



THE COMPETITION FOR COLONIES



English Celebrate the First Thanksgiving with the Indians

Unit Overview

The wealth acquired by Spain in the Americas made that nation the most powerful country in Europe during the 1500s. In the next century, England, France and the Netherlands challenged Spanish supremacy in the New World by establishing their own colonial holdings in North America and the Caribbean. Although they were disappointed at first in their failure to uncover large reserves of precious metals, the Dutch, English and French explorers soon discovered that there was money to be made in trading furs, tobacco and fish. Let's see how it all happened.



Map Showing Colonization in the Americas

The Decline of Spain

When **Philip II** became king in 1556, Spain was considered Europe’s wealthiest nation and was believed to have no major economic problems. Along with its massive holdings in the Americas, Spain controlled the European nations of the Netherlands, Belgium and Luxembourg. By 1580, the king of Spain was also recognized as the king of Portugal. In Asia, the Philippines were part of the Spanish Empire thanks to the claims of Ferdinand Magellan. With gold and silver pouring in from the Americas, Spain appeared to have it all. Yet, by the late 1500s, the country was nearly bankrupt, and its status was rapidly declining.



Magellan's Ship the Victoria by an Unknown 16th Century Artist

For Spain, conquering an empire was one thing, but maintaining it was an entirely different matter. The Dutch, English and French were constantly looking for ways to challenge Spain’s supremacy, and they found them. In spite of Spanish laws forbidding the practice, other European nations traded illegally with the Spanish colonists. Pirates raided Spanish treasure ships and were often supported in their activities by their governments. For example, England’s Queen **Elizabeth I** knighted Sir **Francis Drake** for his acts of piracy.



Artist's Rendition of the Destruction of the Spanish Armada

At the same time, the **Low Countries**, as Belgium, Luxembourg and the Netherlands were called, won their independence from Spain, and Portugal conducted a successful rebellion against the Spanish crown. Native Americans staged uprisings and fought back against the Spanish ruling class in the New World. Although these attempts were harshly put down, they continued to keep Spain on the defensive. Because they were drawn into wars with their European rivals, Spanish kings spent large sums of money on weapons and warships. One very expensive venture was the **Spanish Armada**, a fleet of ships that was soundly defeated by the English. To learn more about the Spanish Armada, the Encyclopedia Britannica Online by clicking on the icon below (User Name: vla; Password: student).



For Spain's economy, the large amounts of gold and silver from the New World proved to be a mixed blessing. Because their methods of production were outdated, Spain's businesses were unable to meet the demand for manufactured goods. Therefore, the Spaniards imported much of what they needed from England, the Netherlands and France. Gold and silver flowed from Spain directly into the pockets of their rivals. This became a major problem when precious metals actually dropped in value due to the arrival of such a large supply from the Americas in a short period of time. A dramatic increase in prices or inflation followed.



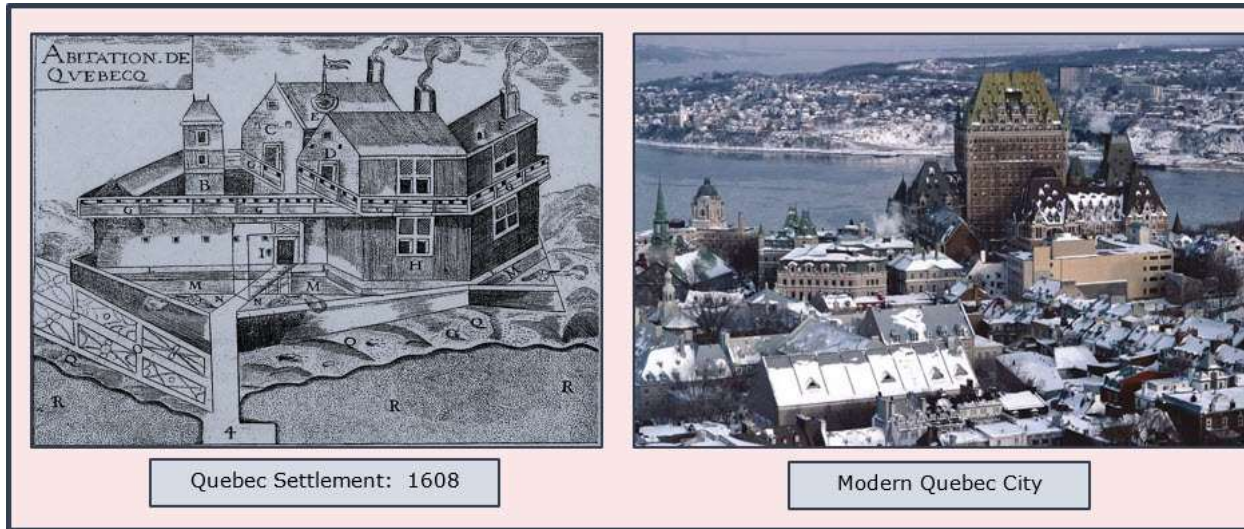
Spanish Treasure: Silver Coins and a Gold Bar

As Spanish rulers continued to spend at the same level, shipments of gold and silver began to decline. This added to the country's economic troubles. To meet the crisis, Spain increased taxes, borrowed money and devalued its currency, a decision which made Spanish money worth much less. This was a time when Spain needed outstanding leadership.

