Differences in geography and patterns of settlement caused colonies to develop differently. Political changes in England affected the economy and governance of the thirteen colonies because they were part of the English imperial system.

**Southern Society**

**MAIN Idea** Society in the Southern Colonies was sharply divided between the wealthy elite and the backcountry farmers.

**HISTORY AND YOU** What kinds of produce are grown in your state? Read on to learn how the cultivation of cash crops helped the economies of the Southern colonies to grow.

In the South, wealthy planters stood on society’s top rung and led very different lives from small farmers in the middle and enslaved Africans at the bottom. What linked all groups, however, was an economy based on growing crops for export. Tobacco was the South’s first successful cash crop, or crop grown primarily to be sold at market. It was grown in Virginia and Maryland and, to a lesser extent, in North Carolina. In early colonial days, there was plenty of land, but not enough workers to produce the crop.

England had the opposite problem. The English enclosure movement had forced many farmers off their land. Many of them, hoping to acquire their own land in America, left England, agreeing to become **indentured servants** to cover the cost of their transportation to the colonies. Indentured servants were not enslaved, but neither were they free. The person who bought a servant’s contract, or indenture, promised to provide food, clothing, and shelter to the servant until the indenture expired. In return, the servant agreed to work for the owner of their contract for a specific number of years, which varied from four to seven.

For most of the 1600s, indentured servitude benefited tobacco planters. Indentured servants could produce five times the price of their contracts in tobacco in the first year alone. Under the headright system, every indentured servant transported to America also earned the landowner another 50 acres of land. As indentured servants arrived in Virginia and Maryland, tobacco production rose steadily.

Unfortunately, almost half the indentured servants who came to Virginia and Maryland in the 1600s died before earning their freedom. Of those who survived their term of servitude, less than half ever acquired their own land.

In South Carolina, meanwhile, after trying unsuccessfully to grow sugarcane, settlers turned to rice. This failed at first, but in the 1690s a
new variety was introduced, and planters imported enslaved Africans to cultivate it. West Africans had grown rice for centuries and knew how to raise and harvest it. Rice rapidly became a major cash crop in South Carolina and Georgia.

Planters had also tried another crop, indigo, without much success. Indigo was used to make blue dye for cloth. It was rare and in high demand, and anyone who could grow it could make a large profit. In the early 1740s a 17-year-old named Eliza Lucas discovered that indigo needed high ground and sandy soil, not the wetlands that suited rice. Indigo quickly became another important cash crop.

**Disparities in Wealth**

Although many immigrants to the Southern Colonies hoped to become wealthy, very few succeeded. The plantation system tended to create a society with distinct social classes.

The wealthy plantation owners, sometimes referred to as the Southern gentry or the planter elite, were few in number, and they enjoyed enormous economic and political influence. They served in the governing councils and assemblies, commanded the local militias, and became county judges. With few towns or roads in the region, their plantations functioned as self-contained communities. The residents lived near each other in a group of buildings, including the planter’s great house, stables, barns, and the workers’ cabins. Plantations often had a school, a chapel, and workshops for blacksmiths, carpenters, weavers, coopers, and leatherworkers.

The majority of landowners in the colonial South, however, were small farmers living inland. These “backcountry” farmers worked small plots of land and lived in tiny houses. Although they grew some tobacco, they largely practiced subsistence farming, producing only enough to feed their families.
Landless tenant farmers made up another large group in the South. Although land itself was easy to acquire, many settlers and former indentured servants could not afford the costs of the deed, land survey, tools, seed, and livestock. Instead, they worked land that they rented from the planter elite. Tenant farmers led difficult lives but had higher social status than indentured servants.

**Bacon’s Rebellion**

By the 1660s, Virginia’s government was dominated by wealthy planters led by the governor, Sir William Berkeley. Berkeley assembled a majority of supporters in the House of Burgesses and arranged to restrict the vote to people who owned property. This cut the number of voters in half. Berkeley also exempted himself and his councilors from taxation. These actions angered backcountry and tenant farmers. Ultimately, however, it was the governor’s policies toward Native American lands that led to a rebellion.

Acquiring land was the goal of most colonists. Many indentured servants and tenant farmers wanted to own farms eventually. Backcountry farmers wanted to increase their holdings. By the 1670s, however, most uncultivated land was in areas belonging to Native Americans in the Piedmont, the region of rolling hills between the coastal plains and the Appalachians.

