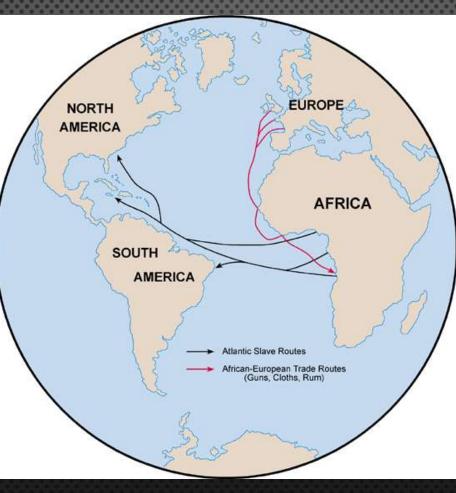
The Transatlantic economy, Trade Wars, and Colonial Rebellion

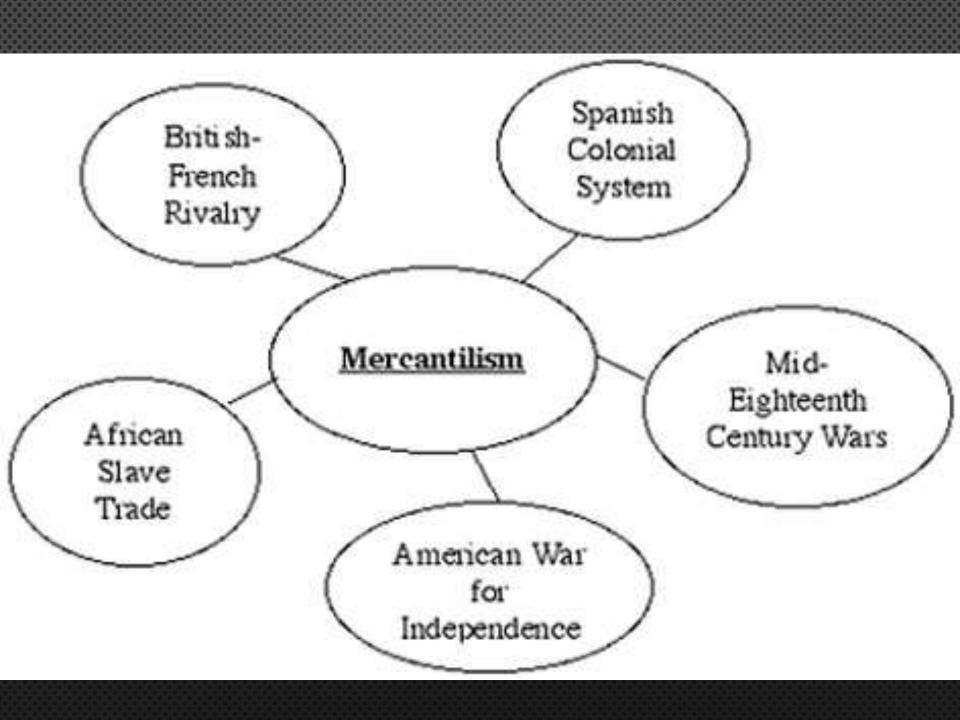




European Overseas Expansion

- Four phases of European contact with the New World:
- **1.** Discovery, exploration, conquest, settlement—to end of 17th c.
- 2. Mercantile empires & great power trade rivalries; slavery; colonial independence—to 1820s
- 3. 19th-c. empires in Africa & Asia
- 4. Decolonization, mid- to late-20th c.

 Source of European world domination: technology (ships & guns)



Mercantilism

As you have read, mercantilism was an economic theory practiced in Europe from the 16th to the 18th centuries. Economists of the period believed that a country's power came from its wealth. Thus, a country would do everything possible to acquire more gold, preferably at the expense of its rivals. A mercantilist country primarily sought gold in two ways: establishing and exploiting colonies, and establishing a favorable balance of trade with a rival country. In the example to the right, England is the home country, America is England's colony, and France is England's rival.

> England establishes a colony: America.

America does not have gold, but can produce cotton.

England buys cotton cheap and does not allow America to produce cloth. England sells finished cloth to America, and to England's rival, France.

SKILLBUILDER: Interpreting Charts

Identifying Problems and Solutions Under the mercantilism model, how might France try to acquire gold and become more powerful than England?

England wants gold.

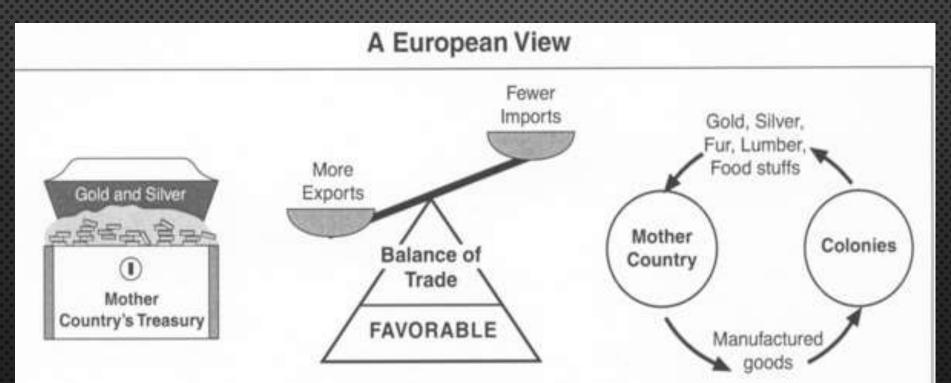
England gets

France's gold reserves.

gold and depletes

MERCANTILE EMPIRES Spain: • South America except for Brazil; Florida, Mexico, California & N. American Southwest; Central America; Caribbean possessions

