Silver and Fur Trade
1450-1750

AP World History Notes
Chapter 15
“Global Commerce”
Silver = 1st major commodity to be exchanged on a truly global scale
Mid-1500s = rich silver deposits discovered in Bolivia and Japan

Spanish America = produced about 85% of the world’s silver

Major link in silver trade = Philippines

- Silver = mined in Bolivia → sent to Acapulco in Mexico where it was loaded onto cargo ships → then shipped to the Philippines
Most of the world’s silver supply = ended up in China

Foreigners could now purchase in-demand Chinese goods with silver

- Many merchants flocked to Manila (capital of the Philippines) to sell Chinese goods there for silver

Furthermore ➔ in 1570s = China issued new single tax that all people were required to pay in silver

- Meant that more goods needed to be sold by them = more silver in China = taxes could be paid
Besides Chinese goods, silver was also used to purchase:

- Spices in Southeast Asia
- Slaves from Africa
## Silver: Impact on Spain

### POSITIVES
- Brought wealth and power to Spain
- Rulers could now pursue military and political ambitions in Spain and the Americas
- Supported the Spanish Empire

### NEGATIVES
- Over time → too much silver flowed into Spain → caused inflation = value of silver went down and prices went up
- When the value of silver dropped worldwide (early 1600s), Spain began to weaken and lose power
Silver and Japan

- Japan put its silver-generated profits to good use:
  - Shoguns used it to defeat rival feudal lords and unify Japan
  - Shoguns worked with merchant class to develop a market-based economy
  - Invested in agricultural and industrial enterprises
  - Protected and renewed Japan’s dwindling forests

Procession of Japanese shoguns in 17th century
Simultaneously = millions of families (in 18th century) took steps to have fewer children

Results for Japan = slowing of population growth; prevention of ecological crisis; bustling, commercialized economy

- Laid the groundwork for Japan’s Industrial Revolution in the 19th century
Silver and China

- Impact of silver on China’s economy:
  - Led to more commercialization
  - In order to pay silver tax, people had to sell *something* → led to economic specialization
    - Ex: Selling just rice or just silk

- Impact on China’s environment:
  - More land = used to grow cash crops
  - Result = loss of about ½ of China’s forests

Chinese women making silk
By 1500 = diminished supply of fur-bearing animals in Europe due to population growth and agricultural expansion

“Little Ice Age” = period of cooling temperatures and harsh winters at the time

Result of these conditions = high demand for furs

Result of this demand = pushed prices for furs higher = incentive for traders to sells it
Fur Trade in North America

- Fur trade = very competitive
- French = in St. Lawrence Valley, around Great Lakes, and along Mississippi River
- British = Hudson Bay region and along Atlantic coast
- Dutch = along Hudson River (present-day New York)
Actual hunting, trapping, processing, and transporting of animals/furs = done by Native Americans

- Brought them to European coastal settlements or trading posts
- Europeans then sold the furs abroad

In return for the furs, Europeans gave Native Americans: guns, blankets, metal tools, rum, and brandy
Fur Trade in North America: Impact on Native Americans

**POSITIVES**
- Received items of real value (ex: copper pots, metal axes, etc.)
- Strengthened their relationships with neighboring peoples
- Enhance authority of chiefs → could give their followers gifts
- Protected them (for a while) from enslavement, extermination, or displacement

**NEGATIVES**
- Exposure to European diseases
- Competition between tribes for furs = resulted in conflict and warfare
- Often got caught up in European rivalries/conflicts
- Became dependent on European goods; never learned to make them themselves
- Alcohol-related problems resulting from influx of rum and brandy
Siberian Fur Trade

- Siberia (in Russia) = major source of furs for Western Europe and the Ottoman Empire
- Brought wealth to the Russian state and many private merchants, trappers, and hunters
Consequences for native Siberians:
- Exposure to new diseases
- Became dependent on Russian goods
- Settlers encroached on their native lands
- Depletion of many species of fur-bearing animals

A Russian Sable
### Fur Trade

#### North America vs. Siberia

<table>
<thead>
<tr>
<th>NORTH AMERICA</th>
<th>SIBERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Several European nations competing</td>
<td>Only Russians and native Siberians getting furs</td>
</tr>
<tr>
<td>Obtained furs using negotiations and trade with Native Americans</td>
<td>Obtaining furs themselves; no middlemen</td>
</tr>
<tr>
<td></td>
<td>Russian authorities imposed a tax (payable in furs) on all Siberian men between 18 and 50 → took hostages (who were sometimes executed) if taxes not paid</td>
</tr>
</tbody>
</table>