



AP European History

Political and Economic Advantages of Colonies

Name:

Section:

Score: ____/5

Directions: Read the following documents and answer the thought questions at the end.

Adam Smith's The Wealth of Nations (Published 1776) "Of Colonies"

Of the advantages which Europe has derived from the discovery of America.

Those advantages may be divided, first, into the general advantages which Europe, considered as one great country, has derived from those great events; and, secondly, into the particular advantages which each colonizing country has derived from the colonies which particulars belong to it, in consequence of the authority or dominion which it exercises over them.

The general advantages which Europe, considered as one great country, has derived from the discovery and colonization of America, consist, first, in the increase of its enjoyments; and, secondly, in the augmentation of its industry.

The surplus produce of America, imported into Europe, furnishes the inhabitants of this great continent with a variety of commodities which they could not otherwise have possessed, some for conveniency and use, some for pleasure, and some for ornament, and thereby contributes to increase their enjoyments.

The discovery and colonization of America, it will readily be allowed, have contributed to augment the industry, first, of all the countries which trade to it directly; such as Spain, Portugal, France, and England; and, secondly, of all those which, without trading to it directly, send, through the medium of other countries, goods to it of their own produce; such as Austrian Flanders, and some provinces of Germany, which, through the medium of the countries before mentioned, send to it a considerable quantity of linen and other goods. All such countries have evidently gained a more extensive market for their surplus produce, and must consequently have been encouraged to increase its quantity.

But, that those great events should likewise have contributed to encourage the industry of countries, such as Hungary and Poland, which may never, perhaps, have sent a single commodity of their own produce to America, is not, perhaps, altogether so evident. That those events have done so, however, cannot be doubted. Some part of the produce of America is consumed in Hungary and Poland, and there is some demand there for the sugar, chocolate, and tobacco, of that new quarter of the world. But those commodities must be purchased with something which is either the produce of the industry of Hungary and Poland, or with something which had been purchased with some part of that produce. Those commodities of America are new values, new equivalents, introduced into Hungary and Poland to be exchanged there for the surplus produce of those countries. By being carried thither they create a new and more extensive market for that surplus produce. They raise its value, and thereby contribute to encourage its increase. Though no part of it may ever be carried to America, it may be carried to other countries which purchase it with a part of their share of the surplus produce of America; and it may find a market by means of the circulation of that trade which was originally put into motion by the surplus produce of America.

Those great events may even have contributed increase the enjoyments, and to augment the industry of countries which not only never sent any commodities to America, but never received any from it. Even such countries may have received a greater abundance of other commodities from countries of which the surplus produce had been augmented by means of the American trade. This greater abundance, as it must necessarily have increase their enjoyments, so it must likewise have augmented their industry. A greater number of new equivalents of some kind or other must have been presented to them to be exchanged for the surplus produce of that industry. A more extensive market must have been created for that surplus produce, so as to raise its

value, and thereby encourage its increase. The mass of commodities annually thrown into the great circle of European commerce, and by its various revolutions annually distributed among all the different nations comprehended within it, must have been augmented by the whole surplus produce of America. A greater share of this greater mass, therefore, is likely to have fallen to each of those nations, to have increased their enjoyments, and augmented their industry....

The particular advantages which each colonizing country derives from the colonies which particularly belong to it, are of two different kinds; first, those common advantages which every empire derives from the provinces subject to its dominion; and, secondly, those peculiar advantages which are supposed to result from provinces of so very peculiar a nature as the European colonies of America...

The discovery of America, and that of a passage to the East Indies by the Cape of Good Hope, are the two greatest and most important events recorded in the history of mankind. Their consequences have already been very great: but, in the short period of between two and three centuries which has elapsed since these discoveries were made, it is impossible that the whole extent of their consequences can have been seen. What benefits, or what misfortunes to mankind may hereafter result from those great events, no human wisdom can foresee. By uniting, in some measure, the most distant parts of the world, by enabling them to relieve one another's wants, to increase one another's enjoyments, and to encourage one another's industry, their general tendency would seem to be beneficial.

In the mean time, one of the principal effects of those discoveries has been to raise the mercantile system to a degree of splendour and glory which it could never otherwise have attained to. It is the object of that system to enrich a great nation rather by trade and manufactures than by the improvement and cultivation of land, rather by the industry of the towns than by that of the country. But, in consequence of those discoveries, the commercial towns of Europe, instead of being the manufacturers and carriers for but a very small part of the world (that part of Europe which is washed by the Atlantic ocean, and the countries which lie round the Baltic and Mediterranean seas), have now become the manufacturers for the numerous and thriving cultivators of America, and the carriers, and in some respects the manufacturers too, for almost all the different nations of Asia, Africa, and America. Two new worlds have been opened to their industry, each of them much greater and more extensive than the old one, and the market of one of them growing still greater and greater every day....

Columbus' letter to the King and Queen of Spain, 1494 (Undated, probably 1494)

Most High and Mighty Sovereigns,

In obedience to your Highnesses' commands, and with submission to superior judgment, I will say whatever occurs to me in reference to the colonization and commerce of the Island of Espanola, and of the other islands, both those already discovered and those that may be discovered hereafter.

