Mercantilism Simulation

The Goal: As a colony or a country, your goal is to collect the largest amount of gold.

Value of Goods for Trade between Colonies and Countries--Rounds One and Two:

- 2 raw materials = 1 bar of gold
- 2 raw materials = 1 finished product
- 1 finished product = 2 bars of gold

Value of Goods for Trade between Colonies/Countries and the Bank:

- 2 raw materials = 3 bars of gold **Only European countries can trade in raw goods
- 1 finished product = 3 bars of gold **Only colonies can trade in finished goods

Round One: Salutary Neglect (5 Minutes)

- You can trade with any group you like—No rules!
- You keep any gold you get, colonies turn in finished goods to the bank (Mrs. Anthony) and get gold in return, countries turn in raw materials to the bank to get gold

Round Two: Navigation Acts (5 Minutes)

- **Colonies can ONLY trade with European nations and vice versa**
- If Spain and the Netherlands choose to trade with the colonies, they must pay England two gold bars
- Colonies must pay England 2 gold bars if they choose to trade with Spain or the Netherlands
- At the start of the round, all colonies must pay England one gold bar to use British ships

Round Three: Did the Colonies have a Chance? (5 Minutes)

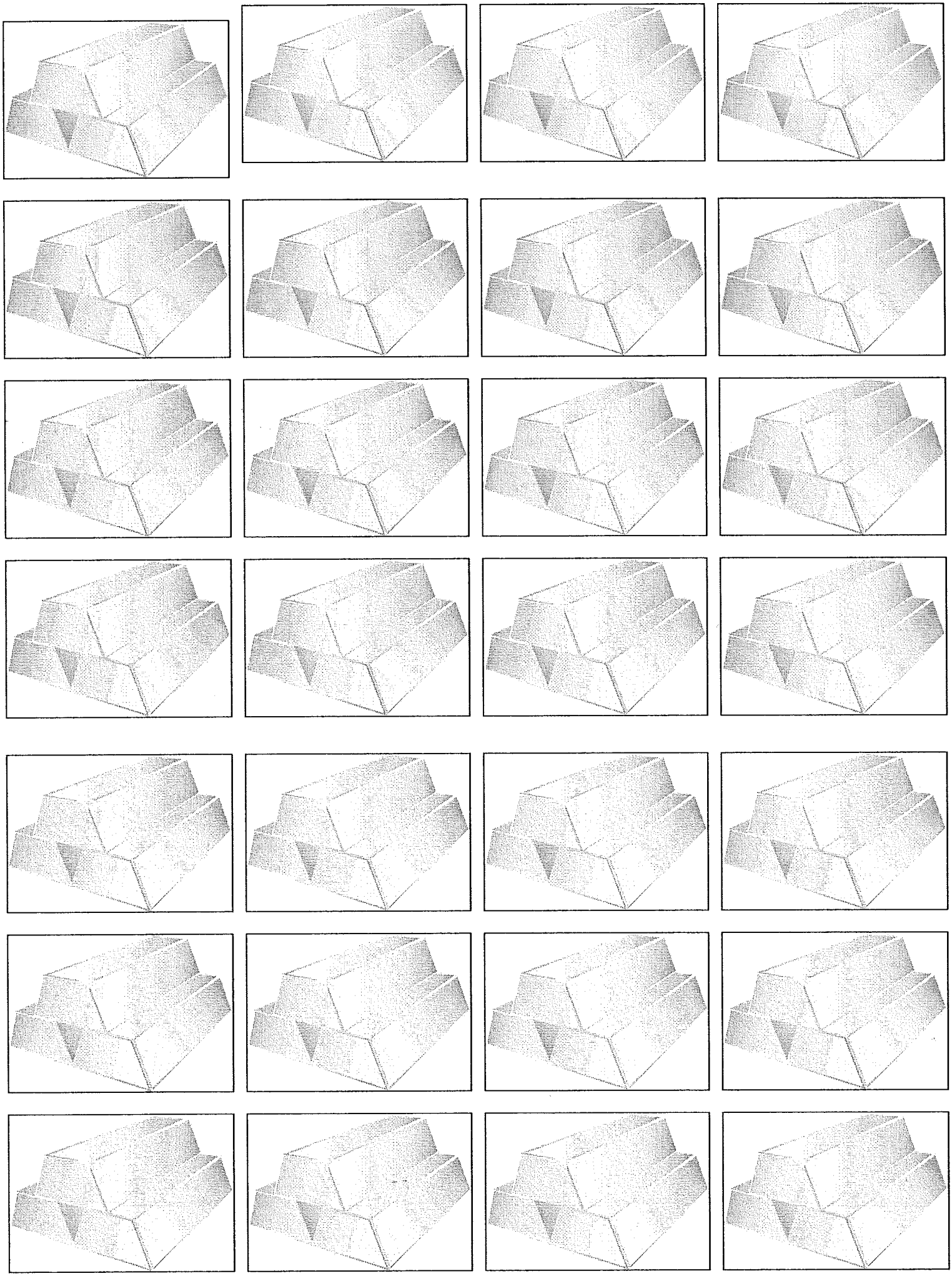
- The values are changing!
- Same rules as Round Two BUT now the colonies can choose to NOT pay the tariffs to England and risk the consequences
- When the colonies are trading with England—NOTHING CHANGES
  - 2 raw materials = 1 bar of gold
  - 2 raw materials = 1 finished product
  - 1 finished product = 2 bars of gold
- When the colonies are trading with Spain or the Netherlands—
  - 1 raw material = 1 bar of gold
  - 1 raw materials = 1 finished product
  - 1 finished product = 1 bar of gold
- England can send out agents to monitor your trading—IF they catch you smuggling/not paying tariffs, they can fine you 5 gold bars

