

Solutions

Each answer shows the steps, then the **result**.

2.1

- any two of: shipping efficiency and low freight costs; entrepôt trade; financial institutions; cheap capital

2.2

- toleration attracted skilled and capitalised refugees, and a place where people could transact without confessional test drew trade

2.3

(a)

- larger neighbours with greater fiscal-military capacity out-built and out-fought it

(b)

- a small population and territory relative to its rivals

3.1 B

- the policymakers were the merchants

3.2 B

- skills and capital arrived with the refugees

3.3

(a)

- it is excluded from carrying those goods

(b)

- carriage was the republic's central advantage, so legislation aimed at it struck the basis of the economy rather than one sector