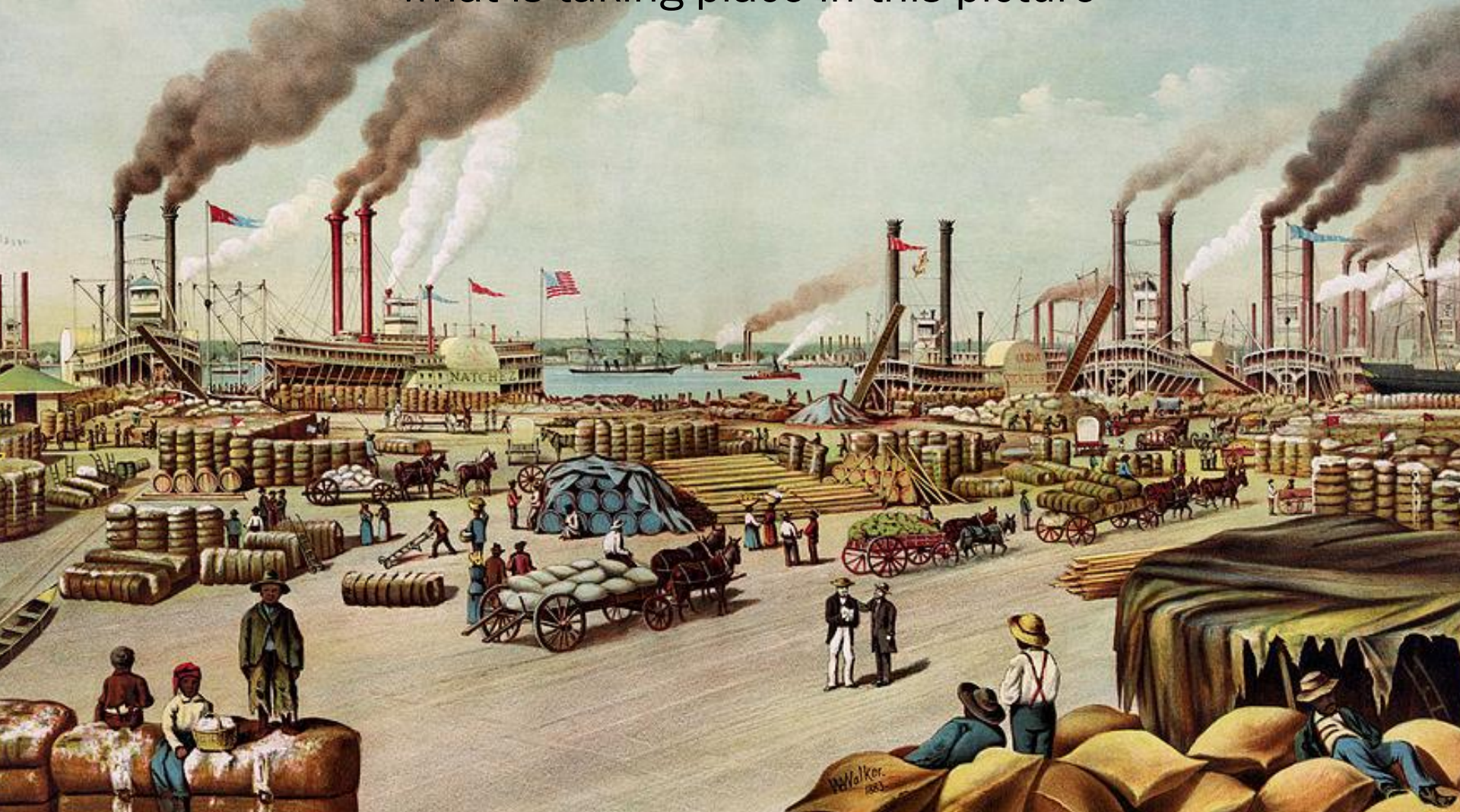


Chapter 7.1

AMERICA'S GROWING ECONOMIES

Examine the picture for 1 minute and write down as many things as you can that describe what is taking place in the picture.

