

# The First Global Economy

SS6H6ab

## Warm-Up 11/2/2016

- ▶ Write in your agenda.
- ▶ What do you think were some of the positive effects of exploration and colonization?
- ▶ Who do you think were affected most by the positives? Why?
- ▶ What do you think were some of the negative effects of exploration and colonization?
- ▶ Who do you think were affected most by the negatives? Why?

# Effect of European Exploration and Colonization

▶ Most of the indigenous cultures and people died from disease.

natives

★▶ No immunity, health of Europeans in general at this time...etc.

natives

bad/sick

▶ African civilizations had large numbers of their population removed and taken as slaves.

▶ Key members young men and women (entire generations lost)

▶ Produced a great economic increase in European trade.

+\$

▶ Created the first Global economy.

no more natives  
left to work -  
Used Africans  
b/c strong &  
healthy

▶ European trade forever changed the economies and cultures of America, Africa, and Asia... The Economic System that was created was MERCANTILISM.

▶ Mercantilism- process of creating wealth by controlling trade.

▶ Take advantage of colonies (taking resources + land...)

▶ Goals: -export everything and import very few things. *Make more, than spent!*



- ▶ Imports? Product/ resource brought in from/ bought. Spending \$
- ▶ Exports? Product/ resource sold to another country. Getting \$



▶ By exporting, money is coming in and by importing money is going out.

▶ The most powerful countries have large reserves of gold and silver!  
(\$ = improves economy =  $\uparrow$  GDP + SOL)





- ▶ Therefore, this is the reason why the search for gold was so strong and even if there wasn't... the resources were as good as gold and here's why. . .



## Impact of Colonies:

- ▶ Colonies provided cheap raw materials so that European nations didn't have to pay for imports. (natural resources)
- ▶ Colonies also provided a market for finished European exports. (guns, ammo,... etc.) *furniture*







## Favorable vs. Unfavorable balance of trade:

- ▶ If Spain is exporting far more than they are importing from other nations they have a FAVORABLE balance of trade.
- ▶ If Spain is exporting less than they are importing they have an unfavorable balance of trade.

*gaining \$*

*losing \$*

## To Further Encourage Trade

- ▶ Governments subsidized new industries
  - ▶ Subsidized means... Support financially (to pay for it)
- ▶ Improved transportation- built bridges, roads, and canals
- ▶ High tariffs on foreign goods to keep the balance of trade high.

British Queen  
paid  
for factories  
& n.r. transport

- ▶ Which means... the goods they owned were cheaper so people would buy them and help their economy.

Results of Mercantilism and this economic activity was the Columbian Exchange and the Triangular Trade.

RECEIVE



EXPORT

The Mother Country in Europe.

# Columbian Exchange Simulation Activity

The slide features a white background with abstract, overlapping green geometric shapes on the right side. These shapes include various shades of green, from light to dark, forming a complex, layered pattern that resembles a stylized landscape or a modern graphic design element.

# Columbian Exchange

- ▶ Exchange of plants, animals, goods, and diseases between the old and new worlds.
- ▶ Colonization drove the Columbian exchange and this is an example of the first global economy.





# Columbian Exchange Explanation

▶ <https://www.youtube.com/watch?v=4RTBP-PC28FI>

▶ So, what were the overall effects?

Old World	New World

- ▶ **Global economy- each country depends on other countries in the world and are connected to one another through trade between them all.**



# Role of the Colonies: Colonies

- ▶ European nations established plantations in the new world.
  - ▶ Plantations- large farms that grew cash crops.
  - ▶ Cash crops- crops that are grown for profit
    - ▶ Sugar, tobacco, cotton
- ▶ This exchange transformed the economy, culture, and population.



