To devote much space to colonies and trans-oceanic conflict in any work on eighteenth-century Europe might be held to reveal a western European bias, as the eastern European states did not have a trans-oceanic presence of note. It was the case, however, that expansion outside Europe was of significance, politically, economically and culturally, not only for the maritime powers, or for those countries, including in particular, Russia, that were to some extent frontier states. The diplomatic inter-relationship of states also ensured that conflict or peace outside Europe could affect other European powers. Peter the Great’s campaigns against Persia in the early 1720s helped to keep the peace in the Baltic; the Spanish expeditionary force of 1732 attacked Oran in North Africa and not, as had been feared, the island of Sardinia or Austrian Italy. The outbreak of Anglo-French hostilities in North America in 1754 helped to precipitate the Diplomatic Revolution by leading the British to step up diplomatic efforts to prevent an attack on Hanover. The financial strain caused by intervening in the War of American Independence was partly responsible for France’s weak position in European diplomacy in 1787–9.

The economic benefits of extra-European possessions and trade could also be extremely significant in international relations. They brought profits, and, although not always, improved the fiscal strength of governments. This enabled a number of powers, principally Britain, France, Spain and the United Provinces, to pay subsidies to other European states, which could be of considerable importance in affecting both peacetime diplomacy and the durability and strength of alliances in wartime. These subsidies, being paid in cash, provided a crucial basis for the raising of loans. In 1703–13 Anglo-Dutch subsidies represented approximately an addition of 25 per cent to the Savoyard budget. Spain paid Charles Albert of Bavaria nearly 2 million livres annually in order to support his challenge to Maria Theresa in the War of the Austrian Succession. Both Britain and France spent £1–2 million annually in subsidies to other powers during the same war. The recipients of British subsidies included Austria, Hanover,
Europe and the outer world

Hesse-Cassel, Sardinia and Russia, and of French included Bavaria, Sweden and the Spanish prince Don Philip, while those of the United Provinces went to Austria and Saxony. In the early 1750s the British paid subsidies to Bavaria and Saxony and, during the Seven Years War, they paid for Hanoverian and Hessian troops and for the equivalent of 19 per cent of Frederick the Great’s war costs. In 1757–62 France paid Austria the equivalent of £450,000 annually, while Austria paid Russia a smaller sum.

The general movement of money between governments in the form of subsidies was thus one from west to east, from maritime to continental Europe. There were exceptions to this pattern. The Turks were ready to subsidise powers opposed to Russia, particularly Sweden, and an Austro-Turkish agreement of 1771, aimed against Russian penetration of the Balkans, led to a small subsidy to Austria. Nevertheless, the overwhelming impression is of a movement from maritime to continental Europe, one that would have been more marked if all the sums promised had been paid and stronger if merely a fraction of all the subsidies sought had been granted. The movement of money was not simply due to the commercial strength of the maritime states. Western Europe was more populous, wealthy and agriculturally developed than any comparably sized region between the Elbe, the Aegean and the Urals. However, the ability to move funds internationally reflected in part the commercial strength and sophistication of societies that were able to raise large sums of cash; and this owed something to their trans-oceanic commerce.

The fiscal and economic impact of extra-European activity was not restricted to government finance. Trade brought a number of goods to European countries, the subsequent distribution of which, domestically or through re-export, brought wealth. By supplying new products or providing existing ones at a more attractive price or in new forms, oceanic trade both satisfied and stimulated consumer demand. This process was not restricted to the western littoral of the continent, but was spread throughout Europe by mercantile activity that responded to markets encouraged by both demand and emulation. If falling prices and greater availability of extra-oceanic goods, such as sugar or calicoes, were significant, so also were the varied means, including the development of the press and other advertising media, by which fashions could be encouraged and retail services publicised. Publications did not only spread news of new fashions or encourage the idea that it was better to drink tea or coffee than alcohol. They also offered views on the societies, religions and cultures of distant areas and on their actual or potential relationship with those of Europe.