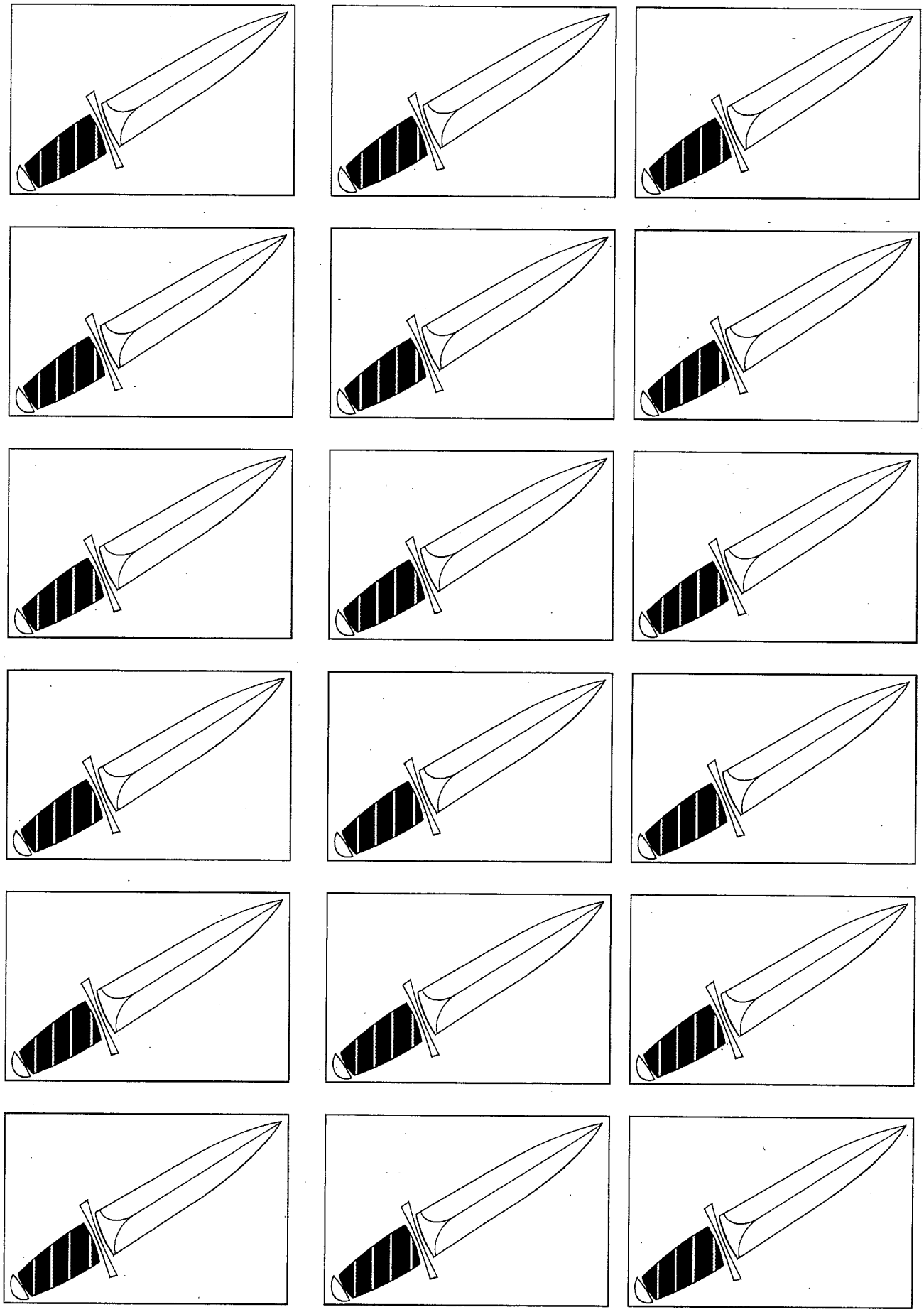
Instructor Guidelines:

