History Repeats Itself Essay, Research Paper

History Repeats Itself

History repeats itself. This concept applies not only within the realm

of a singular nation’s history but throughout and between nations. That is to

say, that what one nation endures, throughout its economic and political history,

may be compared to and be strikingly similar to that of many other nations. As

we analyze social change thought the world we have noticed a cyclical pattern of

histories, both economic and political, in the countries of Spain, Holland,

Britain, and the United States.

I.Historical Periodization:

Throughout history and during alternating time periods, countries have

grown from feeble entities, defeated by or ruled by the governing structures of

foreign nations, to powerful nations. Between the fifteenth and the sixteenth

century, SPAIN ruled as a great power among other nations. Its empire began

when, in 1492, Spain financed Columbus’s expeditions and explorations to conquer

territory in the New World. Once it held its new established territory, Spain

relied on the influx of gold and silver from the New World. Spain was the first

country to start an empire and consequently started a trend. Once HOLLAND

gained their independence from Spanish rule, at the beginning of the seventeenth

century, it moved on to become a great power. Holland had relied on seafaring

and the economic success of Amsterdam until around 1620. “By mid-century,

however, they had used their technical sophistication and control of vital raw

commodities to build successful industries . . . and supported by Holland’s

bourgeois virtues, trading preeminence and credit, Dutch manufactures soon

dominated a number of European markets” (BP 198). Holland remained in power

until its decline began in the middle of the eighteenth century. In 1750, the

Dutch started losing European markets but continued as the number one market

country in Europe. The British moved in where the Dutch had been. GREAT

BRITAIN reached great heights in the middle of the eighteenth century. Starting

out as the home of the Industrial Revolution, Britain was considered the

workshop of the world. However, by the 1890’s Britain was losing ground in the

global market of manufacturing, specifically to the United States and Germany.

The UNITED STATES, is the youngest of the nations studied in this essay, which

became a major power at the end of World War I, and since then has experienced

both increases and declines in power. Since the 1920’s until present day The

United States has moved from an agricultural society to an industrial society as

many moved from the rural areas into the urban areas and the cities.

II.Geographic Scope:

When it was an empire, SPAIN had control over many countries, including

South America, Mexico, Latin America, and the Philippines. Not only did Spain

conquer new land during its zenith, but it combined much of Europe under one

rule as the Hapsburg Empire when it united the crowns of Castile, Leon, and

Aragon. “Besides opening much of America, sixteenth-century Spain was also

ruling a Hapsburg empire that extended beyond the Iberian Peninsula to Flanders,

Germany, Austria and Italy,” during its rapid internationalization (BP 216).

After the union of the Spanish crowns and the rise of the Hapsburg Empire,

Madrid experienced a major increase in its population, as what often occurs when

a new world political capital comes into existence. “The new imperial capital

mushroomed from a population of 4,000 in 1530 to 35,000 in 1594 and at least

100,000 in the mid-1600’s before fading again when the great days were over” (AC

31). While the Dutch was in war with Spain it accepted various kinds of

people,such as the Jews and the Huguenots, and eventually acquired a vast empire.

Although HOLLANDS realm was comparably smaller to that of Spains, its domain

included the United Provinces, New York, New Amsterdam, and the East Indies.

“The purest governmental culture was in the Hague, which, after quadrupling its

population, was the only major Dutch city to continue growing during the

nation’s decline in the mid- and late-eighteenth century” (AC 64). The empire

of GREAT BRITAIN is unparalleled by any other in that it encompassed one fourth

of the world. Its numerous English-speaking colonies, which come from around

the world, include Canada, British Australia, India, and New Zealand. The Realm

of the UNITED STATES is vast and was acquired when the land on the continent was

taken from the Native Americans and redistributed.

III.Impact of The Political Order on The Economic Order:

IV.

A political order is composed of those institutions within which people

gain, wield and influence distributions of power and an economic order is

composed of those institutions within which people organize land, labor, and

capital for the production and distribution of goods and services (Flint). “In

nations, the political and economic aging processes are not the same and do not

go at the same pace. Great economic powers have often grown in waves–early

emphasis on agriculture, shipbuilding, fishing, or mining, then a move to

manufacturing, then a shift from manufacturing to financial services” (AC 21-22).

