

This study aims to confirm one main and four supplementary research hypotheses.

1. The chief cause of the modernisation of the Polish-Lithuanian Commonwealth was the financial and organisational needs of its army.

The military change in late medieval and early modern periods led to an evolution of fiscal administration. Its political and administrative consequences, while not as substantial, are also evident. This theory draws on the concept of "military revolution", albeit it differs from its most common interpretations by focusing less on technology and tactics, and more on the finances. While the significance of the two former areas will be acknowledged, it's the economy, treasury, and financial affairs that will be the central subject of the paper.

2. The modernisation processes in the Polish-Lithuanian Commonwealth (mainly treasury-related) were connected with growing military spending.

3. The socio-economic and financial capabilities of the state were reflected in the structure of its army.

4. Military-economic reforms were complex processes and their outcome was not fully predictable.

5. The actual effectiveness of individual reforms was regulated by the current market conditions.

While the evolution of the Polish-Lithuanian Commonwealth's armed forces' organisation has been widely covered in historiography, as of yet essentially no attempt has been made to connect the concept of military revolution with far-reaching fiscal and institutional changes which occurred in the Kingdom and the Duchy. The scope of this project is not therefore limited to military history. The project will cover a range of topics, stretching beyond military history into the domains of economy and legislation, which will make for deeper understanding of the complex nature of the Polish-Lithuanian Commonwealth, whose evolution was interwoven with periodic financial and military crises. The phenomenon is not chiefly Polish-Lithuanian, however, but is rather a part of a larger process which was taking place in the whole of Europe. Such approach has not yet been proposed in Polish historiography. The analyses involved in this project will make use of the theories of new institutional economics, a field which emphasizes the fact that legislation and social institutions are essential to the functioning of organisations and the market. Polish historiographers rarely, if ever, employ such approach, whereas scholars such as North, Ogilvie, or Van Zanden do, to great effect. Their research will allow us to work towards a fuller understanding of the relationship between economic and institutional factors (with an emphasis on the organisation of the army) and to bring to light subjects which are often marginalized in historiography.

Years 1454-1648 will comprise the observation period of the project. That time bracket represents a period of progressive transformation of both the government and the army; ultimately, under the rule of Władysław IV Vasa, the military potential of the country had reached its peak (successful Siege of Smolensk (1632-34) and the short-lived armed conflict with Sweden, which was resolved with the Treaty of Stuhmsdorf (1635)) certainly significant even in contemporaneous international context.

The research will involve a range of macro- and microstudies.

The initial research will involve a reconstruction of revenue and expenditure of the monarch and the state. In late Middle Ages, the royal and public treasuries were not yet officially separate in neither Poland nor Lithuania. When it was finally formalized in the early modern period, the rulers would oftentimes transfer the cash from their private reserves into the public treasury. Because of this fact, both sectors must be studied. So do the transfers between the Polish and Lithuanian treasuries. The financial exchange between the two states was especially important in the time of war (for instance the First Northern War). Much attention will be devoted to military expenditure and sources of military funding during various crises – lease of crown lands, profits from royal salt mines and tariffs, etc. Finally, the financial and military potential of the Polish-Lithuanian Commonwealth will be contrasted with that of other European states.

The second part of research will be devoted to comparing the formal contents of various legislative acts regarding the organisation of the army with their real-life consequences (reflected on a micro-level in accounting documents and court rulings). It will make it possible to judge how effective the legislation was and how exactly did it impact the military and treasury of Poland and Lithuania.

The third part of the project will involve constructing economic frameworks illustrating formal and real consumption rates of both whole military units and the "statistical" soldier. Those frameworks will then be contrasted with the available data on incomes of burghers and members of the *szlachta*.