

BELL WORK

- GRAB A WORKSHEET FROM THE TABLE. TRY TO DO #2. SEE WHAT YOU COME UP WITH.

Colonial Mercantilism



How a country makes \$\$ from colonies.

Objective: At the end of class,
the students will know what
mercantilism is, how it works, and
what group benefits the most.



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- Can you give examples of Mercantilism in areas you already know? (India)

Think about

1. Why did England, France, and Spain establish colonies in North America?

~~Think about WHY a country would want colonies. What is the benefit?~~



Mercantilism



What is mercantilism?

Beginning around 1650, the British pursued a policy of **mercantilism** in international trade.

What is mercantilism??

- Mercantilism is a system of trade where colonies sold raw materials to England who used those resources to produce manufactured goods that were sold to colonies. The colonies could ONLY buy these items from England. This controlled trade and made money for the mother country, England

More on Mercantilism

- If a country has more exports than imports, they make a profit. The more wealthy a nation, the more power they have.
- Colonies are a "captive market" (captive means: under control...you are a captive audience in my room. You have to be here and don't have a choice who teaches you) that HAVE to buy goods from the mother country.

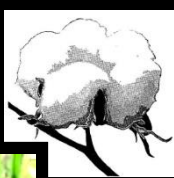
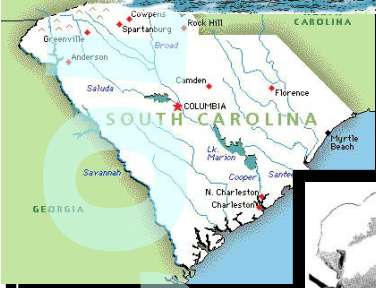
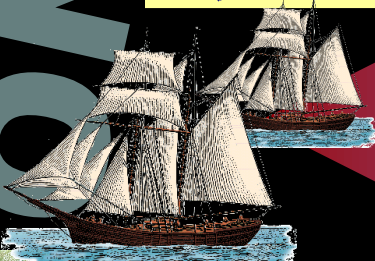
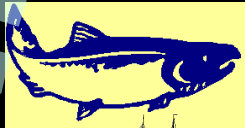
RESOURCES



MANUFACTURED GOODS

\$\$\$

RESOURCES



EMERALD ISLAND

Use the info on the next slide to answer:

- HOW CAN ENGLAND MAKE MONEY OFF OF THE COLONIES?
- HOW CAN THEY MAKE THE COLONIES DO THIS?
- DO THE COLONIES GET ANYTHING OUT OF MERCANTILISM?

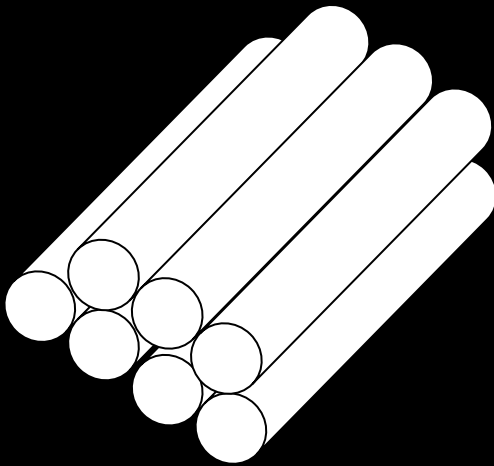
Mercantilism: How it works to benefit England (mother country)

- To achieve this balance of trade:
 - English passed laws that only helped the British economy.
 - These laws created a trade system whereby Americans provided raw goods to Britain at a fixed cost. (England fixed the price)
 - Britain used the raw goods to produce manufactured goods that were sold in European markets and back to the colonies at a PROFIT.

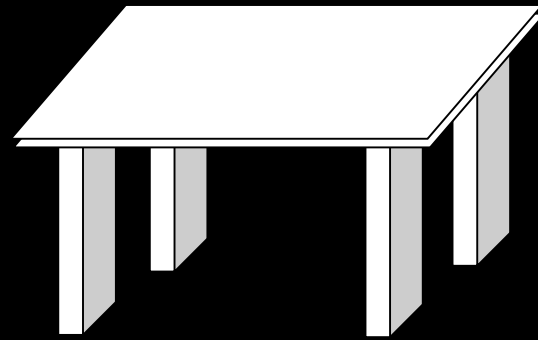
Characteristics of Mercantilism	England	English Colonies
Colonist were not permitted to make most of the finished products made in England	X	
Products such as tobacco and wood could only be sold to England or its colonies.	X	
Colonists could only use English ships to trade their goods.	X	
Colonial ships were protected by the English navy		X
Colonist had to buy molasses from English colonies in the West Indies	X	
Colonist were assured a ready market for their goods		X
Goods traded between Europe and America had to pass through England to be taxed	X	

Who Benefits from Mercantilism?

- For every \$4 of timber the colonists sold to England, England manufactures were able to make a table that sold for \$24. Under mercantilism, colonist had to buy their furniture from England because England always wanted to maintain a favorable balance of trade.



2 £ (British Pounds) = \$4



12 £ (British Pounds) = \$24

Solve this Math

- The colonies sell four bundles of timber to England. They make \$ _____
- English manufactures sell two tables to the colonies. They make \$ _____
- In total England makes \$ _____
- In total colonist make \$ _____

Who earned more from the sale of goods, England's colonies or England? Explain.

- England would because.....

Who benefits most from mercantilism? Explain

- England would because.....

Tonight's homework

- How did mercantilism impact England and England's colonies? Explain.
- In your response you must include **three** of the words below: **Import** **raw materials**
export **manufactured goods**
 - **Required as well:** Indent, proper capitalization and punctuation.