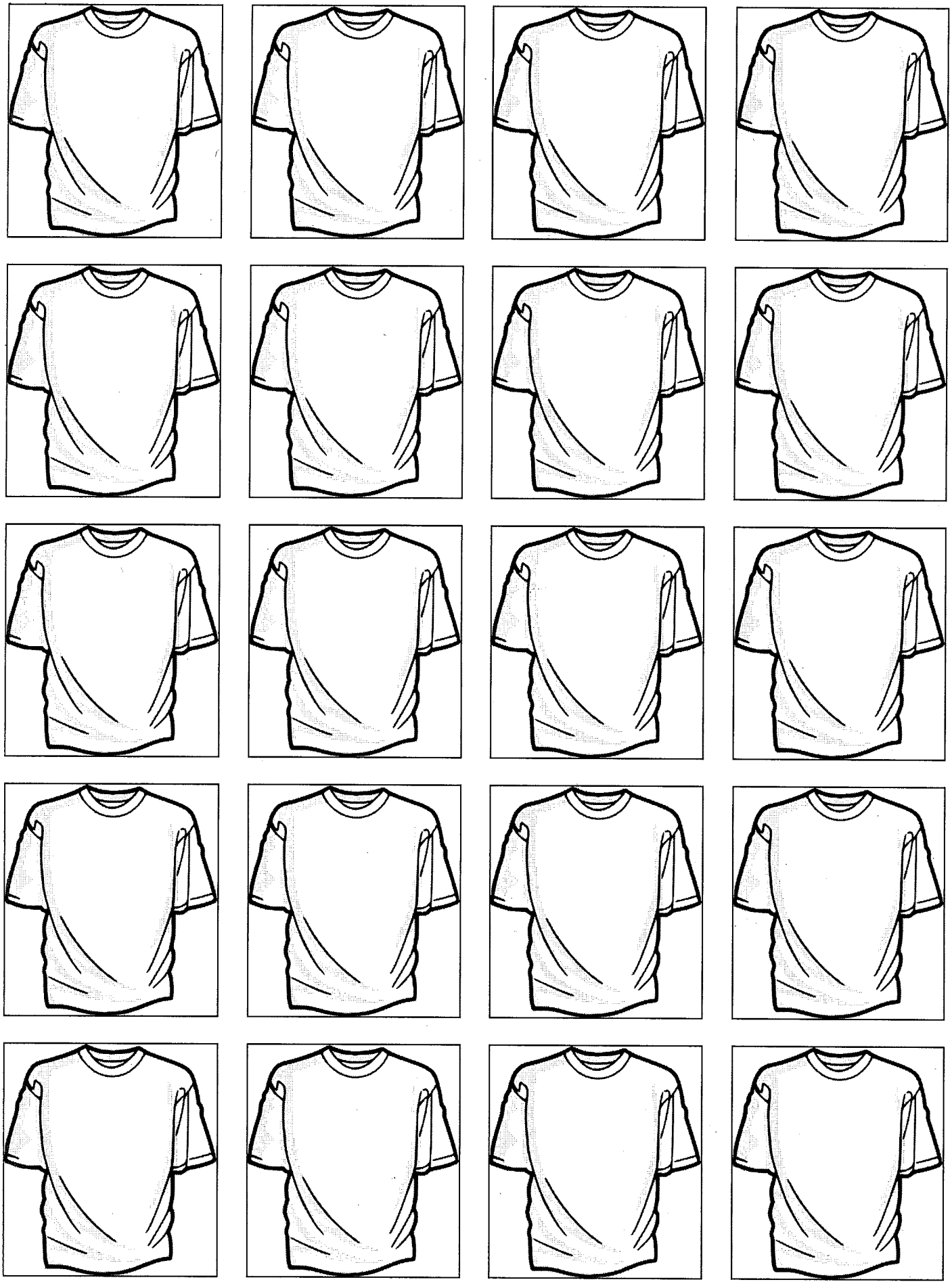
1. Per round: Give 8 raw goods to each colony
2. Per round: Give 2 gold bars and 2 finished products to European countries
3. Each group needs to choose a representative to be the runner to the bank—they must wear a sign that says your group's name