Unfortunately, the Spanish monarchs of the 1600s were generally weak and ineffective. Spain's position as the most powerful country in Europe slipped away along with its wealth.

New France

In the process of searching for the Northwest Passage, French explorers like **Jacques Cartier** claimed the land along the **St. Lawrence River** for their country. Although French fishermen made annual trips to catch cod in the icy waters off the coast of Newfoundland, France did not establish a permanent settlement in North America until 1608. In that year, **Samuel de Champlain** located a site on the cliffs overlooking the St. Lawrence River. Here, he founded the colony of **Quebec**, which became the base of French operations in the New World and the center of the region's growing fur trade. The high demand in Europe for fur hats and coats made this a profitable business.



Unlike the Spanish conquistadors, Champlain maintained a policy of cooperating with the Indians. As a result, the **Algonquin** and **Huron** tribes became allies of the French. Through this association, the French learned of a great river to the west. Explorers, such as **Louis Joliet**, **Jacques Marquette** and **Robert LaSalle**, followed what proved to be the **Mississippi River** to the Gulf of Mexico and declared the entire area to be a part of the French Empire. Missionaries soon followed with the hope of converting the Native Americans to Christianity.

In spite of its vast holdings on the North American continent, it was not easy to attract settlers. French kings awarded large pieces of land to the nobles, but they preferred to remain in Europe. French peasants had little interest in coping with the harsh Canadian winters. Those who did come often abandoned farming for the more profitable fur trade. The policies established by King **Louis XIV** also limited the number of colonists. By order of the crown, only Roman Catholics could settle in New France. Although the French built forts and Catholic missions throughout their territory, the population was very small when compared to the English colonies growing along the Atlantic coast.

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The English Colonies

English explorers, too, had claimed land in the New World, and this inspired an interest in launching colonies. After several unsuccessful attempts, England built its first permanent settlement in **Jamestown**, Virginia in 1607. The colonists were unprepared for the hardships that they faced. As a result, many died from starvation and disease. With help from Native Americans, the colony managed to survive and grow. When the Indians introduced them to **tobacco**, the residents of Jamestown discovered a valuable crop that they could grow and export for profit. Thirteen years later, members of a religious group called the **Pilgrims** settled in **Plymouth**, Massachusetts. They were not looking for profitable business ventures but for religious freedom. Like their counterparts in Virginia, they would not have survived without help from the Indians, who taught them to plant corn. In 1630, the **Puritans**, another English religious group, arrived and formed the **Massachusetts Bay Colony**.



Jamestown Settlement: 1608

Eventually, the Atlantic coast supported thirteen English colonies. Because they differed in geography, climate and purpose, each settlement developed its own identity. In New England, many colonists were farmers and lived in small villages as they had done in the home country. In the South, **plantations** or large farms that concentrated on a single crop produced rice, tobacco and other more labor-intensive crops. Because there were not enough workers to clear the land and to cultivate the fields, Africans were brought to the southern colonies as slaves.

The English crown maintained control over the colonies by appointing governors to serve as the king's representatives and by making laws to regulate trade. Because English monarchs had agreed over time to share their power with a group of representatives called Parliament, each colony also elected a representative assembly to advise the governor and to handle

some local issues. The settlers also believed that they were entitled to the same basic rights as all Englishmen. When the colonists thought that the British had violated this policy, a confrontation that led to a revolution resulted.



Meeting Place of the House of Burgesses, the First Representative Body in North America: Williamsburg, Virginia

New Netherlands

In 1609, the Dutch government hired an English sea captain named **Henry Hudson** to search for the Northwest Passage. Instead, Hudson sailed along a river that would later be named for him and found the best fur-bearing region south of Canada. He offered the **Algonquin** and **Iroquois** tribesmen hatchets, beads and knives in exchange for beaver and otter skins. This was the start of a very profitable fur business for the Dutch. They built trading posts and a small permanent settlement called **New Amsterdam** on Manhattan Island. The region became known as **New Netherlands** and developed into a busy commercial center. Because the Dutch permitted settlers to worship as they pleased, colonists came from various countries to live there.



New Amsterdam: 1664

Although this was a promising beginning, unpopular governors and unfair enforcement of the laws halted the colony's growth. In 1664, four English warships arrived in the harbor of New Amsterdam. The Dutch surrendered without a fight, and the English took over their territory in the New World. The colony was renamed **New York**. The English then controlled a solid block of the Atlantic seaboard extending from New England to the Carolinas.



What Happened Next?

Exploration and colonization brought about the exchange of plants, animals, technology, diseases, culture and slaves between the Old World and the New World. This had a profound effect on the ways in which people thought, lived and worked. Before learning about this topic in the next unit, review the names and terms found in Unit 34; then, complete questions 21 through 30.