid and complete success could have saved face, and this is precisely what eluded both men. In Olivares's case he failed to capture the fortress of Casale in Piedmont, and Richelieu, acting with decisiveness, successfully forced the Spanish governor of

Milan to raise the siege.

The after-effects of the failure were to haunt Olivares to the end of his career. He alienated the Italian states, and drove the Pope toward the French. Although the War of the Mantuan Succession was concluded by the Peace of Cherasco in 1631, arranged by the young Mazarin, it was inevitable that the conflict between France and Spain would continue. Eventually the Spanish were unable to keep open the road from Italy to the Netherlands by which they supplied their forces fighting the Dutch. During the 1630s Olivares failed to grasp several opportunities that would have allowed him to conclude the Dutch War, if not victoriously, at least not disastrously, as it eventually turned out.

Olivares was finally driven from power in 1643, and he died on July 22, 1645, at the age of 58. His contemporaries considered his life and career as a cautionary tale of the use and misuse of great power. Richelieu, who served approximately equally long, and died in 1643, was equally hated during his lifetime, but came to be regarded as the founder of the modern French state. No such benign reconsideration was to favor Olivares.

But if anything, Olivares's policies, especially in regard to the central bank, were more prescient than Richelieu's, who was notoriously weak when it came to state finance and economy. What defeated Olivares was precisely what appeared to be his initial advantage: the vastness of the Spanish empire, and its enormous wealth. Richelieu inherited a divided kingdom, but one which was geographically homogeneous. He successfully created a national monarchy that even came to command the loyalty of French Huguenots. Olivares never succeeded in turning the Spanish monarch into a national institution. It remained Castilian, while diverse regions accepted fealty to the person of the king.

Tragic commitment to the Hapsburgs

This was mainly due to the peculiar character of the Spanish monarchy. It was the creation of that most feudal of political arrangements, the marriage alliance, so that Charles V Hapsburg, the great-grandfather of Philip IV, came to inherit such diverse realms as the Magyar lands of Hungary, the kingdoms of Castile and Aragon in Spain, and the Netherlands.

But Olivares himself reflected this feudalist mentality. He accepted the obligation to serve the Hapsburg cause and the Spanish monarchy. It certainly never occurred to him that these purposes were not identical, let alone incompatible. On the one hand Olivares wished to advance a centralized policy in the interests of Spain as a nation, and on the other he adapted his outlook to the desires of the Hapsburgs, so that he came to be perceived as some colonial comprador by the various sovereignties that then made up Spain, including Castile. The situation is comparable to Gorbachov's today, except that Olivares appears in retrospect to be a much more committed reformer. Olivares assumed, for example, that

the Emperor Ferdinand II Hapsburg shared the same dynastic loyalty, and so poured a fortune into the Imperial treasury at Vienna with very little to show for it in return. It was this outlook that led him into the Italian quagmire and to pursue the war in the Netherlands long after it was lost, for he could not abide the idea of presiding over loss of prestige for his sovereign and for his dynastic pretensions.

One might ask what choice did he have when Richelieu had declared war on the Hapsburg dynasty, but in fact Elliott reports that one experienced Spanish diplomat urged a policy of withdrawing from Italy and the Netherlands, as both were drains on the Spanish patrimony. This enlightened suggestion was never seriously considered, because it so thoroughly contradicted the assumptions of dynastic imperative.

The very cost of maintaining wars on several fronts doomed his attempt to reform the monarchy's fiscal policies, reorganize its debt, and establish long-term investment in productive facilities inside Spain. Elliott shows his constant interest in innovation and his tireless pursuit of policies to revive Spain and Castile. But always the exigencies of war led him to abandon these goals. Thus Olivares appears to be a man, who, despite his great energy and ingenuity, runs into walls at every turn. He himself perceived himself as the most unlucky of men, a Jonah, who could only confront the blows of fate with an unflinching stoicism. For him, Catholicism came to mean solace.

Herein lay the deeper ideological problem embedded in Olivares's outlook. His philosophical underpinning, like so many of his contemporaries, was that of stoicism. They were brought up on Seneca and Tacitus. To Olivares the world was ultimately a fixed place, where change intruded as perverse fate. While he struggled to institute reforms, he wanted to recreate the world of Philip II, and the blinkers of his rigid stoicism prevented him from perceiving the contradictions of this outlook.

Elliott has grasped the irony of Olivares's fate, and he has subtitled his book, "The Statesman in an Age of Decline." But his book, too, suffers from ideological limits. As an objective historian, he refuses to believe that history bears lessons for those who know how to read them. He believes that it just happened, and that through the proper use of sources one can report the facts. This becomes most evident in his conclusion, where he cannot bring himself to take the material of history he has so carefully assembled and compose of it something meaningful.

In fact, the story of Spain and Olivares does have meaning. Schiller would have drawn it for us in the life of a man who threw himself with pride and vigor into the challenge of restoring a great nation, but whose failure was ultimately due to his own mind-set, that man is simply an instrument of fate. Ultimately, change became unthinkable, so an empire twice as powerful in its day than the United States today, crumbled into ruin in the course of his own lifetime. This is truly a lesson of history, told but not stated in this book.