From Raw Materials to Riches: Mercantilism and the British North American Colonies

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Lesson Description
In this lesson, students will interpret primary sources and participate in a simulation activity to learn about the mercantilist system used in British North America. Students will discuss the strengths and weaknesses of this system and explain how it affected the economic and societal development of the British North American colonies. Students will also be able to describe how mercantilism and the Navigation Acts helped move the colonies toward revolution.

Concepts
- Mercantilism
- Raw materials
- Scarcity
- Exports
- Imports
- Navigation Acts
- Markets
- Balance of trade
- Tariffs
- Imperialism

Objectives
Students will
1. Define key terms such as mercantilism, market, raw materials, finished goods, exports, imports, trade barriers, balance of trade, Navigation Acts, tariffs, imperialism.
2. Simulate trade in a free market economy.
3. Simulate the mercantilist system that existed between Britain and the North American colonies.
4. Compare and contrast the trade in a free market with trade under the mercantilist system.
5. Explain how the mercantilist system worked and why some European powers pursued these policies.
6. Read and interpret a variety of primary sources on the topic of mercantilism.
7. Evaluate the strengths and weaknesses of mercantilism as an economic system.
8. Describe how markets are affected by changes in government trade policies.

Related Content Areas
U.S. History, World History, and Economics

Time Required
(110 minutes) Two regular 55-minute class periods or one class period on block schedule

Materials
PowerPoint slides (From Raw Materials to Riches: Mercantilism and British North America)
Handout #1: Roles for Colonial Households and Roles for Businesses—one per student

Handout #2: Library of Congress Map Analysis Tool

Handout #3: Roles for Colonial Households, Round 2—one per household

Handout #4: Roles for Businesses, Round 2—one per business

Handout #5 Mercantilism Simulation Assessment

Handout #6: Graphic Organizer


Visual #1: Map of Early European Colonies

Visual #2: T-Chart for Mercantilism

Simulation Game Piece #1: Gold Pieces for Businesses—each business receives 10 “10 gold pieces” cards

Simulation Game Piece #2: Badges for Businesses—each business receives one badge (there should be at least one representative from each type of business)

Simulation Game Piece #3: Badges for Colonial Households—each household receives one badge

Simulation Game Pieces #4, #5, #6: represent Land, Labor, and Capital, respectively—enough resource cards for each colonial household to have 15 resource cards

Simulation Game Piece #7: Imported Colonial Manufactured Goods—divide the number of students in your class by two and multiply this number by 10. This is the number of Manufactured Goods cards you should have available.

Flip-chart paper and markers for six groups

**Preparation**

This lesson should be taught after students know the reasons people came from England to settle British North America. Read the lesson description. Prior to conducting the lesson, print, cut, and organize the simulation cards. Print copies of the handouts as specified in the Materials section.

Prepare simulation pieces. Copy, laminate, cut, and sort enough pieces for your largest class according to the following list.

a) **Round 1**

Gold Pieces: There should be enough for half of your students to have 10 “10 gold pieces” cards clipped together with a paper clip for each round. The students will participate in two rounds.
Business Badges: One sheet should be enough for a class of 30 students or less. Clip one badge onto each set of gold pieces designated for Round 1. The businesses will keep the same badges in Round 2. For smaller classes, make sure you have at least one representative from each type of business.

Household Badges: One sheet should be enough for a class of 30 students or less. Clip one badge onto each set of 15 resources designated for Round 1. Students will keep the same badges in Round 2, but will have a different set of resources.

Resource cards: Each colonial household (half of the students in your class) will have a packet of 15 resource cards. The packets should have different distributions of the three types of resources so that some students will have more of one resource and less of another. In an average class of 30 students, you will need a total of 225 resource cards.

b) Round 2

Gold Pieces: There should be enough for half of your students to have 10 “10 gold pieces” cards clipped together with a paper clip for each round.