Great Britain N. Atlantic seaboard, Nova Scotia, Newfoundland; Caribbean possessions; trading posts on Indian subcontinent



The Mercantilist Argument for Colonial Expansion



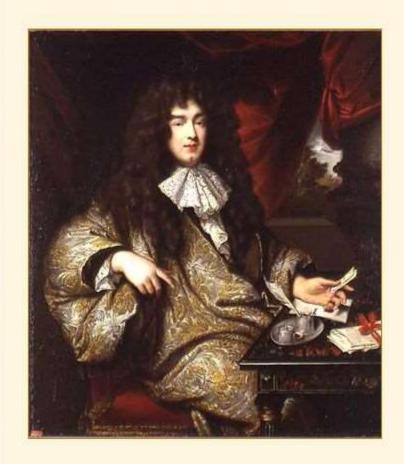
France St. Lawrence, Ohio, & Mississippi River Valleys; Caribbean Possessions; Trading Posts in India & West Africa



Jean-Baptiste Colbert



Jean Baptiste Colbert (1619-1683)

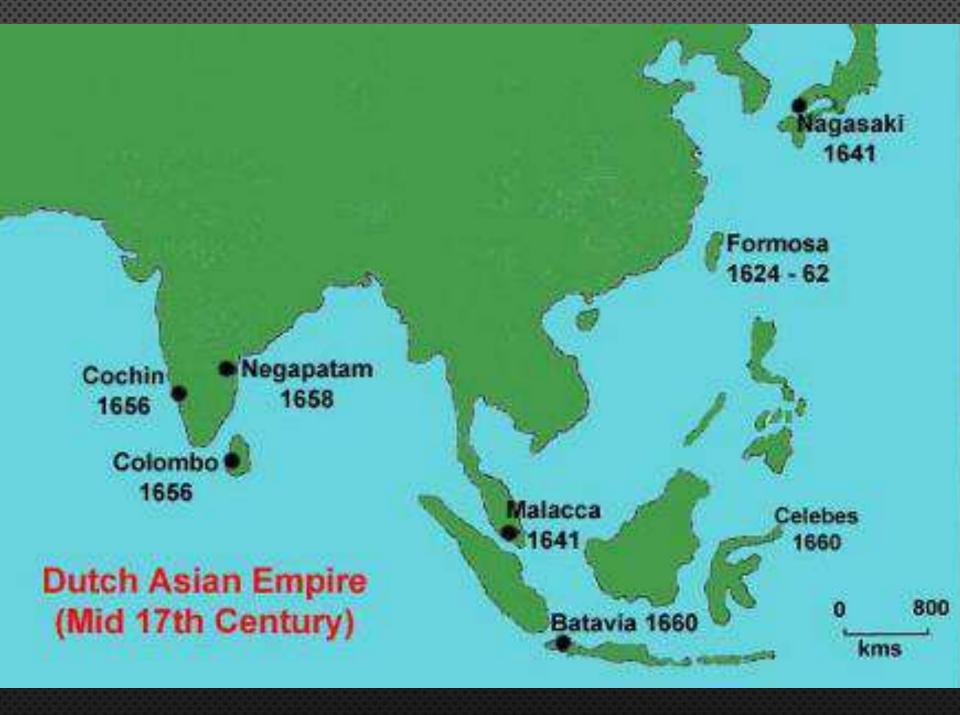


- £ Architect of French mercantilism or "Colbertism."
- \pounds He was a bullionist.
- £ There are four professions of importance to the nation:
 - Agriculture
 - Trade
 - Army
 - Navy
- £ Uniform weights & measures.
- £ Opposed tolls on internal trade.

Netherlands

 SURINAM (S. AMERICA); CAPE COLONY (S. AFRICA); TRADING POSTS IN WEST AFRICA, SRI LANKA, & INDIA; ALSO CONTROLLED TRADE WITH JAVA IN SE PACIFIC





Mercantilist Goals

- Underlying economic theory of 18th-c. Empires was mercantilism
- INTERNATIONAL TRADE AS ZERO-SUM GAME; WHOEVER GETS THE MOST GOLD WINS
- COLONIES MEANT TO TRADE EXCLUSIVELY WITH HOME COUNTRY; HARD TO ENFORCE BECAUSE IT WAS MORE PROFITABLE TO TRADE WITH OTHER COLONIES.





French-British Rivalry

- N. American colonial quarrels over St. Lawrence River valley, upper New England, Ohio River valley; fishing rights, fur trade, Native American alliances
- BIGGEST AREA OF RIVALRY: WEST INDIES—TOBACCO, COTTON, INDIGO, COFFEE, SUGAR
- INDIA; TRADING POSTS CALLED FACTORIES