Most wealthy planters lived near the coast in the region known as the Tidewater. They had no interest in the backcountry and did not want to endanger their plantations by risking war with the Native Americans. Therefore, they opposed expanding Virginia’s territory into Native American lands.

In 1675 war broke out between backcountry settlers and the Susquehannock people. When Berkeley refused to support further military action, backcountry farmers were outraged. In April 1676, Nathaniel Bacon, a well-to-do but sympathetic planter on the governor’s council, took up their cause. Bacon organized his own militia and attacked the Susquehannock. He then won a seat in the House of Burgesses. The assembly then authorized another attack on the Native Americans. It also restored the right to vote to all free white men and took away the tax exemptions Berkeley had given his supporters.

These reforms did not satisfy Bacon, however. He marched to Jamestown in July 1676 with several hundred armed men and charged Berkeley with corruption. Berkeley fled to raise his own army, and a civil war erupted. The two sides battled for control of the colony. In September 1667 Bacon’s army burned Jamestown to the ground. The following month, the rebellion ended abruptly when Bacon became sick and died. Without his leadership, his army rapidly fell apart, and Berkeley returned to power.

Bacon’s Rebellion convinced many wealthy planters that land should be made available to backcountry farmers. From the 1680s onward, Virginia’s government generally supported expanding the colony westward, regardless of the impact on Native Americans.

**The Rise of Slavery**

Bacon’s Rebellion also accelerated an existing trend in Virginia. By the 1670s, many planters had begun using enslaved Africans instead of indentured servants to work their plantations. In the 1680s, after the rebellion, the number of Africans brought to the colony rose rapidly.

Planters began to switch to enslaved African labor for several reasons. Enslaved workers did not have to be freed and would never have to be given their own land. In addition, when cheap land became available in the 1680s in other colonies, fewer English settlers were willing to become indentured servants.

At the same time, the English government adopted policies that encouraged slavery. English law limited trade between the English colonies and other countries. Before the 1670s, if settlers wanted to acquire enslaved Africans, they had to buy them from the Dutch or Portuguese, which was difficult to arrange. In 1672, however, King Charles II granted a charter to the Royal African Company to engage in the slave trade. This made it easier to acquire enslaved people. Planters also discovered another advantage to slavery; because enslaved Africans, unlike indentured servants, were considered property, planters could use them as collateral to borrow money and expand their plantations.

**Identifying** What government policies caused backcountry farmers in Virginia to rebel?
Main Idea New England’s economy was based on fishing, family farms, and lumber mills.

History and You Have you attended a meeting of your local government? Read on to learn about early New England town meetings.

New England’s thin and rocky soil was ill-suited to cash crops and the development of large plantations. Instead, on small farms from Connecticut to Maine, New England colonists practiced subsistence farming. The main crop was corn, but farmers also grew other grains and vegetables, tended apple orchards, and raised dairy cattle, sheep, and pigs.

More than any other industry, fishing and whaling brought prosperity to New England. Nearby lay the Grand Banks, a shallow area in the Atlantic Ocean that teemed with cod, mackerel, halibut, and herring. In addition, New England had good harbors and plenty of timber for building fishing boats. Colonists found markets for their fish in the colonies, southern Europe, and the Caribbean. Whale blubber was used to make candles and lamp oil, and whale bones were used to fashion buttons, combs, and other items.

New England also developed a thriving lumber industry. Maine and New Hampshire had many waterfalls near the coast that could power sawmills. Demand for lumber never waned. It was used for furniture, buildings, and products such as barrels, which were used to ship almost everything in the colonial era.

Shipbuilding also became an important business. With forests and sawmills close to the coast, ships could be built quickly and cheaply—for 30 to 50 percent less than in England. By the 1770s, one out of every three English ships had been built in America.

While self-sufficient plantations defined the social unit in the South, New England’s social life centered on the towns. Puritans believed that Christians should form groups united by a church covenant—a voluntary agreement to worship together. The commitment to a church covenant encouraged the development of small towns surrounded by farms.

NATIONAL GEOGRAPHIC New England and the Middle Colonies, c. 1750

Analyzing Geography

1. Place What products were produced in the Pennsylvania colony?
2. Movement Which product was the most lucrative of all the New England and Middle Colony products?
Life in these small communities revolved around a “town common,” or open public area. The marketplace, school, and “meetinghouse” (or church) bordered the common. Each family had a home lot where they could build a house and storage buildings and plant a garden.