Resource Cards for Round 2

Colonial Households: Each colonial household will have a packet of 10 resource cards with only land and labor resources clipped together in their packet. Also, prepare to give the specified capital out to the following households:

- New England, two capital resources per household
- Midatlantic, one capital resource per household
- Southern, no capital resources

Businesses: In addition to the gold pieces, the remaining capital resource cards (approximately 60 for a class of 30 students) will be divided among all the businesses in varying amounts. You can prepare these packets and clip them together before the class starts.

Procedures: Instructions for the PowerPoint slides have been put in italics. Content background is in regular type.

1. Open the PowerPoint presentation and display the title slide (1).


3. Display slide 3.

4. Introduce the lesson by asking students, “Why do you like to have money?” You will get answers like, “I can use it to buy what I need.”

5. Tell students that money takes many forms. Remind students that when the colonists came to North America, their money was not the U.S. dollar we use today. Tell them that the colonists probably used several different types of money. For example, they may have used British coins, coins from other trading partners like Spain, precious metals like gold or silver, commodity money like tobacco leaves, or they may have bartered one good for another one.
6. Next, ask students, “How do you get money?” Students will most likely say, “I work for it” or “My parents give me money.”

7. Access prior knowledge by asking students, “How was money a factor in motivating colonists to come to British North America?” Students will likely talk about how poor people in England didn’t have many opportunities to own their own land or get good jobs. By coming to the colonies, they could acquire cheap or free land. The land would allow colonists to produce agricultural goods to support themselves. The limited quantity of labor supplied meant they could be paid well for work they did for someone else.

8. Display slide 4. Tell students that whenever someone sells a product or their own labor to someone else, they have created something called a market.

9. Ask students, “What kinds of markets have you experienced?” Students are likely to mention the grocery store, restaurants, the labor market, and so forth. Explain that the colonists in British North America also participated in different markets. Tell the students that the log cabin represents colonial households. Explain that the households own the resources businesses need to produce products. They sell these resources to the businesses in order to get money, called income. The households then use their income to buy goods and services from the businesses. Tell them that these interactions between buyers and sellers create a market.

10. Tell students the picture of the village blacksmith represents the businesses. Explain that the businesses must buy resources from the households to make their goods and services. They then sell their products back to the households at a higher price than they paid for the resources. Explain that the money left over after paying for their costs is called profit.

11. Tell students that the gold pieces represent the money used by households and businesses to exchange resources, goods, and services in the market. Remind students that the colonists in British North America used many forms of money, not just gold coins. Explain that a market is not always a physical location like the market shown in the picture. It exists whenever a buyer and a seller come together to exchange resources, goods, and/or services.

12. Display slide 5.

13. Tell students they will participate in an activity to help them learn about markets. Tell them that this market will have a few rules, but most choices will be made by the buyers and the sellers. Tell them the simulation will help them understand the difference between what is known as a “free” market, which they will simulate in Round 1, and the type of system called mercantilism that developed in the American colonies under British rule, which will be Round 2.

14. Select two students to be helpers in the simulation. One of the students will handle transactions at the factory. Designate a desk in an accessible part of the room as the factory and give the manufactured-goods cards you prepared to the student who will be operating the factory. The other student will work in law enforcement. Tell this student it is his or her job to go around the room and make sure everyone is following the rules. Designate a place in the room to serve as a jail for people who violate the rules. Tell the student responsible for law enforcement to take rule breakers to jail.

15. Divide the rest of the class in half. Explain that half of the students will play the role of colonial households while others will play businesses.

16. Give students a copy of handout #1 and ask them to read their assigned roles. The rules of the simulation are explained on handout #1.
17. While students are reading, pass out the packets you prepared before class. Give the resource packets to the households and the gold packets to the businesses. Tell the students that they do not have to exchange a specific item listed on their cards. Explain that these are examples of resources and goods that may have been exchanged in the British colonies. Tell them to attach their household and business badges to their clothes.