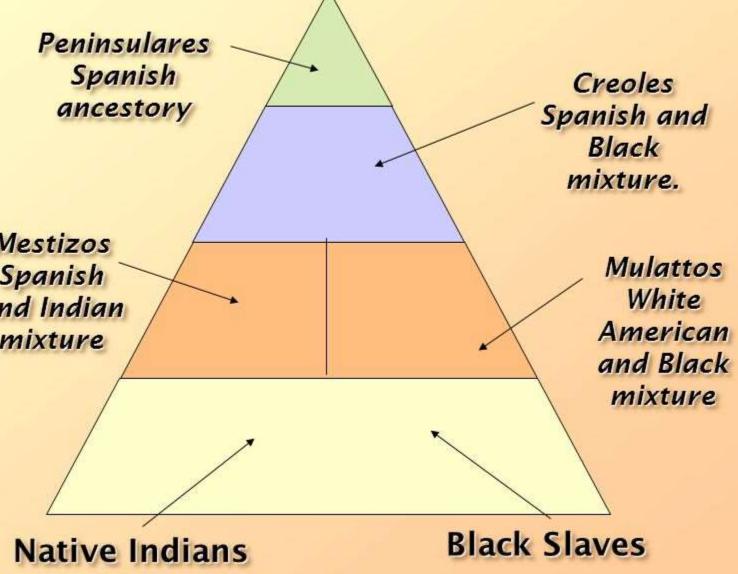
Spanish Colonial System





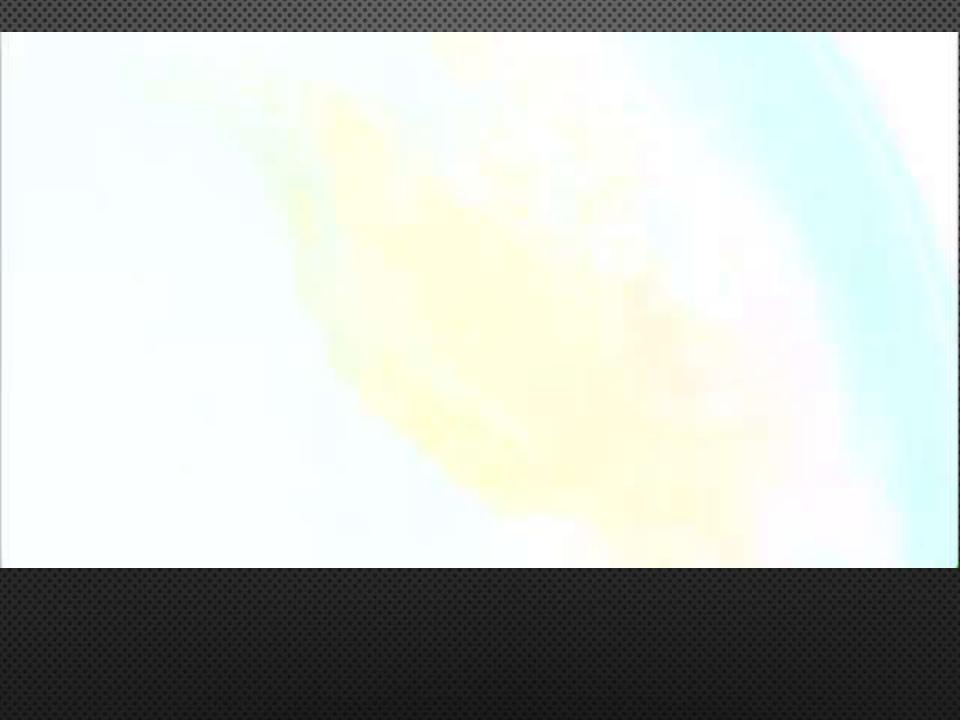


The Colonial Class System

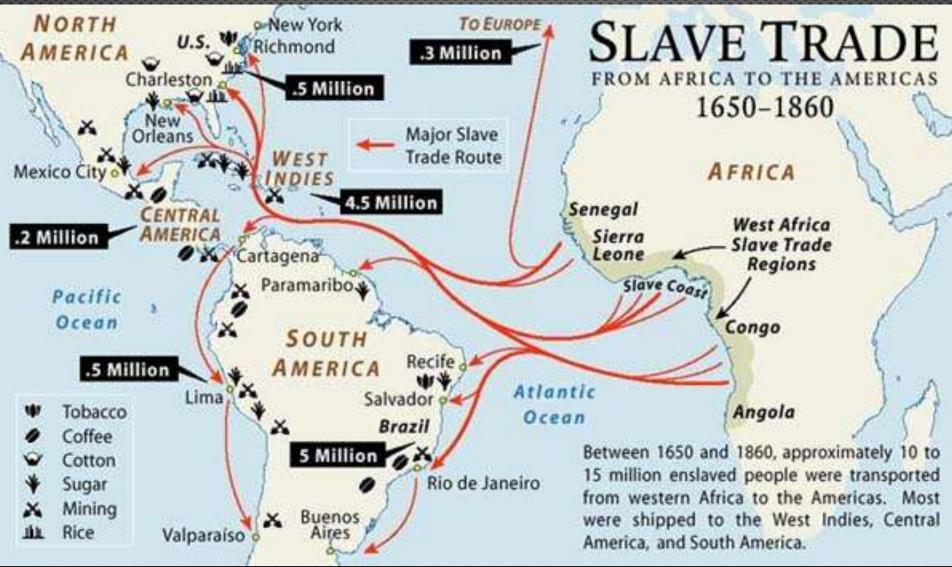


Pieces of Eight

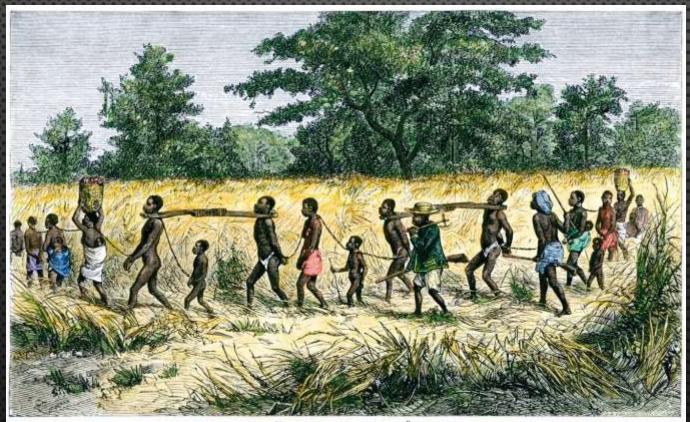




Slave Trade



SLAVERY- PLANTATION SYSTEM Slave trade: dominated by Portuguese & Spanish in 16th C., Dutch in 17th C., and English in 18th C.



