US INDUSTRIALIZATION

... and the Gilded Age 1870-1900
LG:

Analyze how the US became a worldwide industrial powerhouse

AND what were the consequences of industrialization?
<table>
<thead>
<tr>
<th></th>
<th>1750</th>
<th>1800</th>
<th>1860</th>
<th>1900</th>
<th>1928</th>
<th>1938</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Britain</td>
<td>1.9</td>
<td>4.3</td>
<td>19.9</td>
<td>18.5</td>
<td>9.9</td>
<td>10.7</td>
</tr>
<tr>
<td>United States</td>
<td>0.1</td>
<td>0.8</td>
<td>7.2</td>
<td>23.6</td>
<td>39.3</td>
<td>31.4</td>
</tr>
<tr>
<td>Germany</td>
<td>2.9</td>
<td>3.5</td>
<td>4.9</td>
<td>13.2</td>
<td>11.6</td>
<td>12.7</td>
</tr>
<tr>
<td>Russia</td>
<td>5.0</td>
<td>5.6</td>
<td>7.0</td>
<td>8.8</td>
<td>5.3</td>
<td>9.0</td>
</tr>
</tbody>
</table>
Rural Vs. Urban
1860 to 1930

America Becomes Urbanized

Population (in millions)

Year
1860 1870 1880 1890 1900 1910 1920 1930

Source: U. S. Census (adapted)
1. US Industrializes 1860s to 1900s

A. Industrialization

   i. The US shifts from farming to manufacturing things... industry.

   ii. Time of great growth EVERYWHERE.
       - Growth of a single nationwide market, corporations, and cities.
       - Entrepreneurs drive growth... INNOVATIONS!!!!!!!!!!!!!!

*** Govt. will support growth of Big Business.

   “Sorry farmers and low-level workers.”
B. Factors of Industrialization

i. Natural Resources

ii. Government support for Big Business
   - Capitalism & Laissez-Faire (“let do”)  
     + Little to no govt. regulation of business.
   - Patent system and Tariffs (tax on imports) & growth of monopolies.

iii. Innovation (new products & inventions) fuel new industries and growth.
   - Consumerism Industry: BUY BUY BUY THINGS.
   - New advertising, department stores, and catalogs fueled this.
   - Assembly lines = quicker & cheaper
Innovations in Industrialization
Reading...
WE HAVE THE GOODS.

Belleville, Ill.
Sears, Roebuck and Co.
Chicago, Ill.

I received the third shipment today from you and must say that the doors, thirty in all, are the best that I have seen. When I sent you the order for Nona pine doors I thought I would never use those doors in a $3,400.00 house. I took twenty-six doors from this order and the owner is more than pleased with them. I purchased the goods from you because I know that you do what is right to all concerned. I also send you another order for this year. In the near future I will send you more orders, because I am convinced now that you have the goods.

Yours respectfully,
E. F. DREWES.

MODERN HOME No. 185

$683.00

For $683.00 we will furnish all the material to build this Seven-Room House, consisting of Lumber, Lath, Shingles, Mill Work, Flooring, Ceiling, Siding, Finishing Lumber, Building Paper, Pipe, Gutter, Sash Weights, Hardware and Painting Material. NO EXTRAS, as we guarantee enough material at the above price to build this house according to our plans.

By allowing a fair price for labor, cement, brick and plaster, which we do not furnish, this house can be built for about $1,250.00, including all material and labor.

SEARS, ROEBUCK AND CO.

CHICAGO, ILLINOIS
Home Insurance Building, Chicago

Brooklyn Bridge, New York City
Considered a wonder of the world at the time.

As structures started soaring into the air, not even the sky seemed to be the limit of what Americans could achieve.
Trans-Atlantic Telegraph Cable
Pullman Sleeper Car and Town
Thomas Edison
The Assembly Line
Garrett Morgan
Patent System
Nikola Tesla
Advertising
Dishwasher
2. The Age of Railroads

A. 1865 = 30,000 miles to 1890 = 180,000 miles

B. RR’s became the backbone/infrastructure of industrialization.
*** Many of America’s richest men got their start or were involved in railroads.