18. Remind students that they are all both buyers and sellers in these markets. Remind them that people usually try to buy at low prices and sell at high prices. Colonial households that have the most manufactured goods at the end have done the best. Businesses with the most gold at the end have done the best. (Consider offering a small prize to the best household and best business to encourage competition.) It is a good idea to demonstrate one cycle of the game. A business buys resources from the household, trades them in for a manufactured good at the factory, and then sells the manufactured good to another household at a profit. Ask if there are any questions. Begin the activity.

19. When the majority of the students have completed the trading they wish to do, give the remaining students a one-minute warning and then end the game. Ask the households to count up their goods cards and the businesses to count up their gold pieces. Find out which household and which business did the best and award the prizes.


21. Debrief Round 1 of the simulation. Ask the households and businesses to explain their strategies. Solicit responses from students who did well and from those who were not successful. Ask students, “Why do you think the market worked for most people even though there were few rules?” Students are likely to say that there were a lot of buyers and sellers competing with one another so they could go to someone else if they didn’t like an initial deal they were offered. Ask them, “Why didn’t the market work for everyone?” They will likely say that some people had less valuable resources or they priced their resources or goods too high for the market and couldn’t sell them.

22. Check with law enforcement and see how difficult his/her job was. Most of the time, the law enforcer will have had very little to do and the jail is relatively empty. Ask why this is so.

23. Allow the students to retain their business and colonial household badges, but ask them to return all their other cards. Tell them they will play the same role in Round 2 so they can compare the two experiences and make inferences about how mercantilist policies affected colonial households and different types of businesses.

24. Tell the students they will now explore the rules of an economic system called mercantilism. Ask the students to divide themselves into groups of five or six students for a short group activity.


26. At the front of the room, place one napkin or paper towel on the table for each student group. Take out large, round, soft cookies and place one cookie on each napkin along with a plastic knife. Tell the students that each group will receive a cookie and will need to divide it among the people in the group. Tell them they can divide it any way they want, but they will need one group member to explain to the class the method used to divide it and why it was divided in that way. Ask one person from each group to come get a cookie. Give the students some time to divide the cookie and then ask each group to describe their process.
27. Ask the groups to discuss whether they think dividing the world and its resources among people is like dividing the cookie. Ask them to list what about the world is similar to and different from dividing a cookie among their group members. Put a copy of the chart on the board and have students come to the board and record some of their ideas. Be sure to talk about different geographic areas being good for different things. Also, be sure to discuss how new technologies and changes in the prices of commodities can change wealth. (Consider talking about how hydraulic fracturing technology has allowed people to access a natural resource that could not be extracted economically in the past.)

28. Tell the students that during the time when the Americas were colonized, the European imperialist countries viewed the world like the cookie. There was a finite amount of everything and one country getting more meant that another country got less. Explain that this was part of the belief underlying mercantilism.

29. Display slide 8.

30. Give students handout #2, the Library of Congress map analysis tool and template. Ask students to use the guidelines to analyze the map. Ask students to share their analysis.

31. Be sure students compare the size of colonial territories held by each country and the proximity of the other European colonies to the colonies of British North America. Ask the students how they think the British may have felt about the other colonial powers. Students may say that the British felt like they had to compete with the other countries.

32. Display slide 9.

33. Ask students to make some observations about the cartoon. Some possible observations may include the mother country is being served and the colonies are the servants, the mother country is fat and the colonies are thin, the mother country looks like she is saying, “For me?” with pleasant surprise on her face while the servants look pleased to present their items to the mother country, and the mother country wants resources and money, not manufactured goods.

34. Tell students they will soon participate in Round 2 of the simulation, which is designed to show the basics of how mercantilist policies worked in the British North American colonies. Tell them that the policies implemented to support mercantilism affected how markets operated in the colonies. Some of these changes eventually motivated some colonists to consider separating from England. Discuss each of the policies displayed on the slide.