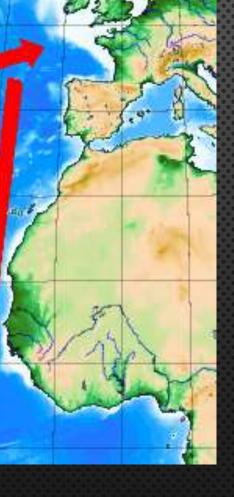
[&]quot;TO HE SOLD AS SLAVES."

"TRIANGULAR TRADE": AFRICA, WEST INDIES, EUROPE

Sugar, tobacco, and cotton to Europe

Slaves to the Americas

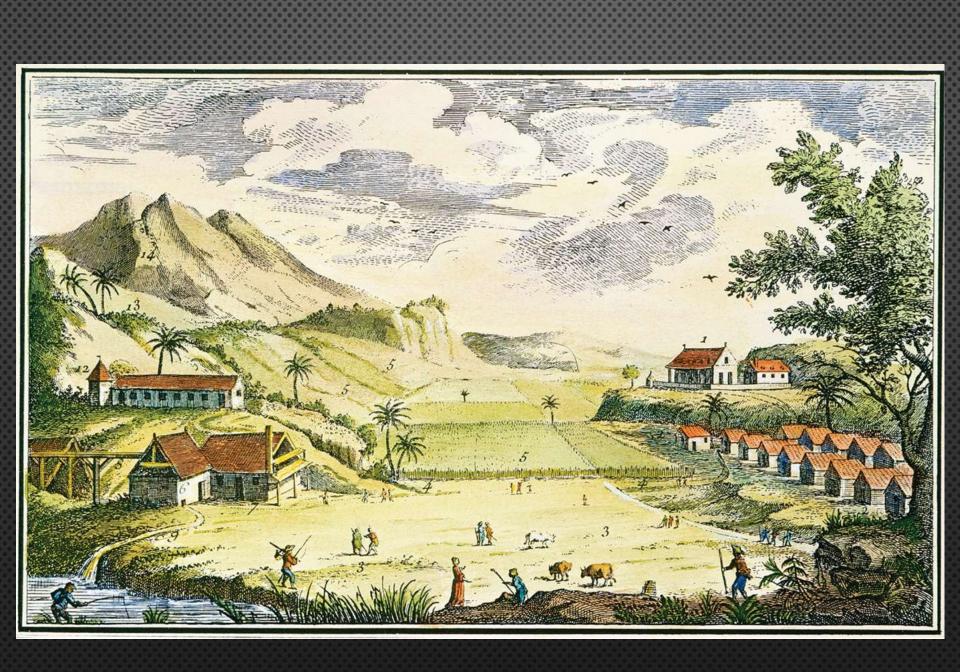
> Textiles, rum and manufactured, goods to Africa



WEST INDIES, BRAZIL, AND SUGAR

- MOST SLAVES WERE TRANSPORTED TO THE W. INDIES AND BRAZIL
- AFRICAN CULTURE SUSTAINED IN THE WEST INDIES
- BY 1725, 90% OF JAMAICAN POPULATION CONSISTED OF SLAVES
- SUGAR WAS VERY PROFITABLE FOR PLANTATION OWNERS AND MERCHANTS; SLAVES WERE OVERWORKED, MALNOURISHED, AND VULNERABLE TO NEW PATHOGENS





Mid-Eighteenth Century wars



THE WAR OF JENKINS'S EAR WAR OF JENKINS' EAR (1739) ENGLISH-SPANISH COMPETITION IN WEST INDIES BRITISH DECLARED WAR ON SPAIN IN 1739

 MINOR WAR BUT WAS OPENING ENCOUNTER TO SERIES OF EUROPEAN WARS THROUGH 1815



The War of Jenkins's Ear

War between Britain and Spain that began in 1739 and eventually merged into the War of the Austrian Succession.

IN 1738 CAPT. ROBERT JENKINS APPEARED BEFORE A COMMITTEE OF THE HOUSE OF COMMONS AND EXHIBITED HIS OWN AMPUTATED EAR, WHICH HE ALLEGED WAS CUT OFF BY SPANISH COAST GUARDS WHO BOARDED HIS SHIP IN THE WEST INDIES IN 1731.

Public Opinion had already been aroused by other Spanish Outrages on British ships, and the incident was exploited by members of Parliament who opposed the government of Robert Walpole

History Makers



Maria Theresa 1717-1780

An able ruler, Maria Theresa also devoted herself to her children, whom she continued to advise even after they were grown. Perhaps her most famous child was Marie Antoinette, wife of Louis XVI of France. As the Austrian

empress, Maria Theresa decreased the power of the nobility. She also limited the amount of labor that nobles could force peasants to do. She argued: "The peasantry must be able to sustain itself."



Frederick the Great 1712-1786

Although they reigned during the same time, Frederick the Great and Maria Theresa were very different. Where Maria was religious, Frederick was practical and atheistic. Maria Theresa had a happy home life and a huge family, while Frederick died

without a son to succeed him.

An aggressor in foreign affairs, Frederick once wrote that "the fundamental role of governments is the principle of extending their territories." Frederick earned the title "the Great" by achieving his goals for Prussia.