In the first place, as regards the Island of Espanola: Inasmuch as the number of colonists who desire to go thither amounts to two thousand, owing to the land being safer and better for farming and trading, and because it will serve as a place to which they can return and from which they can carry on trade with the neighboring islands:

That in the said island there shall be founded three or four towns, situated in the most convenient places, and that the settlers who are there be assigned to the aforesaid places and towns.

That for the better and more speedy colonization of the said island, no one shall have liberty to collect gold in it except those who have taken out colonists' papers, and have built houses for their abode, in the town in which they are, that they may live united and in greater safety.

That each town shall have its alcalde [Mayor] ... and its notary public, as is the use and custom in Castile.

That there shall be a church, and parish priests or friars to administer the sacraments, to perform divine worship, and for the conversion of the Indians.

That none of the colonists shall go to seek gold without a license from the governor or alcalde of the town where he lives; and that he must first take oath to return to the place whence he sets out, for the purpose of registering faithfully all the gold he may have found, and to return once a month, or once a week, as the time may have been set for him, to render account and show the quantity of said gold; and that this shall be written down by the notary before the alcalde, or, if it seems better, that a friar or priest, deputed for the purpose, shall be also present

That all the gold thus brought in shall be smelted immediately, and stamped with some mark that shall distinguish each town; and that the portion which belongs to your Highnesses shall be weighed, and given and consigned to each alcalde in his own town, and registered by the above-mentioned priest or friar, so that it shall not pass through the hands of only one person, and there shall be no opportunity to conceal the truth.

That all gold that may be found without the mark of one of the said towns in the possession of any one who has once registered in accordance with the above order shall be taken as forfeited, and that the accuser shall have one portion of it and your Highnesses the other.

That one per centum of all the gold that may be found shall be set aside for building churches and adorning the same, and for the support of the priests or friars belonging to them; and, if it should be thought proper to pay any thing to the alcaldes or notaries for their services, or for ensuring the faithful performance of their duties, that this amount shall be sent to the governor or treasurer who may be appointed there by your Highnesses.

As regards the division of the gold, and the share that ought to be reserved for your Highnesses, this, in my opinion, must be left to the aforesaid governor and treasurer, because it will have to be greater or less according to the quantity of gold that may be found. Or, should it seem preferable, your Highnesses might, for the space of one year, take one half, and the collector the other, and a better arrangement for the division be made afterward.

That if the said alcaldes or notaries shall commit or be privy to any fraud, punishment shall be provided, and the same for the colonists who shall not have declared all the gold they have.

That in the said island there shall be a treasurer, with a clerk to assist him, who shall receive all the gold belonging to your Highnesses, and the alcaldes and notaries of the towns shall each keep a record of what they deliver to the said treasurer.

As, in the eagerness to get gold, every one will wish, naturally, to engage in its search in preference to any other employment, it seems to me that the privilege of going to look for gold ought to be withheld during some portion of each year, that there may be opportunity to have the other business necessary for the island performed.

In regard to the discovery of new countries, I think permission should be granted to all that wish to go, and more liberality used in the matter of the fifth, making the tax easier, in some fair way, in order that many may be disposed to go on voyages.

I will now give my opinion about ships going to the said Island of Espanola, and the order that should be maintained; and that is, that the said ships should only be allowed to discharge in one or two ports designated for the purpose, and should register there whatever cargo they bring or unload; and when the time for their departure comes, that they should sail from these same ports, and register all the cargo they take in, that nothing may be concealed.

In reference to the transportation of gold from the island to Castile, that all of it should be taken on board the ship, both that belonging to your Highnesses and the property of every one else; that it should all be placed in one chest with two locks, with their keys, and that the master of the vessel keep one key and some person selected by the governor and treasurer the other; that there should come with the gold, for a testimony, a list of all that has been put into the said chest, properly marked, so that each owner may receive his own; and that, for the faithful performance of this duty, if any gold whatsoever is found outside of the said chest in any way, be it little or much, it shall be forfeited to your Highnesses.

That all the ships that come from the said island shall be obliged to make their proper discharge in the port of Cadiz, and that no person shall disembark or other person be permitted to go on board until the ship has been

visited by the person or persons deputed for that purpose, in the said city, by your Highnesses, to whom the master shall show all that he carries, and exhibit the manifest of all the cargo, it may be seen and examined if the said ship brings any thing hidden and not known at the time of lading.

That the chest in which the said gold has been carried shall be opened in the presence of the magistrates of the said city of Cadiz, and of the person deputed for that purpose by your Highnesses, and his own property be given to each owner. -

I beg your Highnesses to hold me in your protection; and I remain, praying our Lord God for your Highnesses' lives and the increase of much greater States.

Halsall, Paul. "Medieval Sourcebook: Columbus' Letter to the King and Queen of Spain, 1494." Internet History Sourcebooks Project. N.p., Mar. 1996. Web. 11 July 2013.

Thought Questions:

Question 1: What were the main political advantages of having overseas colonies? (Explain 2 from Smith and 2 from Columbus)

Question 2: What were the main economic advantages of having overseas colonies? (Explain 2 from Smith and 2 from Columbus)

Question 3: Write a thesis statement to set up a paper on one of the questions above.