35. Display slide 10.

36. Discuss each of the acts and how they limited trade for the colonies.

37. Display slide 11.

38. Remind the students that they are still playing the role of either colonial households or a business. Give students a copy of handout #3 (for households) or handout #4 (for businesses) and ask them to read their assigned roles. While students are reading, pass out the packets for Round 2 you prepared before class. Give the resource packets to the appropriate households, paying attention to the instructions given under “Preparation.” Give the gold packets and the remaining capital resources to the businesses according to the instructions given under the “Preparation” section. Talk with the law enforcer and the factory operator. Make sure they know what to do.
39. Restate who is able to trade with whom given the new instructions. Remind students that they are all both buyers and sellers in the market. Remind them that people usually try to buy at low prices and sell at high prices. Colonial households that have the most finished goods at the end have done the best. Businesses with the most gold at the end have done the best. (Consider offering a small prize to the best household and best business to encourage competition.) You may want to consider a demonstration of the businesses paying their tax at the factory.

40. Begin the simulation. Circulate in the room and help the law enforcer make sure that students are only trading with whom they are allowed to trade and that all colonial and European businesses are paying their taxes.

41. When the majority of the students have completed the trading they wish to do, give the remaining students a one-minute warning and then end the game. Ask the households to count up their goods cards and the businesses to count up their gold pieces. Find out which household and which business did the best and award the prizes.

42. Display slide 12.

43. Debrief Round 2 of the simulation. Ask the households and businesses to explain their strategies. Solicit responses from students who did well and from those who were not as successful. Ask students, “How was this round different from Round 1?” Students are likely to say that the restrictions made it harder to find a trading partner. The southern colonies and the European businesses are likely to be the most upset about the rules. The British businesses are likely to be the most happy and have the most money. Ask them, “Who was most successful and why?” They will likely say that taxation hurt all the businesses except British ones. They will mentioned the difficulty the other European businesses had getting their resources from the colonies and selling their manufactured goods back to the colonies. Southern colonies are likely to complain about the lack of capital they had, which caused them to go into debt, and the stricter enforcement of the rules on them.

44. Display slide 13.

45. Tell students they will participate in an activity to help them understand the system of mercantilism better. Distribute handouts #5 and #6. Ask students to read the assignment. While they are reading, direct where each group should meet by putting a sign in that area.

46. Help students get into their groups and provide a computer to access the article they must read. If computers are not available you can provide print copies by accessing the URL in the assessment description and making copies for the students. Give each group some flip-chart paper and markers for their graphic organizer.

47. Circulate around the room helping students complete their assigned tasks.

48. Ask students to place their graphic organizers on the wall around the room. Ask each group to stand beside their work. Rotating counterclockwise, give students two to five minutes (based on the ability level of your students) at each poster to read and respond to the chart, then rotate them.

49. Optional activity: Ask students to complete a writing assignment at home discussing the benefits and costs of the mercantilism system.
50. Slides 14 and 15 show the national standards for economics and history as well as the Common Core. Use these slides if you discuss standards with your students.
Colonial Households

Congratulations! You survived your passage to America and have started a new life for yourself here in the British colonies. Now all you have to do is find a way to get goods like food, shelter, and clothing. The American colonial slang words for these items were viands (food), cotes (cottages), and weeds (clothing). All these goods are produced with three types of resources: land, labor, and capital. Land resources are gifts of nature like wood, plants, animals, and water. Labor is provided by human beings who can use their time and skills to make goods such as a baker making bread. Capital includes any tools or machines used to produce a good such as when a farmer uses a plow to turn the soil in a field. If you have these resources, you can sell them to businesses for gold and buy the goods you need with the gold. Be sure to get a good price for your resources so you will have enough money to pay the businesses for their goods. The households that are able to purchase the most goods are the most successful.