# Positives

- ▶ Positives: Potatoes came from New world to Europe increased the food supply and as a result increased the population. *helped starving europeans*
- ▶ Corn exports to Asia, raised Chinese population.
- ▶ Horses introduced to the New world improved transportation for natives.  
(+ weapons= easier hunting)

# Negatives

- ▶ Native's culture and population died out/ disappeared.
  - ▶ Overworked on forced labor plantations (slavery)
  - ▶ Died from diseases because of lack of immunities
  - ▶ Entire cultures and civilizations were killed from war and conquering Europeans who made them have their own cultures or be killed.

Example: Mexico population went from 25 million to 1 million in 130 years.



# Global Trade (mercantilism)

# Day 3

▶ Encomienda System- Spanish colonists were granted land and natives who were forced to work on land (slavery).

*Create a colony*

▶ In return landowners were supposed to provide protection and teach Christianity and Spanish culture.

*Spanish missions*

▶ Result= death of natives ~~and~~ their culture

**Problem= you have a huge demand for labor and a labor force that is going away... so the solutions is:**

# ATLANTIC SLAVE TRADE

Triangular Trade

- ▶ The forced removal of enslaved Africans to the new world to work on plantations.
- ▶ Slave Trade was not new, but the huge demand for work heightened it. Especially that of the sugarcane plantations in the new world because CASH CROPS ARE LABOR INTENSIVE- meaning you have to have a consistent and strong labor force. (Human resources)

Cash  
Crop  
↓  
Earns  
a lot of  
\$

- ▶ Sources (places) of Slave Trade:
  - ▶ In the beginning, it was along the African Coast but traders had to move further inland, taking populations from all over.
  - ▶ = Overall Effect of Atlantic/ African Slave Trade:
    - ▶ 10 million enslaved Africans were brought known as African Diaspora- the scattering of Africans outside of Africa.



- ▶ Whole generations would be lost, crippling the societies of Africa and their culture.
- ▶ Horrid and abusive conditions
- ▶ Increased warfare in Africa as tribes captured other tribes to sell them into slave bondage (\$, trades, barter...)

- ▶ How could they do this to another human being?
  - ▶ Different thinking at the time... (European hierarchy systems... etc.)
  - ▶ Believed that since inferior (less Adv) technology they must be inferior people.
  - ▶ Used their religious beliefs to justify their actions.

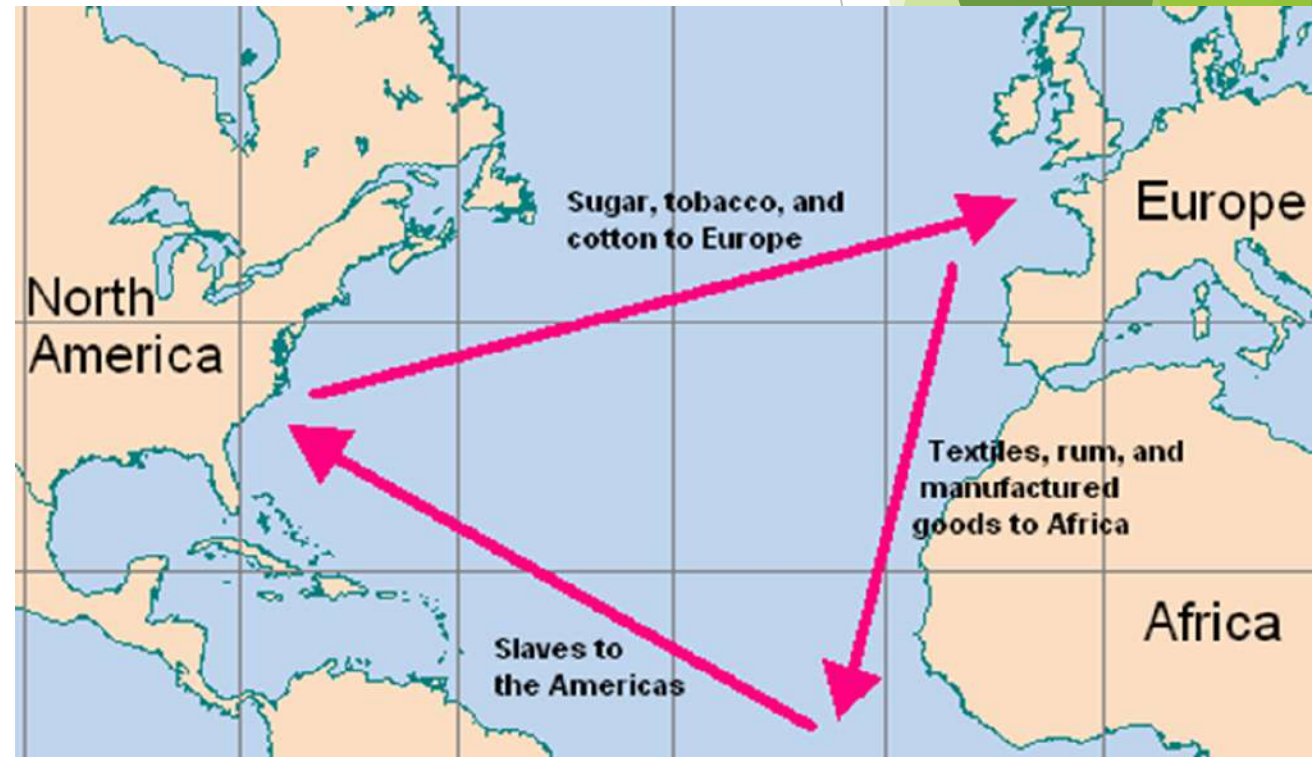
\* Europeans had access to resources that natives & Africans didn't.

