

Chapter 20.4 - The Columbian Exchange

1. SETTING THE STAGE

- a. The colonization of the Americas dramatically changed the world
- b. It prompted both voluntary and forced migration of millions of people
- c. Colonization resulted in the exchange of new items that greatly influenced the lives of people throughout the world

2. The Columbian Exchange

- a. The global transfer of foods, plants, and animals during the colonization of the Americas is known as the _____
 - i. Ships from the Americas brought back a wide array of items that Europeans, Asians, and Africans had never before seen
 1. Plants as tomatoes, squash, pineapples, tobacco, and cacao beans
 2. Animals such as the turkey
 - ii. Perhaps the most important items to travel from the Americas to the rest of the world were _____ and _____
 1. These foods helped people _____ and played a significant role in boosting the _____
 - iii. Traffic across the Atlantic did not flow in just one direction as Europeans introduced various livestock animals into the Americas
 1. Horses, cattle, sheep, and pigs
 - iv. Foods from Africa (including some that originated in Asia) migrated west in European ships
 1. Bananas, black-eyed peas, and yams
 2. Grains introduced to the Americas included wheat, rice, barley, and oats
 - v. Some aspects of the Columbian Exchange had a tragic impact on many _____
 1. _____ was just as much a part of the Columbian Exchange as goods and food
 2. The diseases Europeans brought with them, which included smallpox and measles, led to the deaths of millions of Native American

Why is the Columbian Exchange so called?

3. Global Trade

- a. The establishment of colonial empires in the Americas influenced the nations of Europe in still other ways
 - i. _____ from the Americas was coupled with a dramatic growth in _____
 - ii. The two factors together prompted a wave of _____ and _____ in Europe during the 16th and 17th centuries
- b. **The Rise of Capitalism**

- i. One aspect of the European economic revolution was the growth of _____ - an economic system based on _____ and the _____, such as money, for profit
 - 1. No longer were _____ the sole owners of _____
 - 2. Due to overseas colonization and trade, numerous merchants had obtained great wealth
 - a. These merchants continued to invest their money in trade and overseas exploration
- ii. The increase in economic activity in Europe led to an overall increase in many nations' money supply
 - 1. This in turn brought on _____, or the steady rise in the price of goods
 - a. _____ occurs when people have more _____ and thus demand more _____
 - b. Because the _____ of goods is _____ than the demand for them, the goods become both _____ and more _____ and prices then _____

c. Joint-Stock Companies

- i. Another business venture that developed during this period was known as the joint-stock company
 - 1. The _____ worked much like the modern-day corporation, with investors buying _____ in a company
 - 2. It involved a number of people _____ for a common purpose
- ii. In Europe during the 1500s and 1600s, that common purpose was American Colonization
 - 1. It took large amounts of money to establish overseas colonies
 - a. While profits may have been great, so were risks as many ships never completed the long and dangerous ocean voyage
 - 2. Because joint-stock companies involved numerous investors, the individual members paid only a fraction of the total colonization cost
 - a. If the colony failed, investors lost only their small share
 - b. If the colony thrived, the investors shared in the profits

How did capitalism change the balance of power?

How did joint-stock companies reflect the capitalist system?

4. The Growth of Mercantilism

- a. During this time, the nations of Europe adopted a new economic policy known as Mercantilism

- i. The theory of _____ held that a country's power depended mainly on its _____
- ii. As a result, the _____ of every nation became the attainment of as much _____

b. Balance of Trade

- i. According to the theory of mercantilism, a nation could increase its wealth and power in two ways
 - 1. First, it could obtain as much _____ as possible
 - 2. Second, it could establish a _____, in which it sold more goods than it bought
 - 3. A nation's ultimate goal under mercantilism was to become _____, not dependent on other countries for goods
- ii. Mercantilism went hand in hand with colonization, for colonies played a vital role in this new economic practice
 - 1. Aside from providing silver and gold, colonies provided _____ that could not be found in the home country, such as wood or furs
 - 2. In addition to playing the role of supplier, the colonies also provided a _____
 - a. The _____ could sell its goods to its _____

c. Economic Revolution Changes European Society

- i. The economic changes that swept through much of Europe during the age of American colonization also led to changes in European society
 - 1. The _____ spurred the growth of towns and the rise of a class of merchants who controlled great wealth
- ii. While towns and cities grew in size, much of Europe's population continued to live in rural areas
 - 1. Although merchants and traders enjoyed social mobility, the majority of Europeans remained poor
 - 2. The economic revolution increased the wealth of _____ and mercantilism contributed to the creation of a _____

Why was self-sufficiency so important to a country practicing mercantilism?