

The World Economy

The West's First Outreach: Maritime Power

- By 1500, Europeans had become more aware of the wider world. Ignorance, however, hampered their explorations. Early voyages on small ships brought small returns.
- Technological change rapidly impacted both the scope and nature of European voyages. Mastery of the compass, added to the use of the cannon, changed everything. Europeans were now able to go farther and protect themselves on the seas.
- The Portuguese led the way, moving down the coast of Africa, and eventually around the **Cape of Good Hope**. **Vasco da Gama's** arrival in India brought Europe into direct contact with the east. Spanish ships reached the Americas in 1492, and **Ferdinand Magellan** sailed around Cape Horn into the Pacific in 1519.
- Northern European nations joined the competition late, but soon took the lead. The French claimed Canada, in 1534, and the British followed. The Dutch and the British focused on commerce, forming East India Companies with monopolies on trade.

Toward a World Economy

- As the voyagers crossed, they brought plants, animals, and microbes in both directions: the **Columbian Exchange**. Diets on both sides of the Atlantic were affected, and populations were decimated by imported disease. The ecological impact was immense.
- Europeans began to dominate trade, although still limited to the coastlines in most areas. Trading outposts dotted the shores of Africa and the Indian subcontinent. In more resistant areas, merchants gathered in areas set aside for them in towns.
- Competition between European nations was spurred by **mercantilism**, which dictated that colonizers had the monopoly on exports to their colonies, which, in turn, furnished raw goods at low prices. The practice resulted in large areas of the world dependant on European goods.
- In this first phase of colonization, the impact of Europeans was growing but still limited. At the same time, new systems of forced labor took root.
- Was there a world economy at this time? Chinese adherence to tradition kept western influence to a minimum. Japan and Korea also limited contact, and even withdrew from trade. In India and the Middle East, the level of trade was so low that no impact was felt.
- The volume of trade increased in the 17th century. Britain turned India into a

market for its cotton textiles. Western European demands for grain led to increased eastern European production, and the intensification of serfdom.

Colonial Expansion

- Colonization of the American mainland began in Panama. **Francisco Pizarro** was one of many adventurers who gained their own empires. The Inca and Aztec were conquered. Missionaries accompanied these enterprises.
- North American colonies took a different path, often as havens for religious refugees. France and Britain vied for dominance, yet the commercial attractions were not great. The lower density of natives in North America made European inroads easier.
- Europeans maintained their tradition of nuclear families in their North American colonies, and, in general, more closely resembled the home countries than colonies in Latin America.
- For the most part, colonization in Africa in this first phase was restricted to coastal trading posts. The Portuguese search for slaves in Angola and the Dutch **Cape Colony** were important exceptions. As Britain and France struggled for control of India, their impact intensified, as they made Indian leaders part of their rivalry. In the late 1700's, Britain took a more active role in administering the colony.
- The impact of European colonization was initially greater at home than abroad. The **Seven Years' War** was the culmination of British-French overseas competition, and the growing European reliance on imports changed tastes at home.
- Globally, Europeans intensified their use of forced labor. At the same time, some areas benefited by the movement of goods made possible by world trade.

Multiple-Choice Questions

1. All of these influenced Europe to expand EXCEPT:
 - (A) fear of the states and peoples Europe might encounter.
 - (B) desire for gold and monetary gain.
 - (C) rivalries with other European states to acquire new lands.
 - (D) hope for personal glory by explorers and conquerors.
 - (E) desire to spread Christianity abroad.
2. The main reason European conquerors and navigators were able to sail and continue to explore, and the reason the Ming Chinese fleets in the Indian Ocean failed was
 - (A) Europeans had superior military technologies and the Chinese did not.
 - (B) Europe encountered no opposition, while the Chinese did.
 - (C) European governments supported and encouraged overseas expeditions; the Ming did not.
 - (D) European nations were wealthier than the Chinese.
 - (E) China had a smaller population base than Europe and could not afford to send people abroad.
3. In comparison to Spain and Portugal, the northern European states and their expeditions
 - (A) began earlier, but conquered fewer lands.
 - (B) were more successful.
 - (C) had superior technologies and commercial practices but were uninterested in acquiring colonies.
 - (D) began later and initially acquired only