## SO recap Columbian exchange:

- ▶ Exchange of new plants, animals, and resources.
- ▶ Natives were forced to work on plantations and many died. *most*
- ▶ Cash crops and plantations are labor intensive but in high demand. *→ \$ for Europe*
- ▶ A strong labor force is needed to work on plantations.
- ▶ Atlantic Slave Trade grew tremendously in providing for the need.

- ▶ Therefore, Soon the triangular trade route forms...
- ▶ Triangle Trade Route- connection between Europe, Africa, and the Americas by trade.

<https://app.discoveryeducation.com/learn/videos/9057CC88-0EDE-43C4-98DC-2B720A85BA1B?hasLocalHost=false>



▶ This all led to European countries taking over areas all over the old and new worlds so that their national empires grew!

*more colonies =  
more \$ =  
power!*

▶ = international economic growth =  
growth of world superpowers =  
imperialism

▶ <https://www.youtube.com/watch?v=NI1k5EKi-74>

## So what's the difference: Columbian Exch. & Triangular Trade?

Columbian Exchange usually involved natural (unplanned) movement, of things like diseases and languages; while Triangular Trade was very much planned, involving making money off of selling different products to other places. Also, Columbian Exchange also was mostly between 2 places (Americas and Europe), whereas T. T. was between 3 places (Americas, Europe, and Africa).

Imperialism: im·pe·ri·al·ism im'pirēə,lizəm/  
*noun*. a policy of extending a country's power  
and influence through diplomacy or military  
force.

- ▶ [https://www.youtube.com/watch?v=t\\_rHrGaoh4w](https://www.youtube.com/watch?v=t_rHrGaoh4w) (Watch this at home... it is super good to help you understand this content, but it is too long for class.)

# European Imperialism In Africa

- ▶ By 1875 European possessions in Africa consisted of some forts and trading posts along the coast and a few tiny colonies. Between 1880 and 1910, however, Africa was divided up among the Europeans. For the next 50 years decisions affecting Africa and its people were made not in Africa, but in London, Paris, Lisbon and other European capitals. France acquired a huge empire in North and West Africa. Algeria, Tunisia, Morocco, Ivory Coast, Dahomey, Mali and other areas in West Africa came under French rule. Britain's colonies were scattered throughout the continent. Although the French controlled the most territory, Britain ruled the greatest number of people. Gambia, Sierra Leone, Gold Coast, Nigeria, South Africa, Rhodesia, Uganda, Kenya, Egypt, the Sudan and others were taken over Eritrea, a large part of Somaliland and Libya. Southwest Africa, Tanganyika, Togoland and Cameroon were ruled by Germany until Germany's defeat in World War I. By 1914 there were two independent countries left in Africa-Liberia and Ethiopia. And even Ethiopia was taken over by Italy in 1935. (Italy controlled Ethiopia until 1942 when the British drove the Italians out.)