**Local Government**

In the early days of colonial New England, the General Court appointed town officials and managed the town’s affairs. Over time, however, townspeople began discussing local problems and issues at town meetings. These developed into local governments, with landowners holding the right to vote and pass laws. They elected selectmen to oversee town matters and appoint clerks, constables, and other officials. Any resident, however, could attend a town meeting and express an opinion.

Because the settlers in New England, unlike English tenants, were allowed to participate in local government, they developed a strong belief in their right to govern themselves. Town meetings thus helped set the stage for the American Revolution and the emergence of democratic government.

**Puritan Society**

New England Puritans valued religious devotion, hard work, and obedience to strict rules regulating daily life. Card playing and gambling were banned, and “stage-players” and “mixed dancing” were frowned upon. Watching over one’s neighbors’ behavior, or “holy watching,” was elevated to a religious duty. The Puritans did not lead pleasureless lives, however. They drank rum, enjoyed music, and wore brightly colored clothing.

Puritans also valued education. In 1642 the Massachusetts legislature required parents and ministers to teach all children to read so that they could understand the Bible. Five years later, the legislature ordered towns with at least 50 families to establish an elementary school and those with 100 families or more to set up secondary schools. Soon afterward, other New England colonies adopted similar legislation.

**Synthesizing** How did town meetings prepare the colonists for the future?

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**Trade and the Rise of Cities**

**MAIN Idea** Cities prospered and grew through trade with England, Africa, and other colonies.

**HISTORY AND YOU** Does today’s society have distinct social classes? Read on to learn how social classes developed in the colonies.

In the early colonial era, settlers lacked money to invest in local industry. As a result, they had to import most manufactured goods from England. Unfortunately, they produced few goods that England wanted in return.

**Triangular Trade**

Instead of trading directly with England, colonial merchants developed systems of triangular trade involving a three-way exchange of goods. New England merchants, for example, traded fish, lumber, and meat to sugar planters in the Caribbean. In return, they received raw sugar or bills of exchange—credit slips from English merchants. New England merchants would then trade the bills and sugar to English merchants for hardware, linens, and other English goods.

Trade with the Caribbean sugar plantations made many New England merchants rich. With their new wealth, they built factories to refine raw sugar and distilleries to turn molasses into rum. They also traded with the Southern Colonies, exchanging fish, rum, and grain for rice, tobacco, and indigo.

**A New Urban Society**

The rise of trade caused several Northern ports—including Boston, New York City, and Philadelphia—to grow into cities. In the South, trade made Charles Town, South Carolina, the region’s largest urban center. In all of these cities and others, a new society with distinct social classes developed.

At the top of the social structure were wealthy merchants who controlled the city’s trade. These rich merchants composed a tiny minority. Skilled artisans and their families made up nearly half of the urban population. Artisans were skilled workers such as carpenters, smiths, glassmakers, coopers, bakers, masons, and shoemakers. Alongside the
artisans in social status were innkeepers and retailers who owned their own businesses. Beneath the artisans in urban society were people without skills or property. Many of these people loaded and serviced ships at the harbor. Others worked as servants. These people made up about 30 percent of urban society. Below them in status were indentured servants and enslaved Africans. Relatively few enslaved people lived in the North. Those who did, however, usually lived in cities, making up between 10 and 20 percent of the population.

Life in the Middle Colonies

The Middle Colonies—Pennsylvania, New York, New Jersey, and Delaware—combined aspects of New England’s economy with that of the South. As in New England, trade led to the rise of large cities along the coast. As in the South, colonists benefited from fertile soil and a long growing season. Farmers produced abundant crops of rye, oats, barley, potatoes, and especially wheat. And just as the Southern economy was based on exporting cash crops, so too did the Middle Colonies develop an economy with an important cash crop: wheat.

As merchants in the Middle Colonies began selling wheat and flour to colonies in the Caribbean, they benefited from the region’s geography. Three wide rivers—the Hudson, the Delaware, and the Susquehanna—ran deep into the interior, making it easy for farmers to ship their crops to the coast.

In the early and mid-1700s, the demand for wheat soared, thanks to a population explosion in Europe resulting from a decline of disease. Between 1720 and 1770, wheat prices more than doubled, bringing great prosperity.
**The Imperial System**

**Mercantilism** is an economic theory about the world economy. Mercantilists believed that a country must acquire gold and silver. A country could do this by selling more goods to other countries than it buys from them. This would cause more gold and silver to flow into the country than flowed out to pay for products from other countries. Mercantilists also argued that a country should be self-sufficient in raw materials. If it had to buy raw materials from another country, gold and silver would flow out to pay for them. Thus to be self-sufficient, a country needed colonies where raw materials were available. The home country would then buy raw materials from its colonies and sell them manufactured goods in return.

