Lesson 2 The First Global Economic Systems

Review Questions
Directions: Read the lesson and complete the outline below. Refer to your textbook to fill in the blanks.

I. Trade, Colonies, and Mercantilism
   A. European colonial ________________ helped produce a great increase in European trade, and this growth was a key step in the development of a world _________________.
   B. According to the theory of ________________, which dominated economic thought in the seventeenth century, the ________________ of a nation depends on a large supply of gold and silver.
   C. When the balance of trade between what a nation ________________ and what it exports is favorable, the goods exported are of ________________ value than those imported.
   D. Colonies were important as sources of raw materials and as ________________ for exports of manufactured goods.

II. The Columbian Exchange
   A. The exchange of ________________ and animals between Europe and ________________ significantly changed economic activity in both regions.
   B. New food crops supported the growth of ________________ and changed people’s tastes.

III. European Rivals in the East
   A. The ________________ dominated the spice trade in the ________________ century.
   B. In the seventeenth century, the ________________ and the ________________ established trading posts and forts in India.

IV. The Atlantic Slave Trade
   A. Plantations that were established in the Americas in the ________________ to grow ________________ needed many laborers.
   B. As many as ________________ million enslaved Africans were brought to the Americas between the early 1500s and the late 1800s.
The Age of Exploration

C. Europeans first bought enslaved people from __________________ merchants in return for gold and other goods.

D. Until the __________________ condemned it in the 1770s, slavery remained largely acceptable in Europe.

Summary and Reflection
Directions: Summarize the main ideas of this lesson by answering the question below.

How did European expansion create the first global economic system?

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