**Unit 5 – Revolutions Topic 5.7 – Economic Developments and Innovations in the Industrial Age**

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| **Economics Systems**As societies develop, they affect and are affected by the ways that they produce, exchange, and consume goods and services.  |
| **Learning Objective** | **Historical Developments** | **Study Guide Notes** |
| Explain the development of economic systems, ideologies, and institutions and how they contributed to change in the period from 1750 to 1900.  | Western European countries began abandoning mercantilism and adopting free trade policies, partly in response to the growing acceptance of Adam Smith’s theories of laissez-faire capitalism and free markets.  |  |
| The global nature of trade and production contributed to the proliferation of large-scale transnational businesses that relied on new practices in banking and finance.  |  |
| The development of industrial capitalism led to increased standards of living for some, and to continued improvement in manufacturing methods that increased the availability, affordability, and variety of consumer goods.  |  |
| **Respond to the Learning Objective:** |