

## **Explanation of the Tariff of Abominations**

The North and the South existed in two separate economies

The North: based in manufacturing of goods

The South: based in agricultural goods (farming)

The North supported the tariff while the South opposed the tariff

Why was this the case???

Let us take a look at the North first:

For this example we will refer to the European markets (manufacturing) as "Europe" and North American markets (manufacturing) as "North"

1. Europe could sell their goods at a lower price than the North could to Americans.
2. The tariffs were put in place to counter this practice.
3. Remember that a tariff is a collection of a tax on imports or exports. (In this case it is on imports).
4. Europe was forced to raise their prices if they wanted to make the same amount of money.
5. The tariff made it so that they would have to raise their prices higher than the North.
6. The North benefitted since Americans would then buy their goods over Europe's.

Let us now take a look at the South second:

For this example we will refer to the European markets (manufacturing) as "Europe", North American markets (manufacturing) as "North" and South American markets (agricultural) as "South".

1. The South depended on Europe's goods.
2. They would buy European good and in turn Europe would buy Southern goods.
3. The South would have to pay more to purchase European goods which leaves them with two options:
  1. Pay more for European goods; or,
  2. Pay more for American goods which are now cheaper than European goods.
4. In either case, Europe makes less money.
5. Europe now has less money to purchase goods from the South.
6. Now, the South makes less money.
7. Even if Europe continued to pay for the same amount of Southern goods, the South would still have to pay more for either European or Northern goods.

8. Thus, they still make less money overall after they have made their purchases.

For these reasons, we see the Nullification Crisis occur during the Jackson administration.