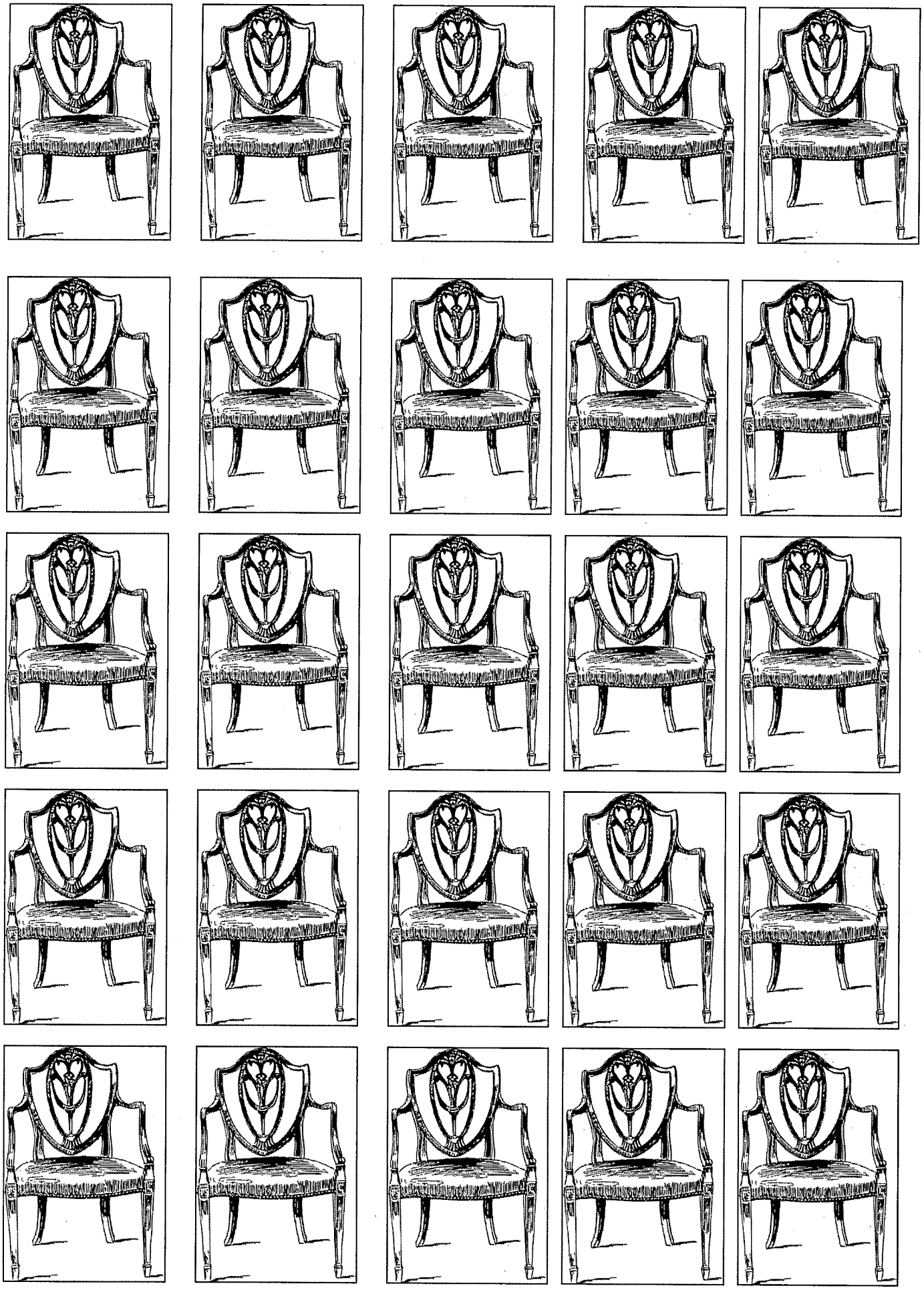
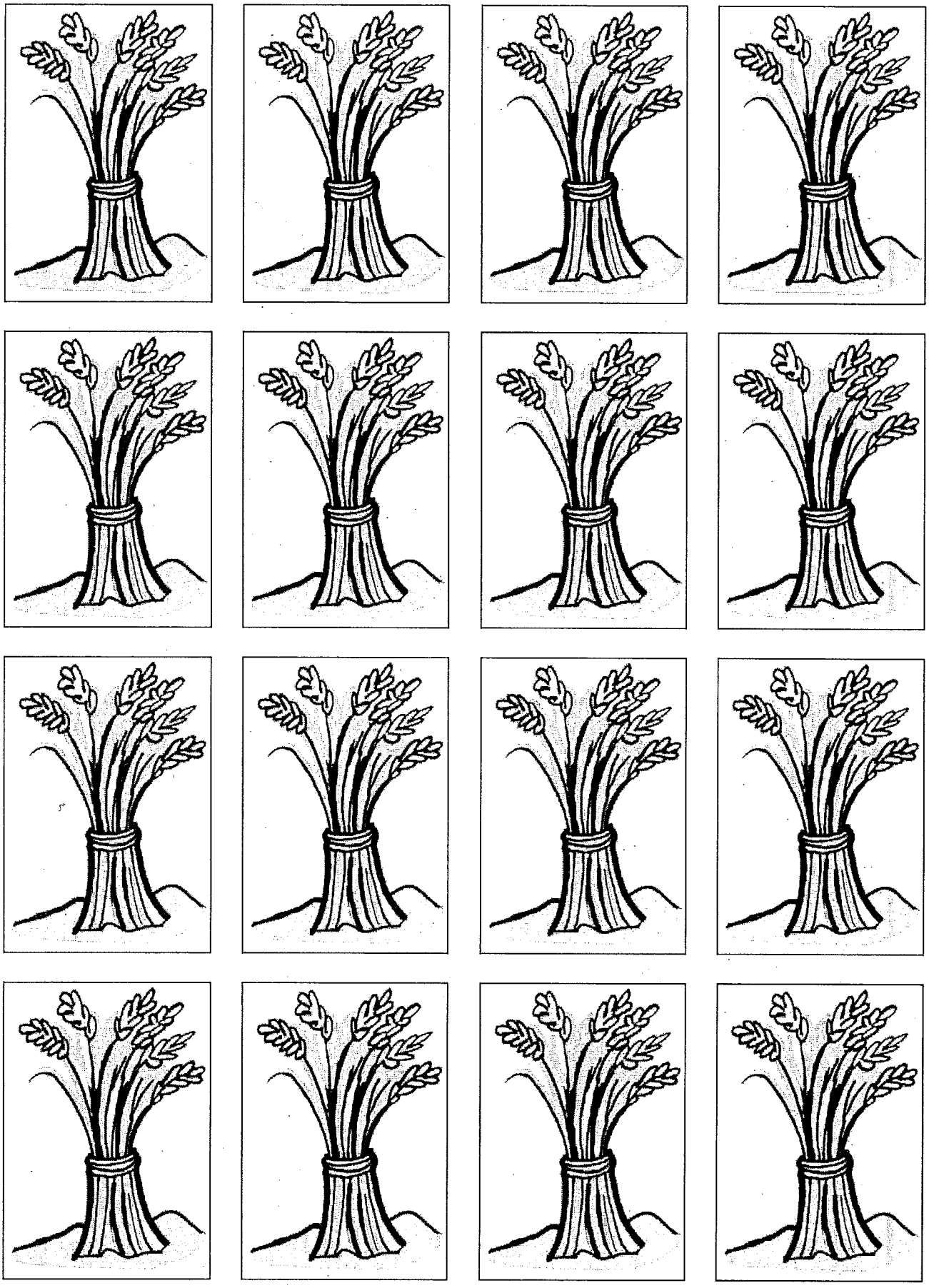
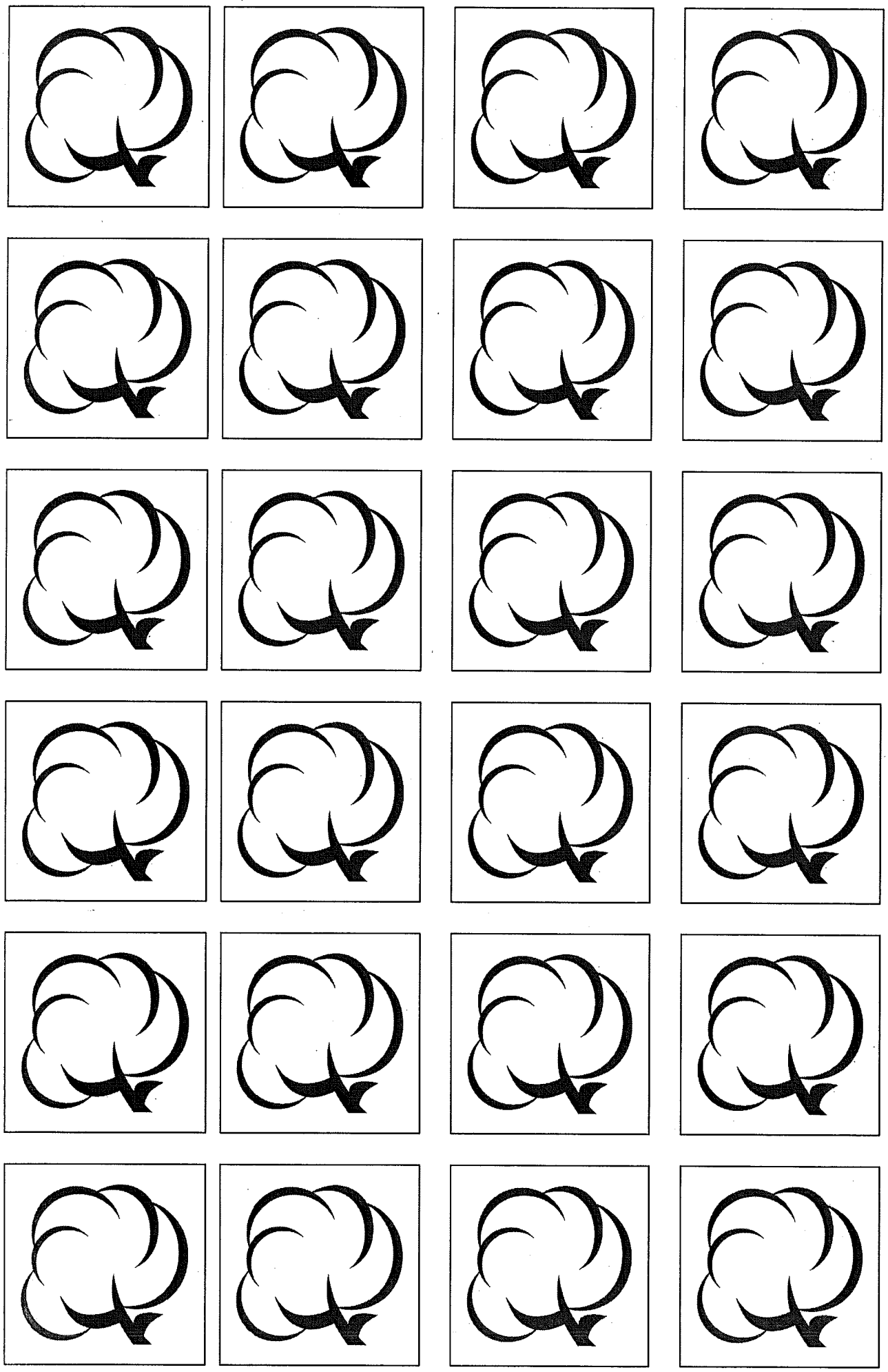
