

VISUAL 13.1

IN THE OLD DAYS, PEOPLE WERE CRAZY

MYSTERY 1

In 1810, a farmer in eastern Ohio who wanted to sell what he grew to the people of densely-populated New York City would grind his wheat into flour, then build a boat or barge and pole it down the Ohio and Mississippi Rivers to New Orleans. There he would sell his flour, break up his boat, sell the pieces for lumber and firewood and make his way back to Ohio as best he could, perhaps by walking. Meanwhile, the flour he sold would be loaded onto an ocean-going ship which would sail east around the Florida peninsula and then north up the Atlantic Coast to New York City harbor. Why all this difficult, round-about, complicated way of moving things from place to place?

MYSTERY 2

Another farmer from Ohio might walk a thousand miles to bring a herd of pigs or cattle to New York. Such a walk would take a long time, and some pigs or cattle would die or get lost along the way. Why would a practical, sensible farmer engage in a marathon of this sort?

MYSTERY 3

A family in Philadelphia was willing to pay \$4.50 a pound for coal, while the same kind of coal sold for \$1.35 in western Pennsylvania. Why was the Philadelphia family willing to pay such a high price?

VISUAL 13.2

GETTING GOODS TO MARKET IN THE EARLY 1800S

	TONS PER HORSE	MILES PER HOUR
Turnpike	0.7	2
Canal	10.0	4
Railroad	20.0	6

Source: Stanley Lebergott, *The Americans: An Economic Record* (New York: W. W. Norton & Company, 1984), p. 113.

VISUAL 13.3
REDUCING COSTS

THE COST OF SENDING A TON OF WHEAT FROM BUFFALO TO NEW YORK CITY — IN DOLLARS

1817	by wagon	\$100
1829	by the Erie Canal	\$10

THE COST OF SENDING FREIGHT FROM NEW ORLEANS TO LOUISVILLE — IN TIME

1810	by keelboat	3 or 4 months
1820	by steamboat	1 month
1860	by steamboat	under 1 week (freight rates 90% lower than in 1814)

VISUAL 13.4

SHIFT IN THE SUPPLY OF TRANSPORTATION