THE WAR OF AUSTRIAN SUCCESSION (1740-1748)

- Frederick defied the Pragmatic Sanction and invaded Silesia
- Austria was forced to cede almost all of Silesia to Prussia
- PRUSSIA'S POPULATION DOUBLED TO 6 MILLION



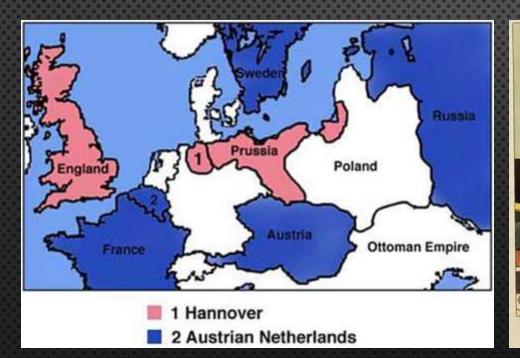
- THE WAR OF AUSTRIAN SUCCESSION (1740-1748)
- Central & Eastern Europe
- Prussia invades (Habsburg) Silesia; France & Spain back Prussia, England backs Austria
- MARIA THERESA MAINTAINS HAPSBURG EMPIRE AS A MAJOR POLITICAL POWER
- ENDED WITH TREATY OF AIX-LA-CHAPELLE IN 1748





THE DIPLOMATIC REVOLUTION OF 1756

- France and Britain clash in America
- GREAT BRITAIN JOINED FORCES WITH GERMANY, CONVENTION OF WESTMINSTER
- France and Austria agreed to defensive alliance





Drey große Monarchen des Bª Jahrhunderts.



THE SEVEN YEARS WAR (1756-1763)

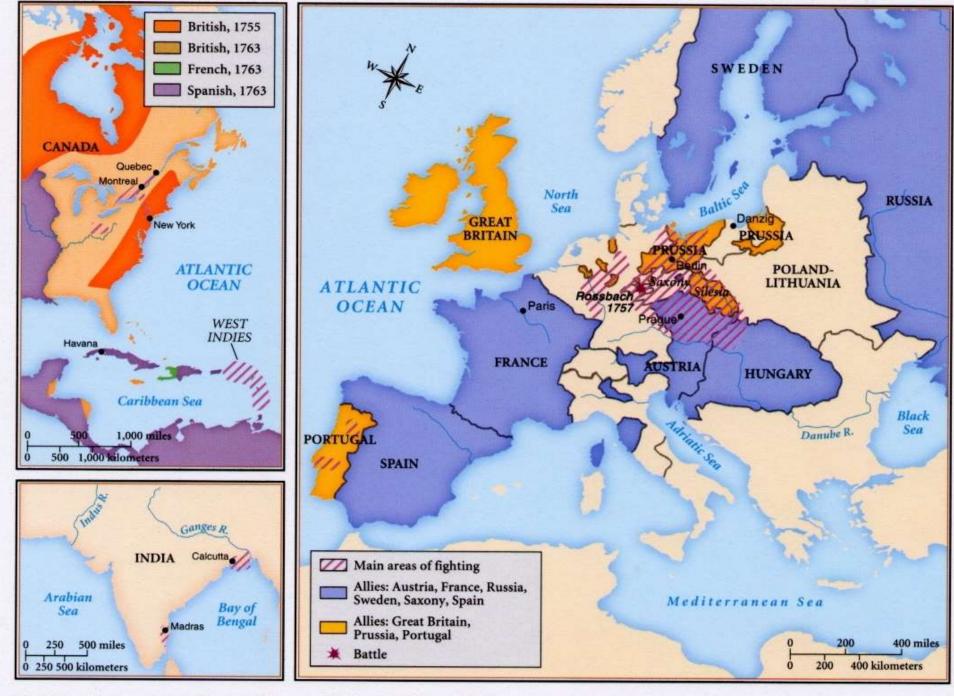
- FREDERICK II (THE GREAT) BEGAN WAR BY INVADING GERMAN STATE OF SAXONY
- England now backs Prussia, France backs Austria
- COLONIAL THEATER: BRITAIN, LED BY WILLIAM PITT THE ELDER, TROUNCES FRANCE IN NORTH AMERICA
- TREATY OF PARIS OF 1763 MADE BRITAIN INTO A WORLD POWER, THROUGH WORLD WAR II



European War goes global: The Seven Years War, 1756-63



- Fought in Europe, North America, the Caribbean, and India
- France loses most of its colonial possessions.
- England becomes leading colonial power.
- English rule over India begins (Battle of Plassey, 1757).

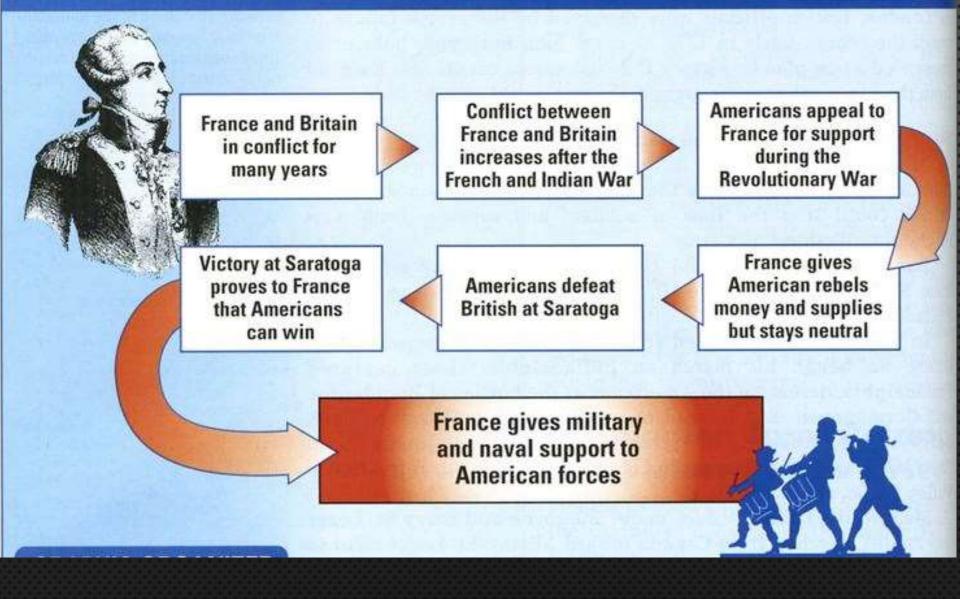


MAP 19.3 The Seven Years' War, 1756-1763

The American revolution British tried to tax colonies to pay for war Colonies responded that they wouldn't be taxed without representation



