

One System, Seventeen Outcomes? Exploring public finance policies and outcomes in the  
Low Countries, [1514]-1795

To better understand the relationship between economic growth and the modernization of public finance in early modern Europe, this paper explores the history of public debt management in the Low Countries between the sixteenth and eighteenth century. The public debt system created in the mid-sixteenth century under Habsburg rule produced spectacular results in one province, Holland, but never in the other sixteen provinces. To explain this remarkable divergence, the paper compares the political and fiscal organization, economic outlook, and debt issuing policies of the seventeen provinces. The comparison shows that Holland owed its success not to a major constitutional revolution but to continuous changes in fiscal and financial institutions, including the bond market, and to a precocious economic development with the attendant surge in tax revenues and accumulated wealth.

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