Businesses

You feel great! Whether you are a businessperson from Europe or one who started your business right here in the American colonies, you are providing goods the colonists want. They are willing to give you gold to get their hands on your products. Without you, the colonists would have to make everything themselves or live without the item. It is your role to buy resources to make your goods. You should be careful how much you pay for resources. You must have a combination of one land, one labor, and one capital resource to produce a finished good. When you have one of each of these resources, bring them to the Finished Goods Factory and receive a Finished Good card to sell back to the colonial households. After you have created a finished good, you will have to sell it back to the colonists at a profit. Profit is equal to how much you made selling your goods minus the cost of the resources you had to buy to make the goods. Since businesses start with 100 gold pieces, they must have more than 100 gold pieces at the end to have made a profit. The businesses that finish the simulation with the most gold pieces are the most successful.
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### Simulation Game Piece #2: Badges for Businesses
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Simulation Game Piece #4: Land Resources for Colonial Households

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### Simulation Game Piece #5: Labor Resources for Colonial Households

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<td>Tools, Looms, Steam Engines, Fly Shuttles, Spinning Wheels, Road Infrastructure, Factories, Ships</td>
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Simulation Game Piece #7: Imported Colonial Manufactured Goods

<table>
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<tr>
<th>Manufactured Goods</th>
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<tr>
<td>Tea, tools, fabric, clothes, furniture, weapons</td>
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TEACHER’S GUIDE
Analyzing Maps

**OBSERVE**
Have students identify and note details.

Sample Questions:
- Describe what you see.
- What do you notice first?
- What size and shape is the map?
- What graphical elements do you see?
- What on the map looks strange or unfamiliar?
- Describe anything that looks like it does not belong on a map.
- What place or places does the map show?
- What, if any, words do you see?

**REFLECT**
Encourage students to generate and test hypotheses about the source.

Why do you think this map was made?
- Who do you think the audience was for this map?
- How do you think this map was made?
- How does it compare to current maps of this place?
- What does this map tell you about what the people who made it knew and what they didn’t?
- If this map was made today, what would be different?
- What would be the same?

**QUESTION**
Have students ask questions to lead to more observations and reflections.

What do you wonder about...
- who?
- what?
- when?
- where?
- why?
- how?

Further Investigation

Help students to identify questions appropriate for further investigation, and to develop a research strategy for finding answers.

Sample Question: What more do you want to know, and how can you find out?

A few follow-up activity ideas:

**Beginning**
- Have students write a brief description of the map in their own words.

**Advanced**
- Search for maps of a city or state from different periods, then compile a list of changes over time and other differences and similarities between the maps.

For more tips on using primary sources, go to
- http://www.loc.gov/teachers
### Primary Source Analysis Tool

<table>
<thead>
<tr>
<th>Observe</th>
<th>Reflect</th>
<th>Question</th>
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### Further Investigation

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Visual #1: Map of Early European Colonies

(This map is under copyright. You will need to link to it online and use it from the website.)

http://courses.wccnet.edu/~jrush/map%20early%20colonization.jpg
Visual #2: T-Chart for Mercantilism

How is the world like a cookie?

<table>
<thead>
<tr>
<th>Dividing the world’s resources IS like dividing a cookie because:</th>
<th>Dividing the world’s resources IS NOT like dividing a cookie because:</th>
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All Colonial Households

Things have been going pretty well for you until now, but you have just heard about something called mercantilism. Apparently, the people in England think they need to export more goods than they import. They think this will help them grow wealthier than all their European competitors. Some laws, called the Navigation Acts, have been passed by the English Parliament. The laws are putting restrictions on what and with whom you can trade. These restrictions include shipping goods only on English ships, selling certain goods only to England, paying high tariffs on goods produced in other European countries, and refraining from direct competition with many English manufacturers. Some of the main goods that can only be sold to England are sugar, tobacco, cotton, indigo, rice, molasses, naval stores, furs, and iron.

• New England Colonial Households

You are in luck! Two of your main industries, shipbuilding and fishing, are not on the list of goods that can only be sold to England. Since colonial merchants now must take their goods through England before selling to Europe, they will need more ships. This is more business for you. Initially, you thought the import tariffs on goods like molasses would hurt you, but now you just smuggle in those goods. England doesn’t even seem to care!

