Chapter 2: Economies in History

Inquiry focus – What economic changes occurred when Europeans came to North America?

Main purpose of an economic system is to answer the following questions:

1. What goods and services do people ***need/want***?
2. How will those G&S be ***produced***?
3. How will those G&S be ***distributed***?

- Economies that produced by hand or simple tools are referred to as ***Pre-Industrial***
- Economists classify economies that produce goods & services by manufacturing them (think factories) as ***Industrial Economies***. The first of these started in Europe in the 1700s (18th century)
- Economies that information and technological production are referred to as ***Post-Industrial Economies***

SECTION 1: FIRST NATIONS AND INUIT ECONOMIES

- First Nations and Inuit needed access to land and natural resources as they wanted to survive as nations.
- First Nations produced goods by hand, using simple tools. Methods of production were connected to spiritual beliefs.
- Resources were usually shared equally. No one could own the land or natural resources.

Chapter 2: Economies in History

Inquiry focus – What economic changes occurred when Europeans came to North America?

SECTION 2: NEWCOMERS

Needs and Wants

- Europeans came for **land ownership** (rare in Europe).
- Many wanted to spread their **culture/religion** and seek **economic opportunities**.
- They also wanted **natural resources**: fish, furs, timber, and minerals to send back to Europe.

Key Resources (Goods and Services)

- **Fish** – Cod from Newfoundland/Labrador was highly valuable; salted and shipped to Europe.
- **Furs** – Especially beaver pelts, traded with First Nations for goods like blankets and firearms.
- **Timber** – North America had tall forests useful for shipbuilding and construction.

Production

- Before industrialization, most goods were **handmade** with simple tools.
- Jobs included blacksmiths, bakers, dressmakers, shoemakers, coopers (barrel makers), and weavers.
- Families often made their own goods (e.g., butter, cloth, barrels).
- Early settlers had to be **self-sufficient**.

Distribution

- In Europe: goods and services were usually distributed through **markets** (buy/sell with money).
- In North America: settlers started by **trading, bartering, and making do** with what they brought.
- Over time, they tried to build the same **market system** as in Europe.

Chapter 2: Economies in History

Inquiry focus – What economic changes occurred when Europeans came to North America?

SECTION 3: THE IMPACT OF CONTACT

Think It Through p.38

Introduction

- First Nations economies were almost completely destroyed because of Contact.

Body

- First Nations began to meet some of their needs by trading fur for European goods.
- After a while, the furs ran out and the European fur traders moved on.
- First Nations could no longer meet their basic needs by trading.
- In the meantime, settlers had arrived and taken over the land; this made it hard for First Nations communities to hunt and fish in traditional ways.

Conclusion

- Eventually, First Nations found it very hard to meet their needs because they could not follow their traditional economies and were not welcome to take part in the new economy that was developing