Causes and effects of the Embargo Act of 1807

What trade restrictions did the French and British impose during the Napoleonic Wars?

1806 - France:

Prohibited all neutral

trade with Great Britain

1807 – Great Britain: **Banned trade between France, her allies, and the Americas**

What British policy toward American sailors increased tensions with America? Impressment of American soldiers and continued trade restrictions American president Thomas
Jefferson (Democratic-Republican
party) led Congress to pass the
Embargo Act of 1807.

Purpose of the embargo:

To prohibit U.S. vessels from

trading with European nations

Effects on British shipping and markets:

- No significant effect on British markets
- Supplemented losses with South American commerce

Effects on American shipping and markets:

- Agricultural prices and earnings fell.
- Shipping-related industries were devastated.
- Existing markets were wrecked.
- Unemployment increased.
- Smuggling was widely endorsed by the public.
- Prices of domestic shipping were driven up to unreasonable rates.
- Imports and exports declined.
- Increased reliance on domestic manufacturing.

Effects on the political mood of the time:

- Created dissention among Federalists and many Americans against Jeffersonian politics
- Led to Congress repealing the Embargo in 1809