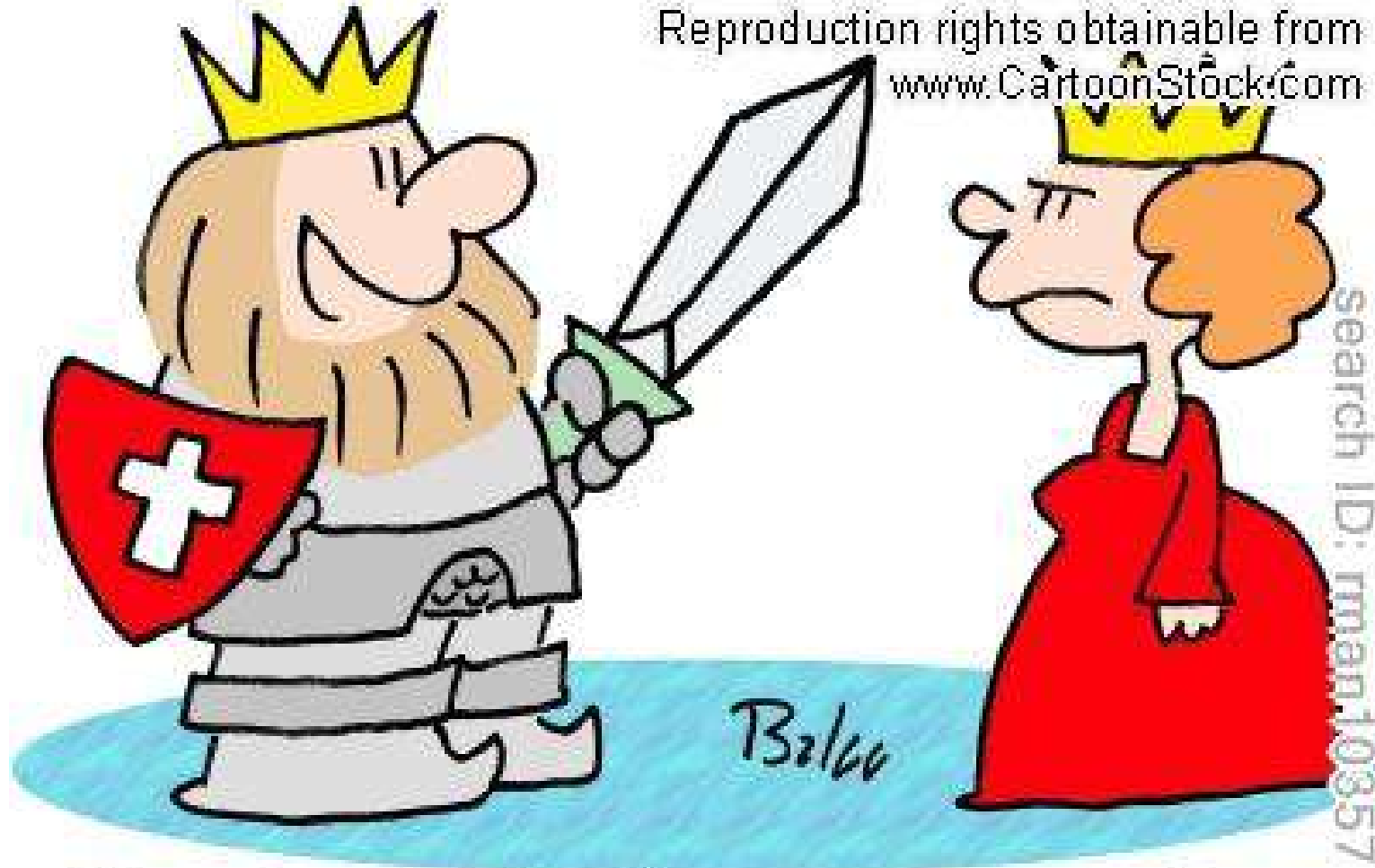
[https://www.youtube.com/watch?v=OJe1W\\_HIWmA](https://www.youtube.com/watch?v=OJe1W_HIWmA)

