Mercantilism As The Hopes Of Increasing Wealth Throughout The Nation With Proper Regulations

Mercantilism was developed in Western Europe in the 16th century in hopes of increasing wealth throughout the nation with proper regulations. It was a developed system that favored a balance of trade, the development of agriculture and manufactures, and the establishment of foreign trading monopolies. [1] Mercantilism was backed by Sir Thomas Mun and Mun believed increasing wealth and treasure was possible through foreign trade. The goal with mercantilism was to keep the flow of money inside the country so the government and wealthy conspired polices that would allow Mercantilism to thrive in the country, “It is described sometimes as “state capitalism.” The state is in bed with the capitalists, and the capitalists support the state.” [2] [1: Abi-Hamad, Saad, “Mercantilism”(WOH2001. Florida International University, Miami, FL, Week 9, 2019).] [2: Saad. “Mercantilism”.]

The mercantilist came up with an economic theory to achieve this. The goal was to reach the balance of trade while still maintaining domestic employment so restraining imports and encouraging exports became vital. Through this theory, a system was created, the “mercantile system”, by Adam Smith and it was used to describe how the country was able to reach this balance. This system dominated Western Europe from the sixteenth to the late eighteenth century. Through the Mercantilism period, mercantilist had their own concepts of wealth. They believed that wealth equals power and it was said that if your enemy has more wealth then he will have the most power. It was also believed that metals and bullion were the few things that were able to determine how wealthy you were. With this perception of thinking, the implication when discussing trade, and the acquisition of goods for trade is wealthy people will have the upper hand and will continue to prosper because they have the resources to successfully keep trade within the country. Those who aren’t as wealthy won’t have the same opportunities as others. This system that had been developed to support the country and keep wealth within range had a flaw and left room for failure. Mercantilism was developed to keep money within the nation but because the government had maintained trade within the country, trade affected everybody even if you had no part in the trade instead of just the people involved. Everybody, as in the government and wealthy, leaned on each other so if there was one mistake, there would be a “national struggle” and enemies would have the upper hand.

Mercantilism had three major economic principles/features: wealth, trade, and commerce. Wealth was determined by the amount of power one had and by the amount of bullion/metals owned. Since bullion and metals were limited, it was easy to determine the wealthy from the poor. Trade and commerce go hand in hand. Trade within the country and exports is what helped a nation thrive and to achieve their goals of a successful country, reckless decisions had to be made. Since the government had a hefty cash flow, they used it to their advantage and started to take over small tropical island that seemed suitable for sugar colonies to create more. Sugar was high in demand, so it added to the nation’s wealth. Buying from local sugar colonies didn’t allow business for competitors so the competition was forced to buy from these colonies and the bullions of the nation’s wealthy wouldn’t spent in the process. Without these sugar colonies, the nation would be forced to trade with competitors and spend valuable bullion since sugar is a sought-after commodity.

Sugar plantations were a profit and extremely valuable to businessmen and politicians so there were many reasons that were used to justify the injustice that was being done. In the Wilberforce journal the pro-slavery lobby claimed the slaves couldn't fed for themselves because they are incompetent and they would be giving them the opportunity to "be fed, clothed, sheltered, and put to the tasks for which they were best equipped for." [3] Pro-slavery lobbyists also claimed to be "performing an act of mercy by transporting Africans 'to the enjoyments of West Indian servitude'." [4] The most important excuse that was given by the lobbyists was slavery was an economic necessity, "'The impossibility of doing without slaves in the West Indies will always prevent this traffic being stopped. The necessity, the absolute necessity then, of carrying it on must, since there is no other, be its excuse.'" [5] Slavery brought in major cashflow because it was such a huge part of the nation's income taxes. Since wealth was such a priority, politicians ignored the pleas of those against slavery and they turned a blind eye/ear to it. The African Americans were ideal for the extreme heat on the tropical islands so the brutality that came with slavery was ignored. Harsh conditions such as thirst, depression, sexual abuse, and diseases that occurred during slave transportation was often ignored because sugar was the commodity produced by the Caribbean plantations. Sugar was a commodity in great demand in Europe, it is safe to say that Caribbean slave plantation systems were promoted and protected by the European states partially as a result of mercantilist beliefs. [3: William Baker, "William Wilberforce on the Idea of Negro Inferiority," Journal of the History of Ideas Vol. 31 (Jul. – Sep. 1970): pp. 435.] [4: Baker, "William Wilberforce on the Idea of Negro Inferiority," 435.] [5: Baker, "Inferiority," 435.]

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