**The Transformation of Europe**

1. **The fragmentation of western Christendom**
	1. The Protestant Reformation
		1. Martin Luther (1483-1546) attacked the sale of indulgences, 1517
			1. Attacked corruption in the Roman Catholic Church; called for reform
			2. Argument reproduced with printing presses and widely read
			3. Enthusiastic popular response from lay Christians, princes, and many cities
			4. By mid-sixteenth century, half the German people adopted Lutheran Christianity
		2. Reform spread outside Germany
			1. Protestant movements popular in Swiss cities, Low Countries
			2. English Reformation sparked by King Henry VIII's desire for divorce
		3. John Calvin, French convert to Protestantism
	2. The Catholic Reformation
		1. The Council of Trent, 1545-1563, directed reform of Roman Catholic Church
		2. The Society of Jesus (Jesuits) founded 1540 by Ignatius Loyola
	3. Witch-hunts and religious wars
		1. Witch-hunts in Europe
		2. Religious wars between Protestants and Catholics throughout the sixteenth century
		3. The Thirty Years' War (1618-1648), the most destructive European war up to WWI
			1. Began as a local conflict in Bohemia; eventually involved most of Europe
		4. Devastated the Holy Roman Empire (German states): lost one-third population
		5. The Peace of Westphalia (1648) ended the Thirty Years' War
			1. Laid foundation for system of independent sovereign states
			2. Abandoned notion of religion unity
			3. Did not end war between European states
2. **The consolidation of sovereign states**
	1. The attempted revival of empire
		1. Charles V (reigned 1519-1556), Holy Roman Emperor
			1. Pressures from France and Ottomans halted expansion of the empire
	2. The new monarchs of England, France, and Spain
		1. Enhanced state treasuries by direct taxes, fines, and fees
			1. State power enlarged and more centralized
			2. Standing armies in France and Spain
			3. Reformation increased royal power and gave access to wealth of the Church
		2. The Spanish Inquisition, Catholic court of inquiry, founded 1478
	3. Constitutional states and absolute monarchies
		1. Constitutional states of England and the Netherlands
			1. Characterized by limited powers, individual rights, and representative institutions
			2. Constitutional monarchy in England evolved out of a bitter civil war, 1642-1649
			3. Both had a prominent merchant class and enjoyed unusual prosperity
			4. Both built commercial empires overseas with minimal state interference
		2. Absolutism in France, Spain, Austria, and Prussia
			1. Based on the theory of the divine right of kings
		3. The Sun King of France, Louis XIV (reigned 1643-1715)
			1. Model of royal absolutism: the court at Versailles
			2. Large standing army kept order
			3. Promoted economic development: roads, canals, promoting industry and exports
		4. Rulers in Spain, Austria, Prussia, and Russia saw absolute France as a model
	4. The European states system
		1. The balance of power
			1. No ruler wanted to see another state dominate all the others
			2. Diplomacy based on shifting alliances in national interests
		2. Military development costly and competitive
			1. New armaments (cannons and small arms) and new military tactics
			2. Other empires--China, India, and the Islamic states--did not keep pace
3. **Early capitalist society**
	1. Population growth and urbanization
		1. Population growth
			1. American food crops improved Europeans' nutrition and diets
		2. Urbanization
	2. Early capitalism and proto-industrialization
		1. The nature of capitalism
			1. Private parties sought to take advantage of free market conditions
			2. Economic decisions by private parties, not by governments or nobility
			3. Forces of supply and demand determined price
		2. Supply and demand
			1. Merchants built efficient transportation and communication networks
			2. New institutions and services: banks, insurance, stock exchanges
		3. Joint-stock companies organized commerce on a new scale
		4. Capitalism actively supported by governments, especially in England and Netherlands
			1. Protected rights of private property, upheld contracts, settled disputes
			2. Chartered joint-stock companies and authorized these to explore, conquer, and colonize distant lands
		5. The putting-out system, or proto-industrialization, of seventeenth and eighteenth centuries
			1. Entrepreneurs bypassed guilds, moved production to countryside
			2. Rural labor cheap, cloth production highly profitable
	3. Social change in early modern Europe
		1. Early capitalism altered rural society: improved material standards, increased financial independence of rural workers
		2. Profits and ethics
			1. Medieval theologians considered profit making to be selfish and sinful
			2. Adam Smith: society would prosper as individuals pursued their own interests
			3. Capitalism generated deep social strains also: bandits, muggers, witch-hunting
		3. The nuclear family strengthened by capitalism
			1. Families more independent economically, socially, and emotionally
			2. Love between men and women, parents and children became more important