

CHAPTER  
**15**  
SECTION 5

# Note Taking Study Guide

## EFFECTS OF GLOBAL CONTACT

**Focus Question:** How did the voyages of European explorers lead to new economic systems in Europe and its colonies?

A. As you read "The Columbian Exchange," complete the following flowchart to record the sequence of events that led to the Columbian Exchange, as well as the effects.

Causes	Columbian Exchange	Effects
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____

B. As you read "A Commercial Revolution," complete the following flowchart to record the sequence of events that led to new global economic systems, as well as the effects.

Causes	New Economic Systems	Effects
• _____	• Capitalism	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____
• _____	• _____	• _____

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## Section Summary

### EFFECTS OF GLOBAL CONTACT

#### READING CHECK

What is the name for the vast global interchange begun by Columbus' first voyage?

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#### VOCABULARY STRATEGY

In the underlined sentence, what does the word *dispersal* mean? Study the surrounding words, phrases, or sentences. Circle any context clues that help you decide on the meaning of *dispersal*.

#### READING SKILL

**Recognize Sequence** What happened in the 1500s that led to inflation in Europe?

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Exploration in the 1500s and 1600s led to European domination of the globe. By the 1700s, worldwide contact brought major changes to people in Europe, the Americas, Asia, and Africa.

When Columbus returned to Europe in 1493, he brought back American plants and animals. Later, he carried European plants, animals, and settlers back to the Americas. This began a vast global interchange named for Columbus, the **Columbian Exchange**. Sharing different foodstuffs and livestock helped people around the world. The dispersal of new crops from the Americas also contributed to worldwide population growth by the 1700s. Additionally, the Columbian Exchange started a migration to the Americas, the forcible transfer of millions of slaves, and brought death to millions of Native Americans from European diseases.

Another effect of global contact was great economic change. In the 1500s, the pace of **inflation** increased in Europe, fueled by silver and gold flowing in from the Americas. Inflation is a rise in prices linked to sharp increases in the money supply. This period of rapid inflation in Europe is known as the **price revolution**. Out of this change came **capitalism**, an economic system of private business ownership. The key to capitalism was **entrepreneurs**, or people who take financial risks for profits. European entrepreneurs hired workers, paid production costs, joined investors in overseas ventures, and ultimately helped convert local economies into international trading economies. Fierce competition for trade and empires led to a new economic system called **mercantilism**, which measured wealth by a nation's gold and silver. Mercantilists believed the nation must export more than it imports. They also pushed governments to impose **tariffs**, or taxes on foreign goods, giving an advantage to local goods over now costlier imports.

Economic changes, however, took centuries to affect most Europeans, who were still peasants. But by the 1700s, many social changes had taken place, too. Nobles, whose wealth was in land, were hurt by the price revolution. Merchants who invested in overseas ventures grew wealthy, and skilled workers in Europe's growing cities thrived. A thriving middle class developed.

#### Review Questions

1. Why did mercantilists push governments to impose tariffs?

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2. By the 1700s, what groups were benefiting most from economic change?

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