

Name: _____

Modern European History

Date: _____

Unit 3 – Exploration

The Columbian Exchange and Global Trade

Directions: Read each short passage and use complete sentences to answer the question that follows.

The colonization of the Americas introduced new and different items into the Eastern and Western hemispheres.

The large-scale mixing of people and culture due to the constant movement of people from Europe and Africa to the Americas was called the Columbian Exchange. Important foods such as corn and potatoes were taken from the Americas, where they originated, to Europe, Africa, and Asia.

Some foods moved from the Old World to the New. Bananas, black-eyed peas, and yams were taken from Africa to the Americas. Cattle, pigs, and horses had never been seen in the Americas until the Europeans brought them. Of course, deadly illnesses also moved to the Americas. They killed a large portion of the Native American population.

What was exchanged in the Columbian Exchange [what did the Columbian Exchange take from the Americas and what did it bring]?

The settling of the Americas and the growth of trade led to a new set of business practices still followed today. One was the rise of an economic system called capitalism. It is based on private ownership of property and the right of a business to earn a profit. Another new business idea was the joint-stock company. With this, many investors pooled their money to start a business and share in the profits. European governments began to follow an idea called mercantilism. In this theory, a country's power depended on its wealth. Getting more gold and silver increased its wealth, as would selling more goods than it bought. Colonies played an important role because they provided goods that could be sold in trade.

What is capitalism?

With the American colonies, European society saw changes. Merchants grew wealthy and powerful, and towns and cities grew larger. Still, most people lived in the countryside, farmed for a living, and were poor.

Why were colonies important to European mercantilism?
