

1.10 The Commercial Revolution

Name: _____ Class: _____ Date: _____

Total: 12 marks

KEY WORDS mercantilism 重商主义 • commercial revolution 商业革命

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	B
C	D

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	B
C	D

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]
