

Economics of Early America Review

BibleMouse.com

Understanding Colonial Trade and Economic Systems

Name: _____

Date: _____

Answer the following questions based on the lesson about the economics of early America.

1. What is mercantilism?

- A. A type of government
- B. An economic system where colonies provide resources to their home countries
- C. A religious practice

2. How did the economic system of mercantilism impact trade in early America?

3. Colonies were allowed to freely trade with any country they wanted.

- True False

4. Under mercantilism, colonies provided raw materials like ____ and crops to their home countries.

5. What was one economic challenge faced by early settlers?

- A. Access to unlimited resources
- B. Trade restrictions by home countries
- C. Abundance of manufactured goods

6. What might have made trading fair for everyone in early America?

7. The home country controlled and taxed trade from its colonies.

- True False

8. Proverbs 22:29 teaches that a skilled worker will stand before ____; this relates to the value of hard work in economics.

9. What resources were colonies expected to provide?

- A. Manufactured goods
- B. Timber, fur, and crops
- C. Gold and silver

10. How might colonists have felt about the trade restrictions imposed by their home countries?

Answer Key

1. An economic system where colonies provide resources to their home countries 2. Mercantilism required colonies to trade raw materials for manufactured goods, limiting their trade options. 3. False 4. timber 5. Trade restrictions by home countries 6. If colonies could trade freely with other countries, it would allow for better prices and more choices. 7. True 8. kings 9. Timber, fur, and crops 10. They likely felt frustrated and limited because it affected their ability to trade freely and make a profit.