C. Unified a nation.
   i. Time Zones started and US homogenized culturally.
1890—The period from 1880 to 1890 was one of rapid expansion. More than 70,000 miles of new lines were opened in that decade, bringing the total network up to 163,597 miles. By 1890, several trunk line railroads extended to the Pacific. In thirty years from 1860 to 1890, the total mileage of the region west of the Mississippi River increased from 2,175 to 72,389, and the population of that area increased fourfold.
D. Problems with the Railroads...

i. Abuses...

- 1888: 2,000 died & 20,000 injured while being built.
- To give industry friends rebates, prices on farmers to ship goods were raised... a lot.

ii. Panic of 1893 forced the consolidation of railroads.

- 65% of the railroads were owned by only 7 companies.

iii. Govt. had a hard time (for many reasons) regulating (controlling) railroads.

- Hard time enforcing the laws for now...
3. Entrepreneurs and New Business Practices

A. Mindset of the Times
   i. **Social Darwinism**: Survival of the fittest (individual and/or business).

B. Corporations allow greater sums of money to be raised and risk is spread out.

C. Entrepreneurs led the way with new business practices to monopolize the market.
Business Strategies Chart
POOR PEOPLE?

CALL THEM LAZY
Captains of Industry
Complete New Business Strategies Chart.

Now, Complete Carnegie DBQ.
OPPOSING VIEW POINTS

Captains of Industry
- Created Jobs
- Increased production
- Provided cheap products
- Gave money back to the community

Robber Barons
- Exploited workers
- Corrupted the government
- Greedy
The man who dies rich, dies disgraced.

### Average Daily Hours and Average Daily Wages in US Manufacturing: 1892

<table>
<thead>
<tr>
<th>Industry</th>
<th>Average Daily Hours</th>
<th>Average Daily Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textiles</td>
<td>10.20</td>
<td>$1.09</td>
</tr>
<tr>
<td>Shoemaking</td>
<td>9.81</td>
<td>$1.58</td>
</tr>
<tr>
<td>Paper makers</td>
<td>10.87</td>
<td>$1.33</td>
</tr>
<tr>
<td>Machine shop workers</td>
<td>10.06</td>
<td>$1.87</td>
</tr>
<tr>
<td>Iron and steel workers</td>
<td>10.67</td>
<td>$1.81</td>
</tr>
<tr>
<td>All industries</td>
<td>10.04</td>
<td>$1.46</td>
</tr>
</tbody>
</table>

Note: $600 a year supported a typical six-member family.

Note: In 1900 Andrew Carnegie personally made $23,000,000. Figuring that Carnegie worker 50-hour week and a 50-week year, Carnegie’s hourly “wage” in 1900 would have been equal $9,200. His daily “wage” was therefore about $92,000.
Carnegie's Philanthropy  
(Partial List)

<table>
<thead>
<tr>
<th>Gifts</th>
<th>Amount</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Princeton University</td>
<td>$400,000</td>
<td>To create Lake Carnegie for rowing</td>
</tr>
<tr>
<td>TIAA</td>
<td>$1,000,000</td>
<td>Teachers' Insurance &amp; Annuity Assoc.</td>
</tr>
<tr>
<td>Dunfermline Trust</td>
<td>$4,000,000</td>
<td>Carnegie's boyhood home town</td>
</tr>
<tr>
<td>Homestead Relief Fund</td>
<td>$4,000,000</td>
<td>Fund for steel workers and families</td>
</tr>
<tr>
<td>Church organs</td>
<td>$6,248,000</td>
<td>Total number, 7689</td>
</tr>
<tr>
<td>Carnegie Peace Endowment</td>
<td>$10,000,000</td>
<td>To “hasten the abolition of war”</td>
</tr>
<tr>
<td>Universities of Scotland</td>
<td>$10,000,000</td>
<td>Endowment for four universities</td>
</tr>
<tr>
<td>Teachers’ Pension Fund</td>
<td>$15,000,000</td>
<td>Old age help for poor professors</td>
</tr>
<tr>
<td>Carnegie Institution</td>
<td>$25,000,000</td>
<td>To promote scientific research</td>
</tr>
<tr>
<td>Free public libraries</td>
<td>$50,365,000</td>
<td>Total number, 2811, mostly in US</td>
</tr>
<tr>
<td>Carnegie Corporation*</td>
<td>$145,000,000</td>
<td>Supertrust for administering a large part of Carnegie’s remaining fortune</td>
</tr>
<tr>
<td><strong>Total (This list only)</strong></td>
<td><strong>$271,013,000</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Giving Overall</strong></td>
<td><strong>$350,695,653</strong></td>
<td></td>
</tr>
</tbody>
</table>