(4 min long)



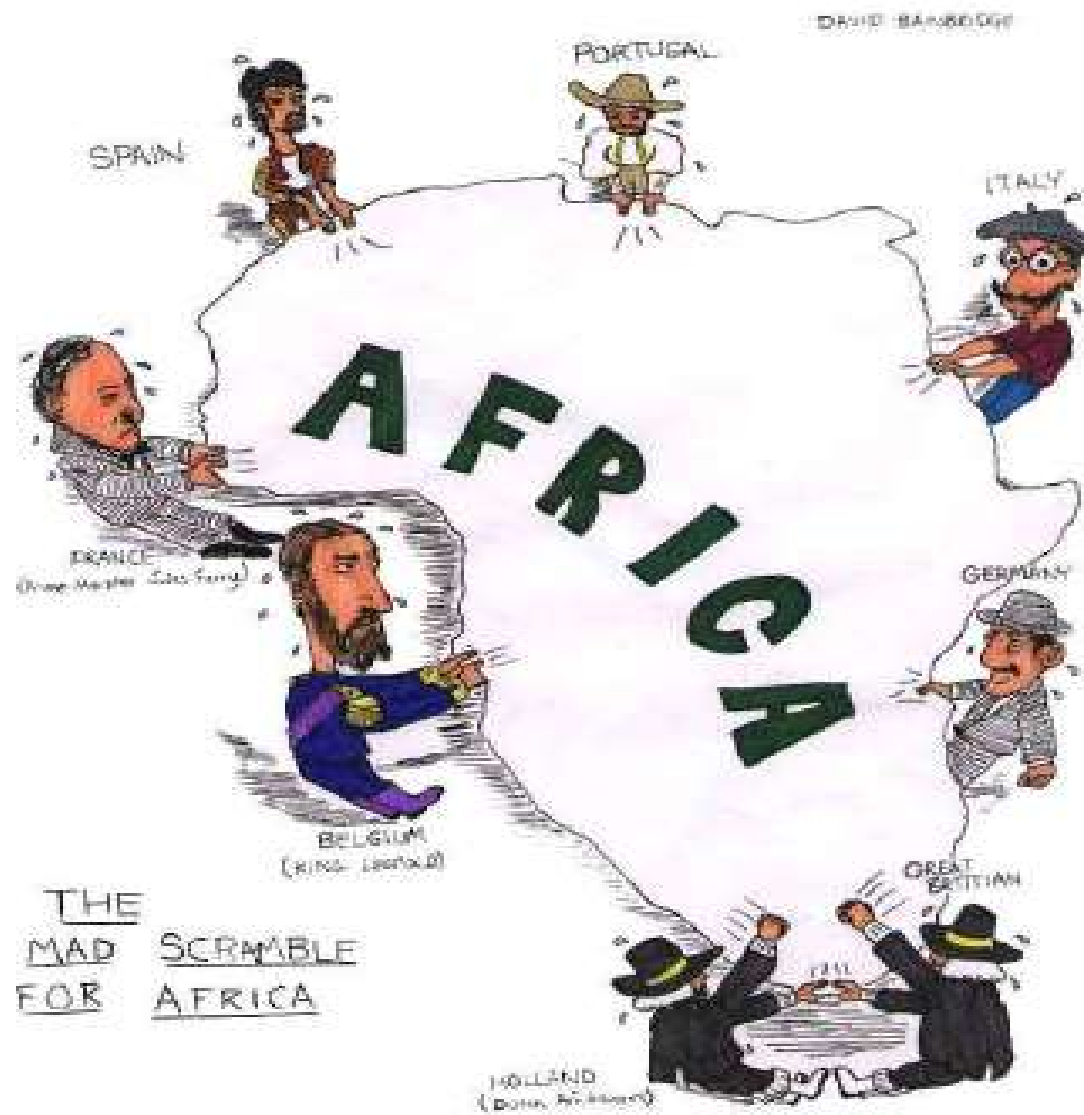
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"Don't think of it as imperialism  
— think of it as supersizing  
the country!"

