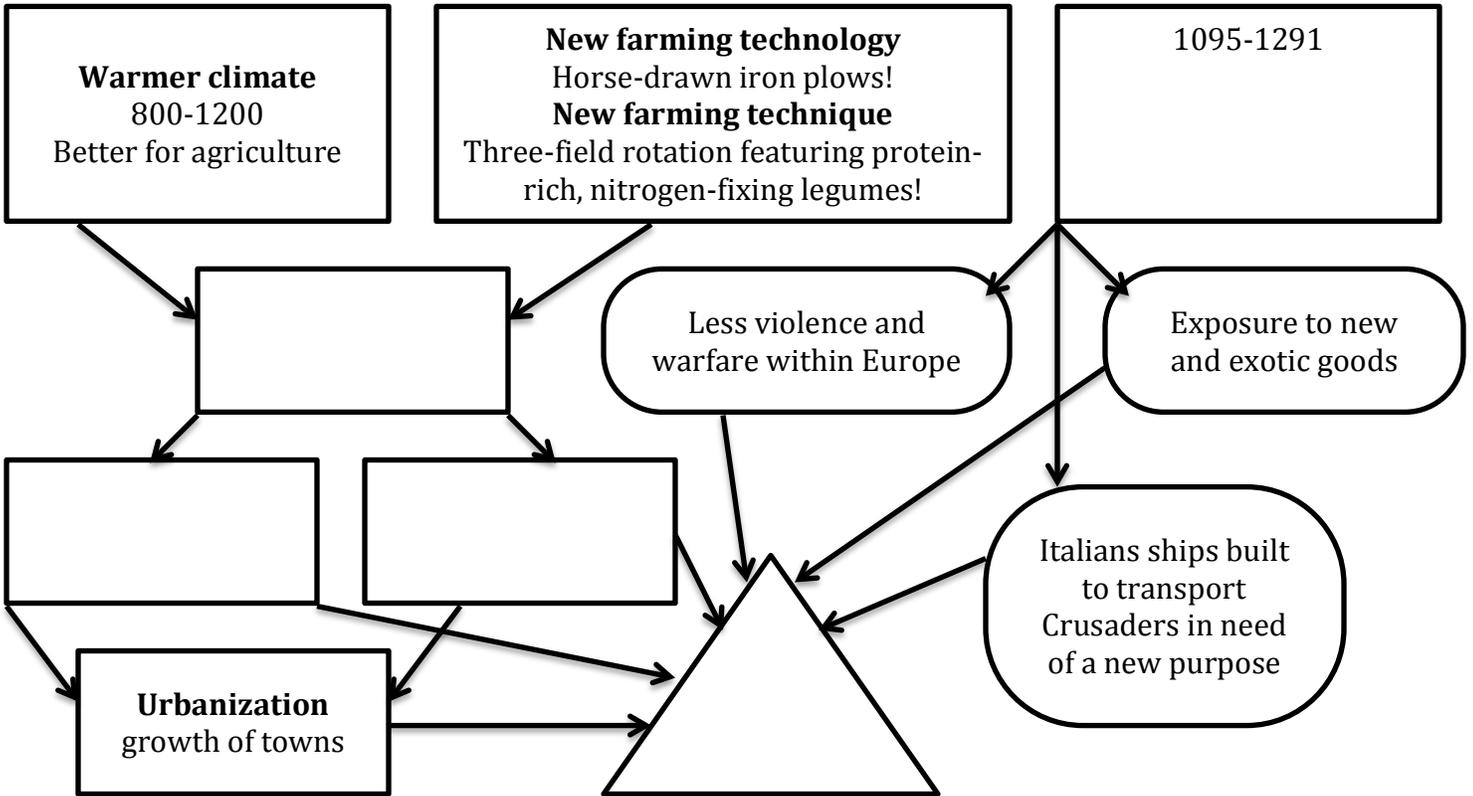


Late Medieval Economic Revival

Quaestio: _____

Nunc Agenda: Using your amazing knowledge of history, follow the arrows and fill in the missing boxes.



Growth of Trade and Towns

- Goods from the East arrived in Northern Italian cities like Venice, and were then brought by land and sea to Northern Europe, where trade was growing
- The Teutonic Knights, who had conquered and converted the Baltic region during the Northern Crusade, created the Hanseatic League, a trade alliance of German towns that dominated Northern European trade
- Small seasonal trade fairs grew and evolved into permanent towns and then cities
- Most new towns were set up by merchants, who formed merchant organizations called guilds, which also ran the town, made laws, and regulated trade
- Towns were created outside the authority of Lord's, directly under Kings
- **Charter**- document from King giving people permission to have a town on the King's land

Commercial Revolution

- Increase in trade = increase in money use
- Europeans borrowed ideas from Muslim merchants such as
 - **Partnerships**- groups of people pooling together **capital** (money for investment) to pay for large-scale projects
 - Letters of Credit- Pieces of paper that could be exchanged for money at banks in many cities
- Banks form to loan money for investment, but charging interest was seen as a sin Christianity
- However, Judaism permitted Jews to lend to non-Jews, and soon Jews became known (and hated) for being money lenders and bankers

The Middle Class

- New rank between nobles and peasants including merchants, artisans, bankers
- Disliked by nobles and clergy
- Sign of a stronger economy