*The Carnegie Corporation’s net assets in 2005 were listed at $2,167,000,000. The foundation is currently giving out about $100,000,000 a year, most of it to education.
FORTY-MILLIONAIRE CARNEGIE IN HIS GREAT DOUBLE ROLE.
AS THE TIGHTFISTED EMPLOYER HE REDUCES WAGES THAT HE MAY PLAY PHILANTHROPIST AND GIVE AWAY LIBRARIES, ETC.
"And while the law of competition may be sometimes hard for the individual, it is best for the race, because it ensures the survival of the fittest in every department."

Andrew Carnegie

(Sources: Lindert and Williamson, 2012; U.S. Census Bureau)
4. The Labor Movement and Unions Emerge

a. Industrial workers start organizing & unionizing.
   i. Felt mistreated and exploited.
      - Work 12 hour days, 6 days a week.
      - No sick days or workers’ comp.
      - Horrible working and living conditions.
      - Lack of opportunity for advancement.
      - 1882, avg. 675 die a week.
      *** Child Labor
      - 20% of every kid under 15 worked.
      - Farmers taken advantage of too.

b. **Labor Movement** forms: workers unionize against the injustices of big business.
   i. STRENGTH THROUGH NUMBERS!
   ii. Goals: Pressure govt., higher wages, better working conditionings.
c. Early Unions
   i. Common unskilled workers, blacks, women, & skilled; **IWW**.
      ***International Workers of the World***
   ii. Skilled workers only (no women or blacks); **AFoL**.
      ***American Federation of Labor***

d. Union Tactics
   i. Strikes and **Collective Bargaining Agreements** (CBA’s)
      - Workers negotiating with management/owners.

e. Management/Owner Tactics
8 HOURS LABOUR
8 HOURS RECREATION
8 HOURS REST

8 HOURS
for WORK
8 HOURS
for REST
8 HOURS
for WHAT
WE WILL
g. Government’s Role in the Labor Movement... *Early on...*

i. The govt. favored business and was hostile towards unions.

*** *Read the 6 reasons on pg. 87 or... HAVE THE STUDENTS WRITE THEM ALL IF THEY DON’T PAY ATTENTION.*
6. Strikes Turn Violent

A. Great Railroad Strike of 1877
   i. Panic of 1873 = Massive Wage Cuts
   ii. Military called into these states; 100 die.
b) Pullman Company Strike, 1894
   i. Panic of 1893 = Huge Wage Cuts
   ii. President sends in troops; 11 die
LOOKING UP THE PANHANDLE RAILROAD.—From a Photograph by J. W. Taylor.
c) **Haymarket Riot** in May 1886

i. Bomb thrown during IWW protest; shootout & 7 police die.
   - No one knows who threw bomb.
   - 8 IWW speakers and protesters framed.

ii. Wave of xenophobia in the country.
   - Anti-immigration feeling.

*** MAY 1: World Wide Worker’s Holiday
Attention Workingmen!

GREAT MASS-MEETING

TO-NIGHT, at 7.30 o’clock,

AT THE

HAYMARKET, Randolph St, Bet. Desplaines and Halsted.

Good Speakers will be present to denounce the latest atrocious act of the police, the shooting of our fellow-workmen yesterday afternoon.

Workingmen Arm Yourselves and Appear in Full Force!

THE EXECUTIVE COMMITTEE
d. For the time being, unions lose support... *but rise later!*
Florida at the turn of the Century

A. Henry Flagler

i. Devoted his time, money & life to developing FL

ii. Formed basis for the tourism industry
   - Built railroads & luxury hotels across the state

iii. Railroads were his greatest impact
   - Connected East Coast of Florida to the Keys w/ Florida East Coast Railroad
   - The rail brought tourists to fill his hotels and rails also helped exports Florida crops
   - Rail thru Key West used for Caribbean trade until it was destroyed by a hurricane but is the foundations for the Overseas Highway today