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Ap Euro - Per. 2  
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Nice job Pooja

Unit 4 LEQ:

Analyze the influence of the theory of mercantilism on the domestic and foreign policies of France, England, Spain, and the Dutch Republic between 1600-1715.

1. Intro

- a) The earliest traces of mercantilism can be found with with the new monarchies that arose during the late 15th and 16th centuries. It began with the simple goal of expanding a nation's wealth and increasing royal control over both internal and external policies of the state (Context).
- b) As time passed and the theory of mercantilism evolved, it influenced the domestic and foreign policies of France, England, Spain, and the Dutch Republic between 1600-1715 (Restatement).
- c) A mercantile focused economy caused French, English, Spanish, and Dutch Empires to regard the world as an arena of scarce resources which altered foreign policies through reasons of greed and competitive nature (X). The influence of mercantilism also affected the empire's domestic policies in that a merchant capitalism approach became popular in many empires (Y).

Good

2) Body P1: Foreign policies

- a) ~~Thesis~~ → Foreign policies of the dominant empires quickly changed through wars in order to become accustomed for a mercantile economy.
- i) Evidence: To French and British merchants, India appeared as a vast potential market for European goods.
- (1) The seven years war, fought in the Americas, was for power over colonies but also over India. Each country wanted to establish trading ports and stock companies there to gain direct access to the calicos and spices which were in high demand.
- (2) With Britain's victory, the Treaty of Hubertusburg and Treaty of Paris respectively ended the continental struggle for power and declared that Great Britain would receive India therefore resulting in a changed foreign policy.
- ii) Evidence: During the transatlantic trade, Spain began the importation of cash crops and sugar plantations to its colonies which led to the importation of African slaves later.

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Sentence

analysis

analysis

- (1) Once sugar entered the Western diet, the Spanish Empire began to realize the large profit that could come from sugar production and made that a cash crop for their colonies in the Caribbean.
- (2) Before, only a mother country could trade with her colonies and visa versa. However, with the introduction of the triangle trade, the foreign policy was changed as Europe, Africa, and the Americas began trading amongst themselves.
- (3) This also led to a large importation of African slaves to the Caribbean islands in order to produce the sugar.

### 3) Body P2: Domestic Policies

7. sentence

a) ~~Thesis~~ → Domestic policies in many empires also were influenced by mercantilism as merchant capitalism became popular in rising economies.

i) Evidence: Dutch Tulips causing the stock market inflation and inevitable crash during the Dutch Golden Age.

analysis

- (1) Entrepreneurs and investors in the Netherlands led the way in implementing capitalistic ideas as their individual initiatives and strategies worked together to lead the Netherlands to become the leading commercial center of Europe.
- (2) It created the first ever stock market exchange, the bourse, in Amsterdam which reduced government involvement and control in the economy.
- (3) The changing domestic policy now allowed for anyone to buy stocks and become a millionaire overnight making it easy to raise enough capital for trading ventures. (Dutch United East India Company)

ii) Evidence: Jean-Baptiste Colbert and French rise to mercantilism through an absolutist state.

analysis

- (1) As Louis XIV's controller general of finances, Colbert created an economic base and centralized the economy by regulating the flow of imports and exports and organizing activity through tariffs and state supervision.
- (2) He simplified the administrative bureaucracy, abolished unnecessary positions and reduced those exempt from tax while simultaneously increasing the taille.

(3) This altered the domestic policy of France and unquestionably transformed the nation into a major commercial power.

4) Conclusion

- a) In conclusion, mercantile focused economies caused the French, English, Spanish, and Dutch Empires to regard the world as an arena of scarce resources which altered foreign policies through reasons of greed and competitive nature. The influence of mercantilism also affected the empire's domestic policies in that a merchant capitalism approach became popular in many empires. (*restatement*).
- b) This is significant because mercantilism and merchant capitalism refers to the earliest phase in the development of capitalism which is still used today. When the mercantile era drew to a close around the 19th century, it gave way to industrial capitalism. Without these influences of mercantilism, our modern economy which revolves around capitalism for the most part would be very different (*significance*).