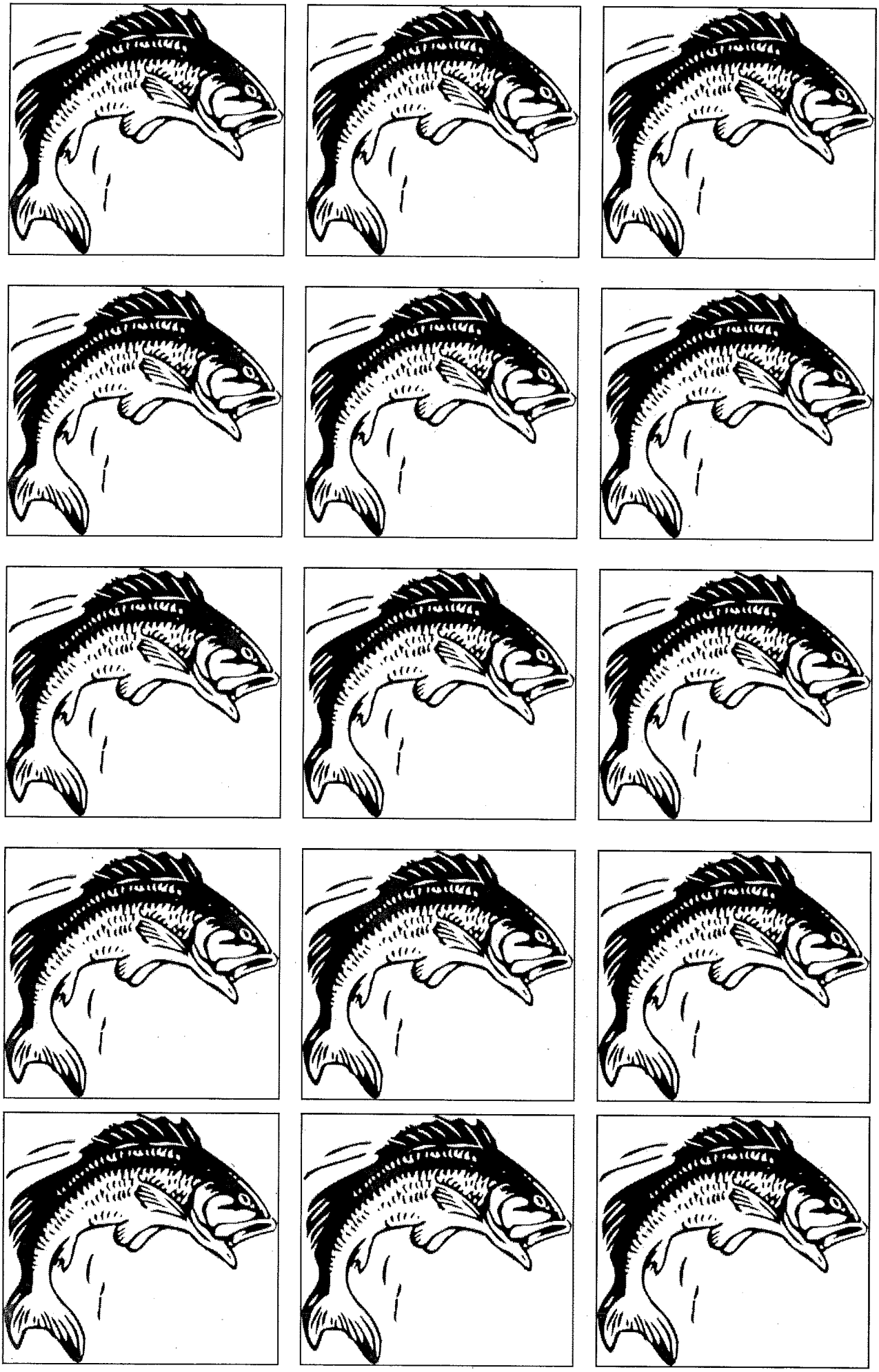
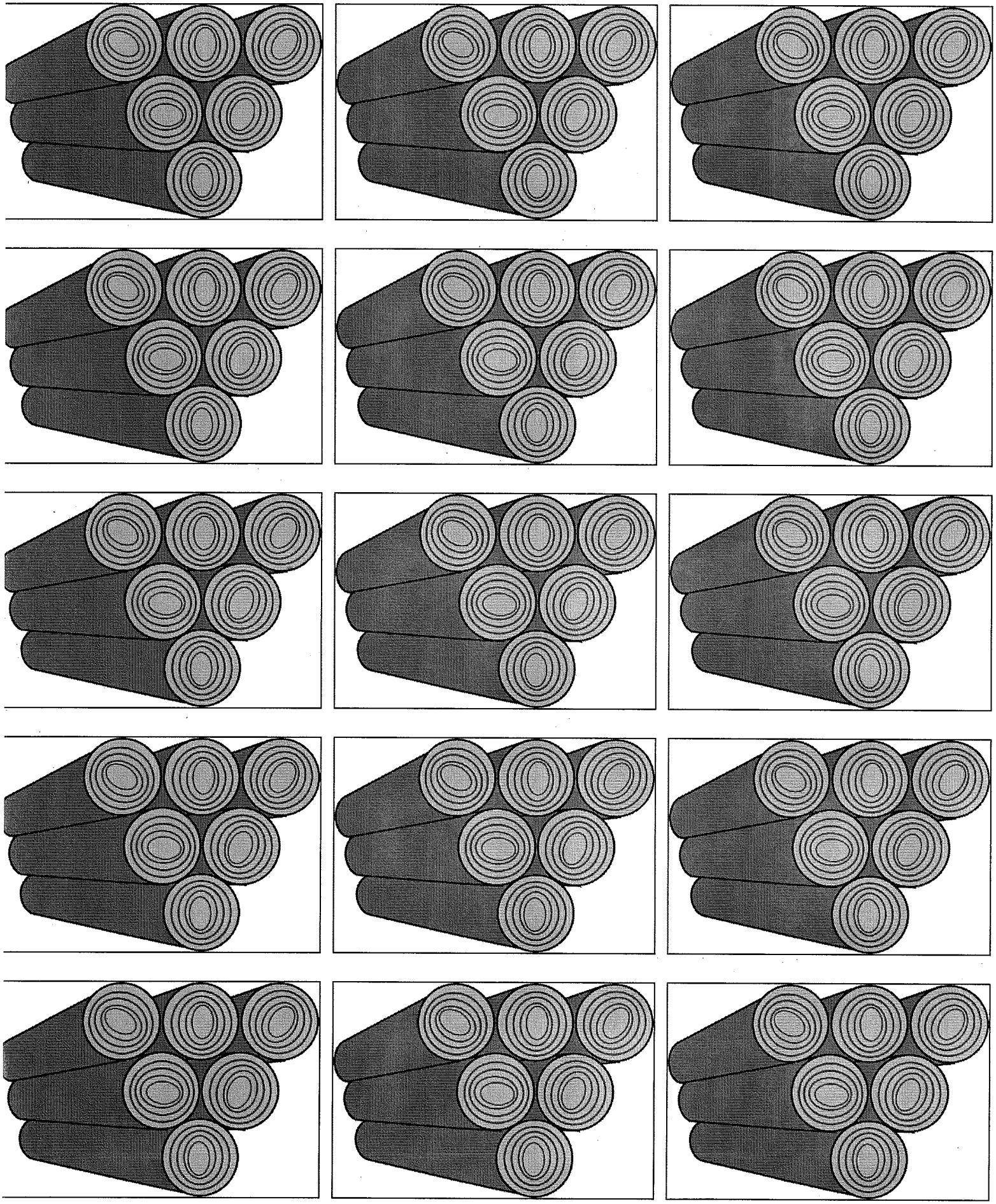
Total #'s needed of each "currency"

- 24 raw materials per colony (package each in sets of 8) x 5 = 120 of each for whole day
- 6 finished goods per country (package each in sets of 2) = 30 of each for whole day
- 18 gold bars for pre-distribution (package each in sets of 2) = 90 for whole day
- make hundreds of gold bars for you in reserve





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