AP EUROPEAN HISTORY • EXERCISE SHEET

1.10 The Commercial Revolution

Name: ____________ Class: ________ Date: __________ **Total: 12 marks**

Objective

Build the skills to explain the **commercial revolution** 商业革命.

You must be able to:

- name the financial innovations of the period
- explain what each solved
- describe **mercantilism** 重商主义 as a doctrine
- explain the social effects of commercial wealth

1 Worked examples

Study these first. Each one shows the method for a task used later.

The innovations

Joint-stock companies, banks of deposit and exchange, bills of exchange, marine insurance, and double-entry bookkeeping.

What each solved

Joint stock spread the risk of a voyage no individual could bear. Bills of exchange moved value without moving coin. Insurance made a lost ship survivable. Bookkeeping made a large enterprise legible to its owners.

Mercantilism

The doctrine that a state's wealth is measured by its stock of bullion, that trade is a contest in which one state's gain is another's loss, and that colonies exist to supply the parent state.

Social effects

A commercial class accumulated wealth without land or title, which strained a social order organised around both —a tension that recurs through the course.

2 Practice

2.1 Name three financial innovations of the commercial revolution. [3]

2.2 State what mercantilism claimed about trade. [2]

2.3 A merchant insures a cargo.

(a) State what problem insurance solved. [1]

(b) State one effect on the willingness to trade. [1]

3 Exam-style questions

3.1 Joint-stock organisation principally solved the problem of [1]

- **A** moving coin
- **B** bearing the risk of a single voyage
- **C** recording accounts
- **D** insuring a cargo

3.2 Under mercantilist doctrine, colonies exist to [1]

- **A** trade freely with all states
- **B** supply the parent state
- **C** govern themselves
- **D** hold bullion independently

3.3 A merchant family accumulates great wealth but holds no title or land.

(a) State the tension this creates. [1]

(b) Explain why it recurs later in the course. [2]

4 Go further

- work through the **1.10 The Commercial Revolution** lesson on the **Learn** page;
- read the **Renaissance and Exploration** section of the AP European History handout on the **Know** page.

Solutions

2.1 any three of: joint-stock companies; banks of deposit and exchange; bills of exchange; marine insurance; double-entry bookkeeping.

2.2 that a state's wealth is its stock of bullion and that trade is a contest in which one state's gain is another's loss.

2.3 (a) a single loss could ruin a merchant. (b) more merchants will risk a voyage once the loss is survivable.

3.1 B. shares spread an unbearable individual risk.

3.2 B. colonial trade is directed to the parent state's benefit.

3.3 (a) wealth without the land or title that the social order used to rank people. (b) the same tension appears wherever a commercial class seeks political standing, which is a stated cause of later upheavals in this course.