• Mid-Atlantic Colonial Households

Overall, you have good luck! Three of your main industries—flour, cereal crops, and lumber—are not on the list of goods that can only be sold to England. Your only industry on the list is iron. You cannot trade this good to anyone but English merchants. Initially, you thought the import tariffs on goods like molasses would hurt you, but now you just smuggle in those goods. England doesn’t even seem to care!

• Southern Colonies

You are angry! Almost all the major agricultural crops and raw materials you produce are on the list of enumerated goods that can only be sold to England. To make matters worse, you have almost no production machinery or factory facilities in your colonies so you will have to buy most finished goods from England. If you have trouble buying enough goods from England, you can always borrow some money from the English banks at a reasonable rate of interest. The raw materials you produce cannot be smuggled, you will go to jail if you do.
All Businesses

Until now, you have been making good money buying resources from the colonial households, producing finished goods, and selling your finished goods at a profit. Apparently, England thinks it needs to export more goods than it imports. The country thinks that will let it grow wealthier than all the European imperialist countries. Some of you are from those other European countries, and trade has just become more complicated. Some laws, called the Navigation Acts, have been passed by the English Parliament. The laws are putting restrictions on what and with whom colonial households can trade. These restrictions include shipping goods only on English ships, selling certain goods only to English companies, paying high tariffs on goods produced in other European countries, and refraining from direct competition with many English manufacturers. Some of the main goods that can only be sold to England are sugar, tobacco, cotton, indigo, rice, molasses, naval stores, furs, and iron.

- **Colonial Businesses**
  You may purchase resources from any colonial household. Under the Navigation Acts, you MUST take the resources you buy in the colonies to England before you can get a finished good. This means you need an English ship. You can only buy a ship from a colonial New England household or from a British company. When you arrive in England, you will need to pay a tax of 10 gold pieces before you can get a finished good. Pay this tax at the factory. You may then sell your finished goods to any of the colonists. Remember, you still need to make a profit to stay in business.

- **Businesses from Spain, Portugal, the Netherlands, and France**
  You may not buy any land resources from the Southern colonies because all of their resources are on the enumerated goods list and must be sold to the English. You may purchase any other resources directly from the colonists. You can also buy a resource card from a British business if you need one. When you have one of each type of resource card, take them to the finished goods factory to get a finished good card. Unfortunately, all finished goods sales to the colonies MUST go through England. This means you will have to pay a tax of 10 gold pieces to the English government for the privilege of trading with the colonies. Pay this tax at the factory when you receive your finished good card. You must also pay an import tariff of 10 gold pieces on each finished good you plan to sell to the colonists. Pay this at the factory as well. You may then sell your finished goods to any of the colonists. You can pass the tariff onto the customer or pay it yourself. Remember, you still need to make a profit to stay in business.

- **British Businesses**
  You may purchase any resources from any colonial household. You must have a combination of one land, one labor, and one capital resource to produce a finished good. When you have one of each of these resources, bring them to the finished goods factory and receive a finished good card to sell back to the colonial households. You do not have to pay taxes on the finished good or import tax. Remember, you still need to make a profit to stay in business.
Handout #5 Mercantilism Simulation Assessment

You have experienced trade in a simulated free market system and a simulated mercantilist system. All economic systems have advantages and disadvantages. Often, support for an economic system depends on who you are within that system. You will complete the following activity with people in the class who played roles similar to your own. Your group will develop an argument supporting or rejecting the system of mercantilism based on the benefits/costs of the system for your role.

1. Divide into the following six groups:
   a. Colonial New England Households
   b. Colonial Mid-Atlantic Households
   c. Colonial Southern Households
   d. British Businesses
   e. Colonial American Businesses
   f. Continental European Businesses

2. In your group, give each member one to two minutes to describe how well they did in each round of the simulation and how the introduction of mercantilist policies affected them from Round 1 to Round 2.