“A significant part of what overtook each of these nations was the emergence of

finance, debt and an investor or rentier class within their respective

societies,as the boureois emphasis on manufacturing and trade diminished” (BP

203). Manufacturing potential was undercut when an influx of Gold and Silver

from the New World bombarded SPAIN in the sixteenth century. As its wealth

steadily increased, Spain relied on other countries to produce the goods it

needed and caused it to lose sight of hard work. Spain went from being

supportive to parasitic as “reformers in early seventeenth–century Madrid put

the ratio of parasites to actual productive workers as high as 30:1″ (AC 39).

In the end, “narrow monetary wealth, irresponsible finance and an indolent

rentier class were important in the decline that was taking hold in Spain one

hundred to one hundred fifty years after Columbus’s voyages” (BP 205). Due to

its thrify methods HOLLAND quickly emerged as a center of world commerce.

Engineering, manufacturing, and fishing industries gave way to ever increasing

export markets and financial institutions that dominated the European market.

However, this disrupted the economic and social polarization. Foreign

investments, such as the East India Company, took capitol away from Holland and

did little to ameliorate its unemployment problems. Hollands financialization,

like that of Great Britain, caused it to go from supportive to parasitic, as

well. As a result of its Industrial Revolution, GREAT BRITAIN dominated the

steel and textile industries and its merchant marines was the largest in the

world. As it accomplished its world wide trade and manufacturing climax it

witnessed the appearance of a considerable rentier class. Britain, too followed

its predecessors and as its yearly foreign investments increased it turned to

stocks and shares as opposed to an earned income. Most of its capitol was

invested overseas in countries that competed with Britain. Britains

financialization did not cause London to lose its place as the center of world

commerce and in fact, “it was not transformed into a governmental parasite

complex” (AC 64). After World War II, “the annual figures nominally returned to

prewar levels, but adjusted to inflation they were much lower- and Britain also

staggered under the weight of $13 billion of new external liabilities” (BP 208).

Between 1790 and 1990 The UNITED STATES transformed from an agricultural to an

industrial to a financial society. Most recently, the United States has

disregarded its manufacturing industries, eliminating many jobs, and relied

upon financialization, which unfortunately, only benefits a small elite.

Moreover, overseas investments cost the United States citizens their jobs and

increases economic polarization.

V.Optional:

VI.Households and Social Stratification:

All of the aforementioned countries had fell “from their middle-class

zeniths when manufacturing, trade, nationalism and bourgeois spirit gave way to

“financialization”– the cumulating influence of finance, government debt,

unearned income, rentiers, overseas investments, domestic economic polarization

and social stratification” (BP 193-194). By the early 1600’s SPAINS economy had

polarized when the gold from Mexico and Peru ran out. The middle class that

existed in Spain was very small as the polarization resulted in basically a

solely elitist and peasant society. With concern about the defeat of the

Spanish Armada, a plague, and failed harvests, Spains economic reformers

attempted to “rebuild manufacturing and the middle class while cutting

government jobs and dispersing the parasites of the court” (AC 84). HOLLAND’S

financialization brought about both economic and social polarization. “As for

the Dutch, their mid–eighteenth century ruling cliques were confronted by a

movement called the Patriots, which attacked nepotism, corruption, and moral

decay and called for a full return to old liberties and values” (AC 92). The

middle class ordinary folk of both Spain and Holland were left with nothing from

their country’s zenith. As financialization occurred in GREAT BRITAIN the gap

between the middle class and the rich increased. The middle class in Britain

deteriorated as the manufacturing declined and the wages decreased. During the

1890’s the average family’s purchasing power was entering a two-decade period of

stagnation or decline while the financial sector boomed and the rich grew ever

richer” (AC 82). During World War I, manufacturing boomed again but once

postwar reality set in British manufacturing began to decline again. In Great

Britain polarization was reversed by redistribution of income, socialism, and

welfarism. This benefited the middle and lower–middle class citizens but hurt

the elite. In the UNITED STATES at the end of the “Roaring Twenties”, when the

stock market crashed, the major financial institutions were left to fail and die

out. When the bubble of the 1980’s burst, however, the United States government

bailed out the companies and caused the country to go into economic decline,

deficit, and ruin the budget. The “Roaring Twenties”, and the “Anxious 1980’s”

are examples of rises and later declines of economic and political prosperity

and power. Decline in the United States is occurring on both an economic and

social level. America has witnessed a rapid centralization at the seat of

federal power and a capital more influenced by interest groups than by voters.

“Imperial capitals don’t become notorious until they display wealth and develop

serious, parasitic elites, not true of Washington until it came of age in the

late 1960’s and 1970’s” (AC 29). “There is no point in mincing words. Aging

great-power capitals often become parasitic cultures”(AC xix).