**Mercantilism, the Navigation Acts, and the American Colonies**

Even before the first boatload of Englishmen landed at Jamestown, Virginia, European countries had experimented with empire-building, engaging in the system of mercantilism. Although it was never a cohesive system, and changed from nation to nation, its variations had similar characteristics and, most important, a shared economic philosophy. First and foremost was state control over human behavior: the belief that many aspects of a nation's economy had to be regulated. With the acquisition of colonies came the recognition that their purpose was to satisfy the needs of the mother country. The driving force behind mercantilism was the belief that a state’s (nation’s) power largely depended upon its wealth. All economic activities, chiefly trade, were to be regulated in order to enrich the state. Colonies became an important way for nations to obtain greater wealth and with that, greater power. The regulation of economic activities in the colonies, then, centered on the accumulation of wealth for the European powers, at the colonies' expense. The degree of control varied according to the nation. In the 1500s, Spain and Portugal exerted strict control over their colonial inhabitants. However, the British were more lax in governing their colonies.

For the first 150 years after the initial settlement at Plymouth, in Massachusetts, English control over the colonies was minimal. This was especially true at certain times, such as the mid-17th century when political turmoil in England which resulted in civil war also kept England from greater control over its colonies. Three thousand miles of ocean made it difficult to monitor such a policy. Nevertheless, as the colonies grew and became more prosperous, the English realized that the colonies could provide increased trade, - and wealth, if competition could be eliminated. In order to increase her wealth, Britain tightened the economic noose around the neck of the colonies by implementing regulatory policies, thus changing in degree her relationship with the colonies.

From 1650 on, when the English Civil War ended, England instituted a series of laws of trade and navigation known as the Navigation Acts. *Their purpose* was to limit colonial trade to the British only. (In effect, the Navigation Acts implemented mercantilism.) In order to accomplish this, all trade between colonists and the British was to be conducted on either English vessels or colonial-built vessels. If colonists intended to trade with any other nations, all goods had first to be shipped to England, giving her an opportunity to handle them and collect revenue from taxation. In addition, there were certain products that could be traded only with Britain, such as tobacco, sugar and cotton. As time went on, the list of enumerated goods grew -- continually decreasing merchandise that the colonists could sell to other nations.

In keeping with the general policy of mercantilism, England encouraged the colonists to specialize in the production of raw materials. English factories converted raw goods to products which were then shipped back to the colonies. This provided the British with a profitable market, free from competition. In order to discourage manufacturing, regulations governed certain industries that would have been competitive with the British, such as the woolen-garment industry, hat making, and the iron industry. Meeting domestic needs was permissible within the regulations; they were intended mainly to prevent exports.

Even though many of these restrictions were on the books, they did not cause havoc to the North American colonists, as was the case with those in the Spanish and Portuguese colonies. In fact, there were many advantages that the colonists received from Britain’s use of the mercantilist system, such as having a built-in market for their raw products. Ships built in the colonies counted as English ships. Colonists also found work loading and unloading ships, as well as working as seamen. Also, trade regulations were not rigidly enforced. Smuggling occurred and it was next to impossible to stop most of it.

Parliament and the King put their foot down in response to colonial violations of the Navigation Acts as early as the 1680s. New England was stripped of its right to local self-government and placed under the dictatorial rule of Sir Edmund Andros. Renewed political turmoil in England, which resulted in the bloodless Glorious Revolution, put an end to King James II’s rule as well as Andros’s rule and the Dominion of New England.

From the Glorious Revolution of 1688 until the early 1760s, a relationship that became known as *salutary neglect* was established. Essentially, the Navigation Acts remained in effect, and for the most part the colonists complied. However, smuggling still continued. Each colony was largely left alone to govern itself. (*Salutary neglect* is defined as the idea that both the colonies and England actually benefited (salutary) from the colonies being left alone (neglected)]. Colonial assemblies, elected by white male landowners, became the most important governments in the colonies. These colonial legislatures had the power of taxation. The American colonists remained loyal subjects of the English king. They were proud to be English. They believed the essence of being English was liberty, being left alone to pursue opportunities and follow your conscience as long as it didn’t harm others. Above all, they loved being English because they had a powerful government that largely left them alone to do what they wanted.

With the culmination of the French and Indian War in 1763, the British were victors in the world struggle for commercial supremacy and their policies of mercantilism changed. They also had acquired so much debt that they decided to force the colonies to help reduce their debt. Now they began to enforce their mercantilist policies, which led to intensified animosity between the English and their colonies.

Having tasted economic independence for too long a period, the American colonists had no desire to return to the mercantilist policies endured by the colonies of other European nations. Protest broke out. The American Revolution had begun.

**REVIEW QUESTIONS: Print and bring to class for discussion.**

1. State and explain some of the general characteristics of mercantilism. (What was the main objective of mercantilism? How could a nation obtain its objective? How did England put mercantilism into practice?)

2. Despite the trade restrictions of the Navigation Acts, Britain’s colonial policy was very lenient. Explain the reasons for Britain's lenient policy of control over the 13 colonies.

3. How did these policies affect the colonies? (Be sure to define *salutary neglect*.)

4. Why did the colonists approve of their relationship with England?

5. What impact did the French and Indian War have on the relationship between Britain and the colonies? Give examples.