3. While you discuss #2, your instructor will provide each group with an article by Carole Scott. Assign each member of your group a section of the article to read and summarize for the group. (There are approximately 24 paragraphs in the article.)

4. Ask each member to share what they read. Discuss the perspectives on mercantilism shared in the article and any information pertaining to how people in your specific role would have been affected.

5. Based on your simulation experience and the article you read, complete the attached graphic organizer on flip-chart paper.

6. Here are some examples to get you started (many of these statements are purposely inaccurate to discourage copying from this document)::
   a. Thesis statement: British businesses trading in British North America would have opposed mercantilist policies.
      i. Main Reason 1: Mercantilist policies harmed British businesses financially.
         1. Fact: In the simulation, British businesses made less profit in Round 2 than they did in Round 1.
         2. Fact: British businesses had to spend too much money transporting imports and exports for the colonies.
      ii. Main Reason 2: British businesses lacked access to the raw materials they needed.
         1. Fact: In the simulation, the other European countries bought all the resources from the households in Round 2 and there were none for the British businesses.
         2. Fact: The laws passed by the British crown did not allow British businesses to buy raw materials from the colonies.
      iii. Main Reason 3: Mercantilist policies decreased the ability of British businesses to benefit from comparative advantage.
         1. Fact: Since the British businesses could not trade with the rest of Europe, they had to make Britain self-sufficient and produce all goods needed.
2. Fact: Since Southern colonial households were successfully smuggling resources to continental Europe, British businesses were produced goods at a higher opportunity cost.

b. Restatement: British businesses trading in British North America would have opposed mercantilist policies due to the loss of financial well-being, inadequate access to raw materials, and the inability to specialize based on comparative advantage.
Handout #6: Graphic Organizer

**Thesis Statement**

____________________________________________________

____________________________________________________

____________________________________________________

**Main Reason One**

____________________________________________________

____________________________________________________

____________________________________________________

**Fact/Example One**

____________________________________________________

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____________________________________________________

**Main Reason Two**

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**Fact/Example One**

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**Main Reason Three**

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**Fact/Example One**

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**Fact/Example Two**

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**Fact/Example Two**

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**Restate Thesis Statement/Conclusion**

____________________________________________________

____________________________________________________
Standards and Benchmarks

National Standards for Economic Education

Content Standard 5: Trade

a. Students will understand that: Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and among individuals or organizations in different nations.

b. Students will be able to use this knowledge to: Negotiate exchanges and identify the gains to themselves and others. Compare the benefits and costs of policies that alter trade barriers between nations, such as tariffs and quotas.

Content Standard 7: Markets and Prices

a. Students will understand that: Markets exist when buyers and sellers interact. This interaction determines market prices and thereby allocates scarce goods and services.

b. Students will be able to use this knowledge to: Identify markets in which they have participated as a buyer and seller and describe how the interaction of all buyers and sellers influences prices. Also, predict how prices change when there is either a shortage or surplus of the product available.

Content Standard 13: Income

a. Students will understand that: Income for most people is determined by the market value of the productive resources they sell. What workers earn primarily depends on the market value of what they produce.

National U.S. History Content Standards

Content Standard 3A: Economic Life in British North America

a. The student understands colonial economic life and labor systems in the Americas.
b. The student will explain mercantilism and evaluate how it influenced patterns of economic activity.

Common Core Standards

<table>
<thead>
<tr>
<th>Comprehension and Collaboration</th>
<th>Grades 9–10 students</th>
<th>Grades 11–12 students</th>
</tr>
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<tbody>
<tr>
<td>1c. Propel conversations by posing and responding to questions that relate the current discussion to broader themes or larger ideas; actively incorporate others into the discussion; and clarify, verify, or challenge ideas and conclusions.</td>
<td>1c. Propel conversations by posing and responding to questions that probe reasoning and evidence; ensure a hearing for a full range of positions on a topic or issue; clarify, verify, or challenge ideas and conclusions; and promote divergent and creative perspectives.</td>
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