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- limited holdings outside Europe.
(E) were more motivated by religion than had been Portugal or Spain.
4. In order to facilitate colonization, settlement, and exploration, the British, French, and Dutch
(A) chartered companies and created commercial monopolies in given regions.
(B) paid mercenaries to conquer desired lands.
(C) negotiated with peoples and states to peacefully acquire holdings and trade concessions abroad.
(D) encouraged private initiative because national governments were uninterested in overseas expeditions.
(E) relied on missionaries to establish markets and colonies.
5. All of these were examples of the Columbian Exchange EXCEPT:
(A) the spread of smallpox and measles in the Americas.
(B) New World crops such as corn and potatoes spread around the world.
(C) domesticated animals such as the horse spread to the Americas.
(D) Muslim and Chinese merchants came to monopolize Atlantic trade.
(E) Africans and Europeans migrated or were forcibly settled in the Americas.
6. During the Early Modern Period in world history, laborers were
(A) generally paid a fair wage but worked long hours.
(B) largely coerced in their work, which was often unfree.
(C) moved to where there was a demand for their work.
(D) mostly skilled.
(E) universally slaves.
7. During the Early Modern Era, the world economy and trade
(A) spread to and linked all countries and continents except Antarctica.
(B) was dominated by Muslim merchants.
(C) did not include areas such as China, Japan, and many Muslim regions.
(D) relied heavily on the slave trade to generate capital and profits.
(E) shipped primarily agricultural products.
8. The Dutch, French, and English colonies on the North American continent
(A) received few colonists.
(B) remained largely unsettled and unclaimed.
(C) attracted little attention because they were so vast.
(D) were not initially as financially important as colonies in the West and East Indies.
(E) eventually were conquered by the Spanish.
9. In Africa during the Early Modern Period, Europeans
(A) controlled the slave trade.
(B) had to negotiate with African leaders, who controlled the slave trade.
(C) settled widely in West Africa.
(D) exported gold and raw minerals.
(E) started the slave trade.
10. The most important basic commodity traded in the Early Modern Period was
(A) grain.
(B) gold.
(C) tobacco.
(D) cotton.
(E) sugar.

Free-Response Question

Compare and contrast the goals of Europeans in the first phase of colonization. How did motives influence the unrolling of exploration and colonization?

ANSWERS AND EXPLANATIONS

Multiple-Choice Questions

- **1. (A) is correct.** B through E motivated European overseas expansion, except for fear. The latter, in the period of Renaissance optimism, was much less a factor than curiosity.
- **2. (C) is correct.** The difference in the two experiences came not from Chinese inferiority or difficulties, but in the marked differences in the attitudes of the two governments.
- **3. (D) is correct.** Northern European states such as Britain and the Netherlands only slowly followed the lead of Spain and Portugal, and began with commercial outposts.
- **4. (A) is correct.** These three nations gave chartered companies rights and monopolies in certain areas. The British East India Company and the Dutch East India Company are examples.
- **5. (D) is correct.** The Columbian Exchange is the transfer of living things from the New World to the Old and vice versa.
- **6. (B) is correct.** While a variety of labor patterns existed around the world, massive numbers of workers in new colonies were enslaved or used for forced labor.
- **7. (C) is correct.** In the period before 1700, overseas trade concentrated on trade between Europe, Africa, Latin America, and India.
- **8. (D) is correct.** In the first period of overseas commerce, trade in luxury commodities was most important, none of which were found on the North American continent.
- **9. (B) is correct.** In the first phase of European involvement in the slave trade, contact was limited to coastal trading settlements, supplied from the interior by African leaders. Later, Europeans would make their way further into the continent to control trade more thoroughly.
- **10. (E) is correct.** All of these commodities became important, but Portugal led the way in establishing sugar cash crops, stimulating European demand.

Free-Response Essay Sample Response

Compare and contrast the goals of Europeans in the first phase of colonization. How did motives influence the unrolling of exploration and colonization?

Motives for colonization developed over the centuries, but profit was always a primary objective. This initially led Europeans to pursue the trade in luxury commodities such as spices and sugar, and to largely ignore the North American lands. The Spanish monarchs sought gain, but also the conversion of natives. This influenced their decision to directly control their colonies from an early period. Because northern European nations sought income more than conversion, they granted charters to private companies, leading to the development of trading outposts, rather than large colonies.