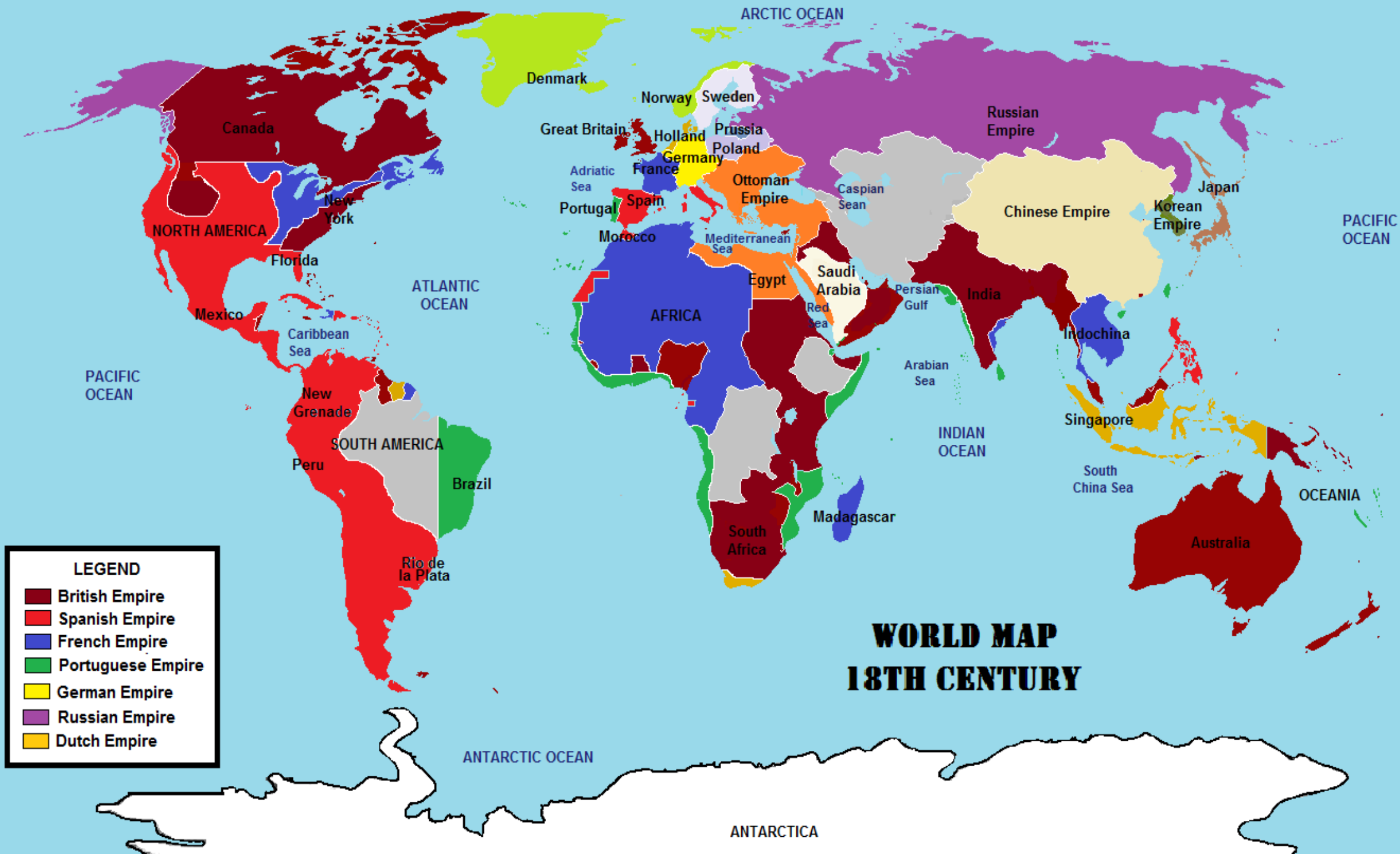
# The Scramble for Africa



The scramble for Africa was a period of rapid colonization beginning in 1800 and ending in the early 1900s by European powers caused by economic, political and military motivations. Africa was an ideal country to imperialize for Europe because of its close location, abundance of natural resources and it was viewed as an inferior country to Europe; thus it was Europe's "duty" to enlighten the ignorant people of Africa by spreading European ideas.

## How Imperialism Spread

- ▶ European rule came to Africa in many different ways. Sometimes a European trading company made agreements with Africa chiefs permitting the company to trade and keep order in the area. The traders then put pressure on their government in Europe to take over in order to protect them. In a few cases tribal chiefs voluntarily asked for the protection of one European nation in order to avoid being taken over by another European nation. Sometimes the Africans even asked for European protection against other African tribes. **Treaties** were signed by the African chiefs in which they gave the European company or government the right to keep order (govern) and to take over the land and resources in their area. **Thousands of treaties were signed by African rulers giving away most of their rights to the Europeans, but the Africans never really understood these treaties and did not realize what they were giving away.**



**LEGEND**

- British Empire
- Spanish Empire
- French Empire
- Portuguese Empire
- German Empire
- Russian Empire
- Dutch Empire

# Reasons for Imperialism

- ▶ There are several reasons why the European nations competed with each other to gain colonies in Africa. They all wanted to gain power and prestige. The more territory that they were able to control in Africa the more powerful and important they thought they could become. Africa was tremendously rich in natural resources, which