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Happy Birthday, America



MARKET STREET, WILMINGTON, NORTH CAROLINA

MARKET STREET, WILMINGTON—This sketch made in about 1855 shows the downtown business district of North Carolina's major seaport before the Civil War. A stagecoach unloads passengers at the Carolina Hotel at the right. [Photo courtesy of the State Archives Division]

"Business," Woodrow Wilson once said, "underlies everything in our national life."

And so it does as America celebrates its 200th birthday. The history of this country since 1776 is largely the story of business.

Some Americans find that all too evident in the commercialization of the Bicentennial. The essence of the celebration, after all, is America's political heritage and freedoms.

But even while emphasizing its cherished political traditions, the nation can not overlook its economic history.

America's economic development in the past 200 years must rank as one of the world's major stories of all time. In that period the United States has produced more wealth than had mankind in all previous history.

Population expanded rapidly, but the standard of living increased many times faster. Never have so many been so well off.

Economic changes and growth have been so startling in a relatively short time span that few people can really digest them all.

"In terms of human experience, it has been a remarkable period," says Dr. Gerald Gunderson, an economic historian at North Carolina State University. "It's a step above what we had in the past. The American economic experience so far has been a good one."

The business and economic system has always had obvious flaws, and some still remain. Not everyone who wants to work in the system can find a job. Others work for minimal wages.

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North Carolina Prospered In 1776

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A visitor to North Carolina during the revolutionary era found society there still in "a state of infancy," still very much the frontier community.

The same could be said of the colony's economy, except that business conditions were rapidly changing as primary economic activities expanded and demanded more services from merchants, craftsmen and professional individuals.

Until the 1750s North Carolina had largely been an underdeveloped area. Geographic barriers—the lack of good ports, the dangerous Outer Banks, shallow waters and the location and flow of the rivers—obstructed commercial development and helped to isolate the colony.

But beginning in the 1750s North Carolina began to symbolize opportunity. The fertile, green and inexpensive lands of the Piedmont stirred the imagination. By 1776 North Carolina ranked fourth in population size and was growing more rapidly than any other colony. Most of the new settlement was occurring in the Piedmont (then the West).

Migrants from Pennsylvania, Maryland and Virginia journeyed down the Great wagon

Road (an old Indian trading path) to stake out a farm, while Scottish Highlanders saw their chance to own land and improve the living conditions of their children. Young lawyers who knew that a growing population meant more legal business and more government positions (quite often the dream of ambitious young lawyers!) also migrated.

And for the merchant, the growing population meant more consumers of manufactured goods as well as suppliers of raw materials.

Business conditions in the early 1770s, then, looked extremely promising. Despite the lack of a major port city, the absence of specie, inflated prices and poor transportation routes to the West, North Carolina's economy was booming. Exports and imports were both increasing.

There were no unemployment lines or business failures. Profits were large in both merchants and farmers were, for the most part, enjoying "comfortable" livings. An English visitor observed that almost every man he met was "the fabricator of his own fortune, and many of them are very opulent."

The same visitor could not help but dabble in a bit of land speculation himself. He bought a plantation which he promptly resold for a good profit. Land was the way to wealth, and in an economy where hard money was scarce,

where there were no banks or corporations, it was by far the soundest investment.

North Carolina's economy was essentially agricultural; middle-class or "middling" farmers made up the major part of the colony's

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