France Enters the War



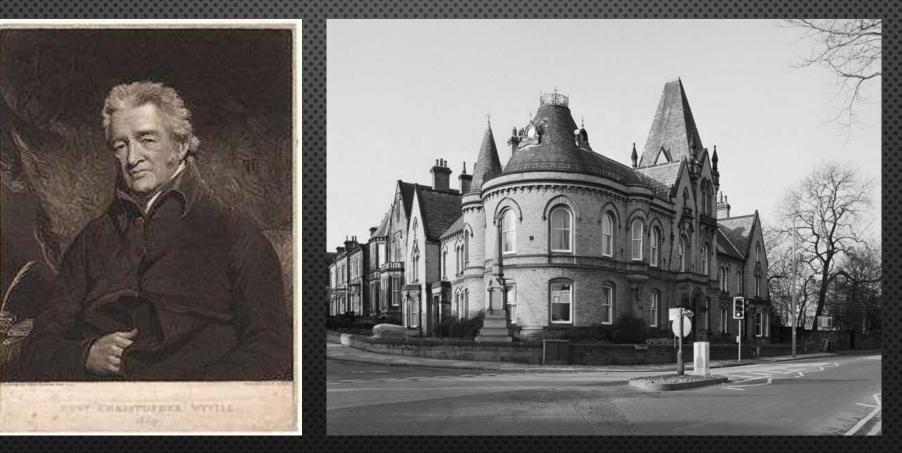


Parliamentary reform



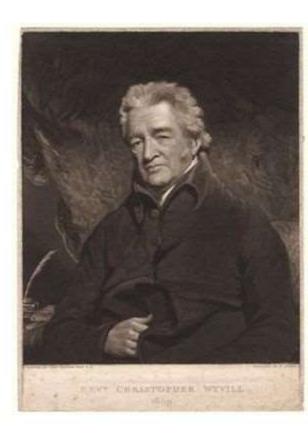
The Yorkshire Association

YORKSHIRE ASSOCIATION MOVEMENT DEMANDED CHANGES IN PARLIAMENTARY ELECTIONS



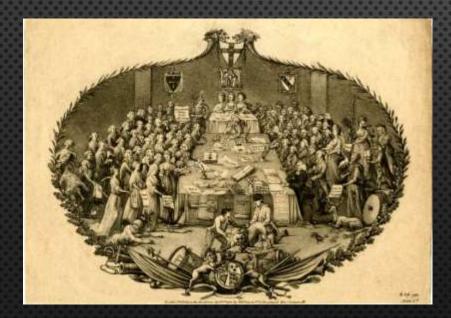
Yorkshire Association Movement

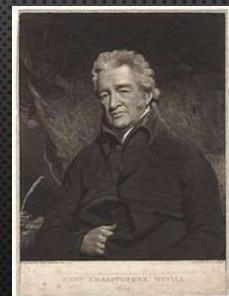
- British were unhappy with the mismanagement of the American War and Lord North.
- They wanted to reform Parliament, they thought the elections were corrupt.
- They wanted lower taxes.
- Movement collapsed in the 1780's because they didn't appeal for broad support.



Yorkshire Association Movement

- A movement composed of property owners to reform the entire British government. Collapsed because it was not willing to Appeal for broad popular support. Gained some concessions FROM Parliament
- CHRISTOPHER WYVILL (1740–1822) WAS AN ENGLISH CLERIC AND LANDOWNER, A POLITICAL REFORMER WHO INSPIRED THE FORMATION OF THE YORKSHIRE ASSOCIATION MOVEMENT IN 1779. THE AMERICAN REVOLUTIONARY WAR HAD FORCED THE GOVERNMENT OF LORD NORTH TO INCREASE TAXATION



