

# Trade in Georgia

March 24, 2014

# Economics in Georgia's History

- Beginning with the Native Americans and continuing through today, Georgians have produced various goods and services
- As the state has evolved so have the types of economic activities practiced here

# Trade

- Trade is the exchange of goods and services among people and countries
- Free trade occurs when the trade is voluntary and fair. Both parties benefit and are better off after the trade

# Trade in Georgia's Prehistoric and Colonial Eras

- Early trade is indicated among prehistoric sites by artifacts not made with local materials
- Bartering (trading goods and services without the use of money) was the early economic system in the New World
- When explorers first came, they bartered with the Native Americans for items they wanted or needed
- Colonists also practiced mercantilism, where they would produce the raw materials here and ship them to England
- England would then turn those raw materials into products to be sold to the colonies or other nations

# Trade leading up the Civil War

- Transportation greatly improved during the late 1700s and early 1800s
- This caused trade among states to increase
- At this time, Georgia's economy was largely based on cotton
  - Cotton was shipped north or exported to Europe to make cloth and thread
- Georgians imported most manufactured goods from foreign countries
- This allowed the Northern blockade of Southern ports to be effective



# Trade after the Civil War

- After the Civil War, Georgia's economy was devastated
  - Agriculture suffered with the loss of slavery
- However, after Reconstruction, Georgia's manufacturing industries began to grow
- Textiles manufacturing (woven materials) were a huge part of Georgia's economic recovery
- The International Cotton States Exposition was a way to showcase the economic recovery of the South and encourage trade with Northern states

# Trade in the early 1900s

- Trade suffered in the early 1900s and worsened during the Great Depression
- However, WWII brought prosperity to Georgia as industries manufactured war materials (ships, planes, etc.)
- After the war, factories began producing goods for consumers
- Georgia's postwar governors also worked to encourage trade with foreign countries

# Trade Today

- Today, foreign trade plays a large role in Georgia's economy
- One-sixth of Georgia's farm products are exported
- Many foreign countries have companies operating in Georgia and are some of the largest employers in the state
- Foreign investors like Georgia because of the climate, living conditions, and transportation systems



# Transportation Systems and World Trade

- World trade is on the increase due to Georgia's two deepwater ports, Hartsfield-Jackson Airport, the four major interstates, and rail service

# Georgia's Deepwater Ports

- Georgia has two major seaports located on the coast in Savannah and Brunswick
- Through these ports, millions of tons of soybeans, wheat, and forest products are exported every year
- Ships bringing sugar, steel, and other products arrive daily
- In order to compete with other ports, Savannah has dredged (dug out and deepened) its harbor so bigger ships can unload there
- This allows more money to be brought into the state

# Hartsfield-Jackson Atlanta International Airport

- Our airport is the busiest in the world
- It is the headquarters for Delta Airlines and over 86 million people pass through a year
- It is the largest employment center in the state
  - The airport's economic impact is around \$5.6 billion a year
- 26 passenger (people) airlines and 16 cargo (goods) airlines operate out of the airport
- The cargo airlines have easy access to the interstate highways

# Georgia's Interstate Highways

- Georgia has 1200 miles of interstate, along with over 100,000 miles of state highways, as well as county and city roads
- This road system allows items that arrive in the ports of Savannah and Brunswick, or at the airport to be loaded onto trucks and be in almost 80% of the rest of the country within 2 days



# Georgia's Rail Systems

- Georgia has 5400 miles of railroad track
- The railroads transport products and people in Georgia
- Rail service is provided by Amtrak, CSX, and other companies
- This large system also guarantees cargo arriving at our seaports or airport is transported easily and quickly to the rest of the country

# Questions...

- 1) What is trade?
- 2) What is free trade?
- 3) How is early trade indicated in Georgia?
- 4) What is bartering?
- 5) What is mercantilism?
- 6) What improved in the late 1700s and early 1800s?
- 7) What was Georgia's economy based on leading up to the Civil War?
- 8) What industry was a huge part in Georgia's recovery after the Civil War?
- 9) How did WWII bring prosperity?
- 10) Who did postwar governors encourage trade with?
- 11) How do foreign companies play a role in Georgia's economy today?
- 12) Why do foreign investors like Georgia?
- 13) Where are Georgia's deepwater ports located?
- 14) What products are shipped in and out of the ports?
- 15) Why did Savannah dredge its port?

# More Questions...

- 16) What airline is headquartered at Atlanta's airport?
- 17) What advantage do cargo airlines have at Atlanta's airport?
- 18) How do the interstate and roads impact the ports and airport?
- 19) How do the rail systems impact our ports and airport?

The background is a solid blue color with a subtle, repeating pattern of small, rounded squares or diamonds. The pattern is composed of thin white lines forming a grid, with small, light blue, rounded squares at the intersections. The pattern recedes into the distance, creating a sense of depth.

# Personal Finance

April 14, 2014



# Money Management

- Everyone must make choices about what to do with their income, including you
  - Income is money earned
- You may have an allowance, receive money as a gift, or have a job and earn a paycheck

# Income Choices

- For the most part, you only have 2 choices about what to do with your income: save it or spend it
  - Savings is the income that a person has not spent after buying things that they want. It is put aside for later.
- To help make decisions about what to do with their money, a person can create a budget
  - A budget is a spending-and-savings plan, based on estimated income and expenses for a person

# Investing

- Investing involves putting money aside in order to receive a greater benefit in the future
- Often, that greater benefit is interest or a profit
  - Interest is a fee for the use of money
- This is a form of savings
- Money can be invested in financial accounts such as bank accounts, stocks, or mutual funds.
- Having a good financial plan allows you to plan for both your present and your future

# Credit

- Credit is purchasing a good or service without immediate payment
- Common forms of credit include car loans, mortgages, and credit cards
- Student loans are used to help people pay their tuition on credit while in college
- While credit is extremely useful to the economy, it can be dangerous if you buy too much on credit and do not have the income to pay it back.



# Questions

- 1. What is income?
- 2. What are some ways that you can earn income?
- 3. What are your 2 income choices?
- 4. What is savings?
- 5. What is a budget?
- 6. What is investing?
- 7. What is interest?
- 8. How can money be invested?
- 9. Why is having a good financial plan important?
- 10. What is credit?
- 11. What are some common forms of credit?
- 12. How can students use credit?
- 13. How can credit be dangerous?