

Unit 3: International Economic Organizations

The Industrial Revolution

- a. **industrial revolution** - a period when there was a large and rapid change in the way things were made
- b. **mercantilism** - theory that a nation's prosperity is based on its ability to trade with others
- c. **nationalism** - pride and devotion in one's nation or ethnic group
- d. **conservatism** - opposition to rapid change; supports keeping traditions
- e. **liberalism** - actively work or promote change; emphasis on equality
- f. **entrepreneurship** - working toward building a business or product to collect a profit
- g. **socialism** - the means (ex. Factories, farmland, etc.) of making, moving, and trading wealth should be controlled by the workers.

- h. **Capitalism** - government plays a secondary role.
People and companies make decisions about property and goods.
- i. **division of labour** - people begin to specialize in small, repeatable tasks to improve efficiency and productivity.
- j. **putting-out system** - when a merchant has various farms and villagers create products which he/she collects and sells for a profit.
- k. **market economy** - when the prices of products and services are determined by supply and demand
- l. **mixed economy** - a combination of both a market and command economy
- m. **command economy** - big decisions are made by the government; planned economy
- n. **truck** - a form of currency that can only be used at certain factory stores