Mercantilism provided some benefits to colonies. It gave them a **reliable** market for some of their raw materials and an eager supplier of manufactured goods. Mercantilism also had drawbacks, however. It prevented colonies from selling goods to other nations, even if they could get a better price. Furthermore, if a colony produced nothing the home country needed, it could not acquire gold or silver to buy manufactured goods. This was a serious problem in New England, and it partly explains why merchants there turned to the triangular trade and smuggling.

**The Navigation Acts** When Charles II assumed the throne in 1660, he and his advisers were determined to generate wealth for England in America and they established policies based on mercantilist ideas. Beginning in 1660, the king asked Parliament to pass a series of acts called the Navigation Acts.
of Navigation Acts that imposed restrictions on colonial trade. These acts required that all goods shipped to and from the colonies be carried on English ships, and listed specific products that could be sold only to England or other English colonies. Many of these goods—including sugar, tobacco, lumber, cotton, wool, and indigo—were the major products that earned money for the American colonies.

Anger at the Navigation Acts encouraged colonists to break the new laws. New England merchants began smuggling goods to Europe, the Caribbean, and Africa in large quantities. In 1686, soon after King James II succeeded his brother Charles, England took decisive action to end the smuggling. Massachusetts, Plymouth, and Rhode Island were merged into a new royal province called the Dominion of New England to be governed by an English governor-general appointed by the king. The following year, Connecticut and New Jersey were added to the Dominion, and by early 1688, New York had been added as well.

King James II appointed Sir Edmund Andros to be the Dominion’s first governor-general. Andros became very unpopular because he levied new taxes and rigorously enforced the Navigation Acts. Equally disturbing to Puritans were Andros’s efforts to undermine their congregations. For example, he declared that only marriages performed in Anglican churches were legal.

**The Glorious Revolution** While Andros was angering New England colonists, James II was losing support in England. He offended many by disregarding Parliament, revoking town charters, prosecuting Anglican bishops, and practicing Catholicism.

The birth of James’s son in 1688 triggered a crisis. Opponents of James had been content to wait until he died, because they expected his Protestant daughter Mary to succeed him. The son, however, was now first in line for the throne, and would be raised Catholic. To prevent a Catholic dynasty, Parliament invited Mary and her Dutch husband, William of Orange, to claim the throne. James fled in what became known as the Glorious Revolution.

Soon afterward, the colonists ousted Governor-General Andros. William and Mary permitted Rhode Island and Connecticut to resume their previous forms of government, but in 1691 they merged Massachusetts Bay, Plymouth, and Maine into the new royal colony of Massachusetts. The colony was headed by a governor appointed by the king, but the colonists were allowed to elect an assembly.

Before assuming the throne, William and Mary had to swear their acceptance of the **English Bill of Rights**. This document, written in 1689, said monarchs could not suspend Parliament’s laws or create their own courts, nor could they impose taxes or raise an army without Parliament’s consent. The Bill of Rights also guaranteed freedom of speech within Parliament, banned excessive bail and cruel and unusual punishments, and guaranteed every English subject the right to an impartial jury in legal cases. The ideas in this document would later help shape the American Bill of Rights.

**Vocabulary**

1. Explain the significance of: indentured servant, Nathaniel Bacon, town meeting, triangular trade, mercantilism, English Bill of Rights.

**Main Ideas**

2. Explaining How did the development of cash crops in the Southern colonies encourage the trade in enslaved people?

3. Identifying How did Puritan ideals lead to the development of town meetings?

4. Analyzing How did life in the Middle Colonies differ from life in the Southern Colonies?

5. Categorizing Complete a graphic organizer similar to the one below by filling in the benefits of mercantilism.

   - Benefits for England
   - Benefits for American Colonies

**Critical Thinking**

6. Big Ideas What role did geography play in developing different economies in the colonies?

7. Analyzing Visuals Study the bar graph showing the populations of major colonial cities on page 39 and the product map and graph on page 37. Why do you think Philadelphia was the largest city at this time?

**Writing About History**

8. Expository Writing Take on the role of a colonial merchant. Write a letter to a relative in England explaining how the Navigation Acts have affected your business.