Write a two sentence caption that you think would best describe what is taking place in this picture



KEY TERMS AND PEOPLE

- ✘ Eli Whitney
- ✘ interchangeable parts
- ✘ mass production
- ✘ Industrial Revolution
- ✘ Cotton gin
- ✘ Henry Clay
- ✘ Second Bank of the United States
- ✘ National Road
- ✘ Erie Canal
- ✘ Tariff of 1816

AMERICA'S TRANSITION

- ✘ After the Revolution – trade with Europe was America's main source of income
 - + Agricultural goods sold to Europe, manufactured goods purchased from Europe
- ✘ Embargo Act of 1807 and War of 1812
 - + Ended trade with Europe, forced Americans to begin manufacturing their own goods

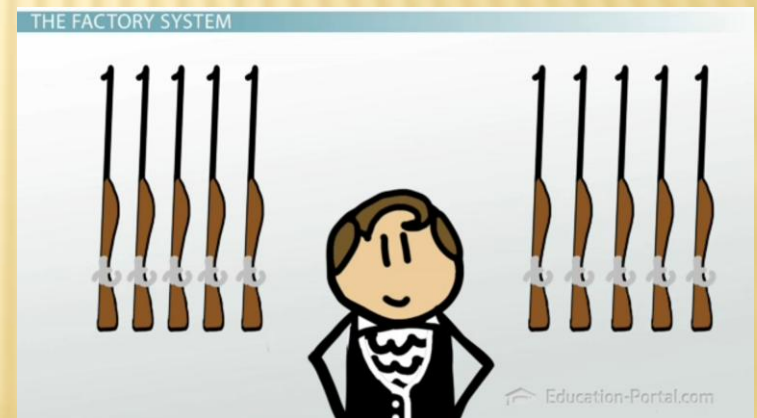
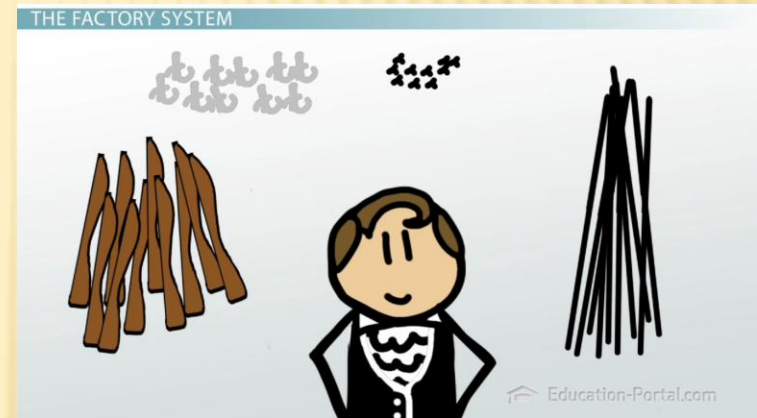
INDUSTRIAL REVOLUTION

- ✘ Social and economic transition that took place as machines began to replace hand tools and large-scale factory production developed.
- ✘ Mass production – the production of goods in large quantities.



ELI WHITNEY

- ✘ Interchangeable parts – parts that are exactly alike and can be used randomly to produce the same product.
- ✘ Cotton gin – (1793) machine that removed the seeds from cotton, increased ability to produce 50x as much cotton.



REGIONAL DIFFERENCES

- ✘ North – Industry and manufacturing develop
 - + Farms were small, they grew what the family needed.
 - + Laborers need to work in new industries
 - + Need markets for their goods
- ✘ West – Farming
 - + Corn, wheat, grains, and livestock
 - + Non labor intensive crops
 - + People are moving west buying up cheap land from the government
- ✘ South – Plantation system
 - + Cotton and tobacco
 - + Labor intensive, high need for slaves

SLAVERY BY THE NUMBERS

Year	Cotton	Slaves
1790	3000 bales	700,000
1810	178,000 bales	1,200,000

List THREE things you might be able to determine from the chart.

- As cotton production increased, the need for slaves increased
- The introduction of the cotton gin increases the need for slaves
- Many slaves were imported during this period

According to the Constitution, what was banned in 1808?

AMERICAN SYSTEM

- ✘ Plan proposed by Senator Henry Clay in 1815 to unify the different regions and create a strong, stable economy that would make America self sufficient.
- ✘ Main Points of the plan:
 1. Develop transportation systems to link regions
 2. Establish protective tariffs
 3. Bring back a national bank

AMERICAN SYSTEM CON'T

How it would work:

1. North would produce manufactured goods and sell them in the west and south.
2. South would produce raw materials needed for industries in the North.
3. West would produce food for North and South
4. National currency and improved infrastructure would facilitate exchange of goods



MODES OF TRANSPORTATION SUPPORTED BY THE AMERICAN SYSTEM

- ✘ National Road – begun 1811 and finished in 1838, it ran from Maryland to Illinois.
- ✘ Erie Canal – 363 mile canal connecting Lake Erie to the Hudson River.
 - + 3000 miles of canals by 1838
- ✘ 1825 first steam locomotives began transporting goods between regions.



TARIFF OF 1816

- ✘ Proposed by President James Monroe
- ✘ Tariffs were the main source of income for the government
- ✘ Protect American made merchandise by making foreign made goods more expensive
- ✘ Northerners supported the tariff because they could make more money
- ✘ Southerners and westerners opposed the tariff because it made all goods more expensive to purchase