

## Part 2.

The first Atlantic system involved the enslaved Africans who were taken primarily to South American colonies. The Europeans arrived on the West African Coast and they established slave ports at different points. It is through these different ports that there was a continuous flow of products, labor as well as other human resources from Africa (In Locke & In Wright, 2019). The South Atlantic economic system was centered on manufacturing products as well as clothes to be sold in Europe. Such a move was important for the European nations which, in the late 17<sup>th</sup> and 18<sup>th</sup> centuries, were looking forward to creating overseas empires.

The Atlantic trade system had various effects on the colonists' society. One of the effects that came with the Atlantic trade system is that there was an improvement in manufacturing, transport as well as availing credit which saw the increase in purchasing power for the colonists. The colonists were supplied with raw materials such as tobacco and lumber.

Slavery created wealth inequality across the South. The south acted as the home for slaves who were expected to provide the needed labor in return for the provision of non-monetary things such as shelter. This is how slavery brought about income inequality among the slaves and the Colonists (In Locke, et al., 2019). Besides, slavery did not allow the slaves to receive formal education and this ensured that the slaves did not compete with the colonists for employment opportunities which in return lead to wealth inequality.

The industrial revolution changed labor since it made labor to be organized in a different version. The same specialization of labor that took place in the industries occurred in the lives of working-class families. The family's economy got broken by the specialization of labor. Due to the specialization of labor, work and home became separated – men went to work to support their

families. The industrial revolution too impacted the various classes (In Locke, et al., 2019). The economy got changed even further affecting all classes of people. To start with, the rich got richer and those who owned businesses earned extra income and the middle-class factory owners were able to move into the class which was earlier above them.

In conclusion, Alexander Hamilton's vision for America's economic development ultimately encouraged wealth inequality in the United States of America. This is because he issued a new bold proposal whereby the federal government would pay off the debts owed by the Confederation states in full value. For the government to pay off such a huge amount of debt, he would have to issue new securities bonds which would most likely be bought by the rich. Such securities would earn enormous profits when the time comes for the US government to pay off these new debts. Therefore, such a move further led to increased wealth disparity in the country.

#### Reference

In Locke, J. L., & In Wright, B. (2019). *The American yawp: A massively collaborative open U.S. history textbook*.