could be brought to Europe and turned into manufactured goods. Europeans also needed markets for their manufactured goods. These goods could be sold in Africa for large profits. Often a European nation would take over territory in Africa simply to prevent another European country from taking it.

## One cause → MONEY....

- ▶ During the late nineteenth century (late 1800s), several European countries wanted more overseas land. These countries were Great Britain, France, Portugal, Spain, Denmark, Germany, Italy, and the Netherlands. The result was a “Scramble for Africa” between 1885 and 1910. During this period, several European countries divided the continent of Africa among themselves. Economic development played a large role in the colonization of Africa. During the nineteenth century, factories in Europe required raw materials to manufacture finished products. The Europeans looked for new sources of raw materials and markets for their goods. Gold diamonds, and oil were some of the resources the Europeans wanted. Asia and Africa had those resources.

## Other Causes → POLITICS AND PRIDE

- ▶ Politics also led to the colonization of Africa. Some European nations showed national pride by competing for colonies in Africa. No major nation-including Great Britain, France, and Germany-wanted to be without colonies. Colonies in Africa and Asia made the Europeans feel pride in their country. Another reason for colonizing was the European worldview. Many nineteenth-century Europeans viewed themselves as the world's most advanced civilization. Some felt it necessary to “civilize” people in the rest of the world. Increased activity by African missionaries helped make colonization seem less offensive to citizens in Europe.

## Closing: Think- write- share

- ▶ In your own words, respond to the following question in a complete and well thought-out paragraph... (NO NOTES OUT)
- ▶ *How did exploration bring colonialism, which then created imperialism?*