

Paul English

ECON 1740-005

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February 25, 2013

Exam I Chapters 1-6

1 Discuss the importance of and implication of trade with regards to the colonies prior to 1776

The seemingly explosive growth in the early colonial period of the United States was largely a product of inter-continental trade with Britain, and other surrounding territories and overseas areas. Everything from the discovery and inhabitation of these lands, to the long-term establishment of colonies here, and eventual division and independence from English rule can in some way relate to the trade and markets that grew around these locations.

It Started with early exploration and European discovery of the America's, lead by Portugal, who was the leading pioneer in Atlantic growth. Their exploration was driven by trade and colonization of new territories including areas in North Africa, Madeira, the Canary Islands, among other locations. Columbus, upon reaching the Americas, helped to start an upward trend of growth and immigration devoted to trade and export of many of the natural resources found in these areas.

Portugal was taken over by Spain, and their settlements in America lacked solid long-lasting foundation. However, other countries had also began to settle and control this area, continuing growth and immigration. These settlements and colonies had to seek out ways to both live and subsist, which meant establishing farms, fishing, and manufacture of ships. Enabling them to begin producing their own goods, and trading with the countries that helped to establish them in this area.

Cash crops, including tobacco, rice, indigo, and other grains, flourished across all of the

Southern regions of North America and even into some of the Middle areas during the colonial era. Along the north furs, forest goods, lumber, and ships were popular and useful in the inter-continental trade. They had unique values on the markets, since the same good couldn't be produced as plentifully in other areas at the time.

As England took control of the area that would later become the United States, exports subsisted largely of tobacco, bread and flour, rice, fish, wheat, indigo, corn, pine boards, staves and headings, and horses as pointed out by the text book. Most of the imports came from England and were manufactured goods, which the colonists could not adequately create in their new settlements. This diversity of imports and exports is a good example of the value of the trade relationship which had grown around the new territories. England profited from the unique and plentiful natural resources that were found and cultivated in these new areas, while the colonists still relied on the goods that they had grown accustomed to from before their immigration.

Since much of the trade revolved around the cash crops, slavery became popular in Southern regions in order to deal with many of the unfavorable conditions and back breaking labor that was typically required to harvest large plantations.

Much of this trade continued as the colonies grew, and eventually became independent from the English throne. It also helped to influence many other things including the establishment of common currency, establishment of credit, and shifting and changing distribution of wealth.

If it wasn't for the thriving trade that took place in the first centuries of colonial existence growth and immigration wouldn't have been prominent.

2 What was the mind set of those coming to settle the American colonies (include who came, why did they come, how did they come) and what was the mind set of England with regards to the colonies in America?

The early American colonies were known as the New World, which largely helps us to decipher the mind set of the people who chose to immigrate and settle these areas. It was a location that offered new opportunities, new challenges and standards of living that couldn't be had anywhere else they had previously been. They chose to find a way across the Atlantic through rather difficult and expensive means with a hope that they could take on some of the challenges and receive the opportunities that lay in store. We know that many were religious, and seeking to escape tyranny. Many were poor or of common descent, and there were also many who were highly regarded and wealthy. There were many who were seeking out the chance to be a land-owner, which was regarded as a symbol of high status in the land-locked areas they were from.

Portugal and Spain led the colonization, for trade and exploratory reasons, however their settlements didn't last, only to be replaced by long-term settlements established primarily by England. As previously mentioned, these immigrants sought out land, religious freedom, and opportunities they otherwise wouldn't have had in their home country.

Skilled laborers, artisans, and craftsmen were highly valued in the New World and tended to be more successful, therefore they tended to be the type of person that would travel to get here. Families did immigrate though were less likely to do so because of the cost and difficulty of the journey.

Since traveling by ocean-liner was an expensive affair, many of the immigrants bartered and took loans out to pay for the passage. This included loans with ship captains, who they could pay back upon arrival, as well as indentured servitude contracts that required them to work off their debts after arriving. This practice eventually subsided as family members in the new colonies began to afford paying for their family members and relatives to make the trip without having to borrow or contract their way into a ticket for the new world.

During this time of colonial growth, England followed largely mercantilist systems of thinking. This largely meant that they sought power and wealth for their own state. This led to taxes, and strict systems that favored trade for themselves, and strictly regulating the economic life of the American colonies. The English wanted to keep artisans, and skilled workers at home so they could continue their domestic industry.

England controlled much of the trade that took place in the new colonies accepting most of the exports, and providing most of their imports. The measures that England took made sure that colonial trade resulted in a favorable outcome for them, and a deficit for the colonists. They established the navigation acts, restricted the export of their coins, and continually exploited the economic situation of the colonies which they had established.

3 What were the major sources of productivity for the colonists and why did different regions choose to produce the goods and services that they did?

The early colonists primarily farmed, fished, and lived off natural resources that were found in the new lands they now occupied. The differing climate and conditions of each area helped to differentiate and establish each colony with specialties and strengths which they could leverage to help themselves grow. This included plantations and cash crops in the southern regions, farms that harvested wheat, flour, and grains in the middle colonies, and fishing and port towns in the northern areas.

The Southern areas were filled with fertile land and had favorable climates that allowed for long growing seasons. tobacco became the largest staple, filling up entire plantations, and sometimes requiring the labor of many slave teams to harvest and manage. Tobacco also could be grown in small areas if necessary, and only needed partially cleared fields to thrive. Rice was also a staple of the South, though it requires periodic flooding and draining, a technique which was achievable near swamplands and rivers, where water could be diverted during certain seasons. They also produced Indigo, a plant introduced from India that is useful for creating blue dyes. Additionally other commodities that were produced include deerskins, naval stores, hay, animal products, indian corn, wheat, other grains, and livestock. Many of these crops which were produced in the Southern areas were exported to England, so there were also port cities that arose. Primarily the South had the largest farms, and produced the most grown goods.

In the Middle colonies the land was fertile and tillable, however farms tended to be smaller than the large plantations of the South. They primarily produced wheat and flour, as well as corn, rye, oats, and barley. Their crops mainly benefited the Northern colonies, and not as much emphasis was put on the export of their goods to Britian. They had large farms, and urban centers that were home to merchants, artisans, and craftsmen.

In New England, and the Northern colonies, the land was filled with poor soils, uneven terrain, and severe climate. It was a bad location for any type of commercial farming, so the farms

here were mostly for family use. These farms were usually able to grow indian corn, and raise some cattle and sheep. They imported most of their food from other colonies. Since farming wasn't profitable in these areas they turned to fishing and shipping. They fished cod, and even whale. They had some of the largest port cities, and they also worked at shipbuilding.

Shipbuilding was the most extensive form of manufacture in the New World, since it could be done with the plentiful lumbar and forest materials, and iron ore that was found in these areas.

Manufacturing in general across all the colonies wasn't a huge producer, aside from shipbuilding in the North. The colonies did however manufacture some things like clothing, food, woodwork, and specialty craftsmen industries. Most of their manufactured goods were imported from England where they had plentiful factories, mills, and other necessary tools and resources to do the job.

Each colony primarily worked with the resources that were plentiful around them. They all shifted into production that was based on the strengths of their areas, and by what was marketable at the time. The South wouldn't have grown as much tobacco as they did if there wasn't a demand for it, or England didn't want to have a source of tobacco that wasn't Spanish. The North and Middle colonies weren't able to sustain large plantations, otherwise they might have tried.