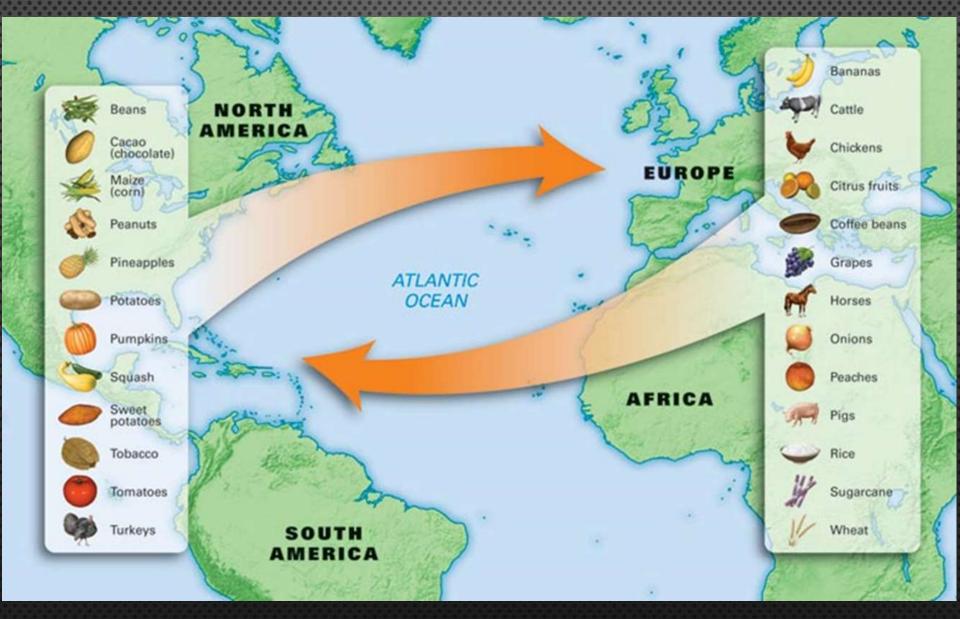


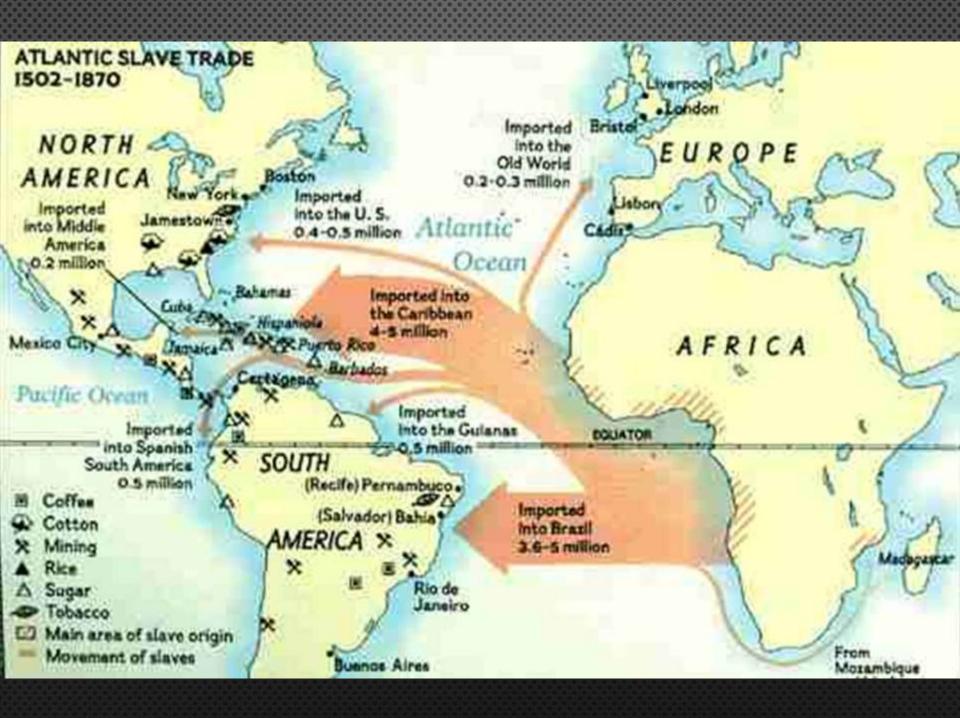
The Columbian Exchange

- DISEASES ENTER THE AMERICAS
- Smallpox, Typhus, Influenza
- NATIVE AMERICANS HIGHLY SUSCEPTIBLE, LACKED IMMUNITY









Mercantilism

	Advantages of Mercantilism	Disadvantages of Mercantilism
Great Britain	 Created a favorable balance of trade for England Colonies produced raw materials England needed England had a growing, stable market for its finished goods These finished goods were sold back to the colonies for a very large profit England became very wealthy and powerful at the expense of its colonies Goods from other countries came through England to the colonies Taxes paid were paid on these goods by the colonies with gold and silver, adding to England's wealth 	 Naval supplies (pitch, wooden masts, etc.) were paid for with a "bounty" or very high price
British Colonies	 Colonists could obtain goods from other countries with permission from England (i.e. wine from France and tea from India) Naval supplies (pitch, wooden masts, etc.) were paid for with a "bounty" or very high price by England British citizens in the colonies who owned ships benefited because all ships who traded with the colonies had to be owned by British citizens 	 Colonists could only trade with one country which limited competition for its goods resulting in lower prices paid by England for raw materials Finished goods were sold back to the colonies for a very large profit by England England became very wealthy and powerful at the expense of its colonies Goods from other countries came through England to the colonies resulting in higher taxes and prices paid by colonists Taxes paid were paid on these goods by the colonies with gold and silver, thus depleting the wealth of the colonies

Adam Smith - Father of Capitalism

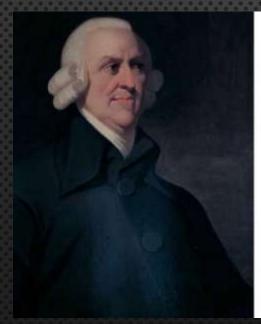


Adam Smith:

- Defined the term "free market" as a market which was free from the control of the people. Said this was a bad thing.
- Said that the most violent and bloody governments are ones which are run by merchants.
- Said that a government whose sole responsibility is the defense of property is actually a government instituted to defend the rich against the poor.
- Condemned masters for conspiring against the collective bargaining power provided by the unions of workmen.
- Gets remembered as a defender of free market capitalism anyway because the opening paragraphs of his magnum opus say that bakers and butchers operate their businesses out of rational self-interest rather than altruism, and he briefly mentioned an "invisible hand" exactly one time in the middle of the book.

ADAM SMITH

- Adam Smith The Wealth of Nations 1776 University of Glasgow Scotland.
- If individuals freely followed their own self-interest, the world would be an orderly and progressive place.
- Defended the idea of free markets (Laissez faire) free enterprise.
- Economic liberty guaranteed economic progress.
- Government need not interfere in the economy.
- Capitalism- economic system in which money is invested in ventures with the goal of making a profit



It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest.

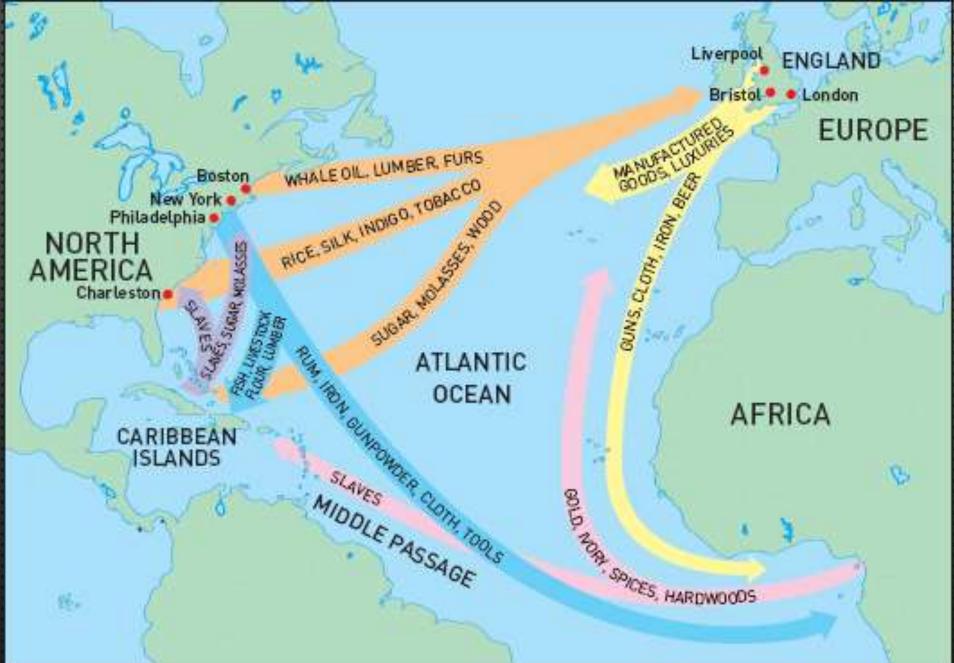
– Adam Smith

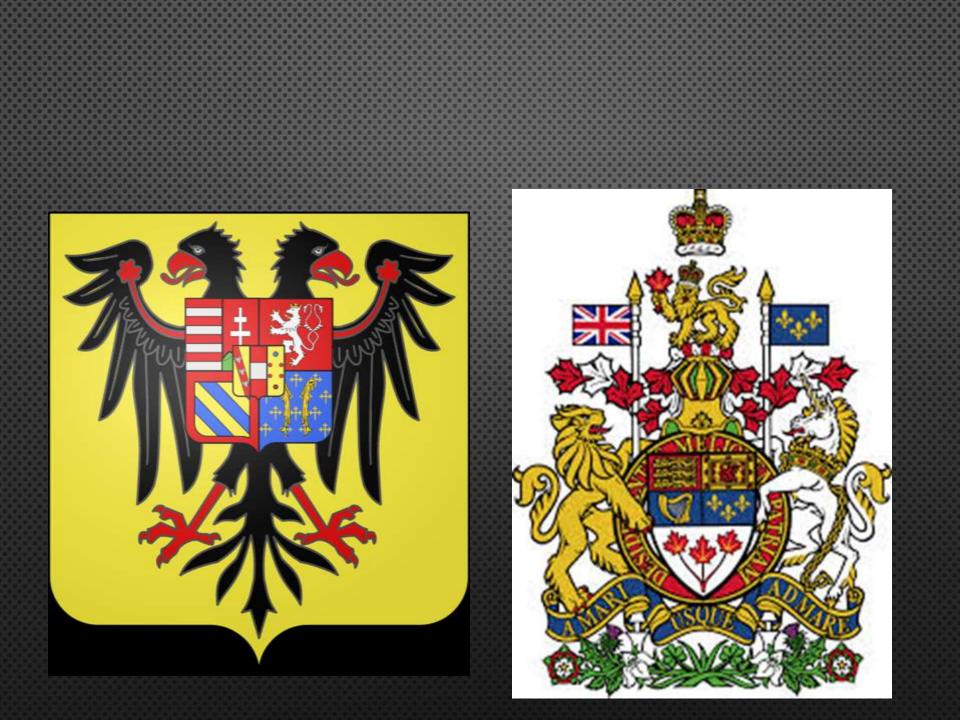


Prussia, Austria, Russia, 1700s



TRIANGLE TRADE NETWORK





	Parent One	Parent Two	Child
1.	Spaniard	Indian	Mestizo
2.	Mestizo	Spanish	Castizo
3.	Spaniard	Castizo	Spaniard
4.	Negro	Spanish	Mulatto
5.	Spaniard	Mulatto	Morisco
6.	Spaniard	Morisco	Albino
7.	Spaniard	Albino	Torna atras
8.	Indian	Torna atras	Lobo
9.	Lobo	Indian	Zambaigo
10.	Zambaigo	Indian	Cambujo
11.	Cambujo	Mulatto	Albarazado
12.	Albarazado	Mulatto	Barcino
13.	Barcino	Mulatto	Coyote
14.	Indian	Coyote	Chamiso
15.	Mestizo	Chamiso	Coyote Mestizo
16.	Coyote Mestizo	Mulatto	Ahi te estas

