

Chapter 9 Review Study Sheet 10-5-2011

Section 1: Rise of Industry

Ingredients for the Rise of Industrialization in the late 1800s:

Abundance of raw materials

Population growth from immigration and large families which meant a large workforce

Free Enterprise—A free market provides a profit motive for entrepreneurs (people who risk their money investing in new businesses)

Government Spending—President Lincoln and Congress gave western land and money to railroad companies

Inventions:

Telephone (1876)—invented by Alexander Graham Bell

Phonograph (1877)—invented by Thomas Edison (recorded sound and could play it back)

Lightbulb (1879)—invented by Thomas Edison

Other Inventions: Jello, Electric Chair, Jukebox, Roller Coaster, Refrigerator

Section 2: Railroads

Pacific Railway Act (1862)—signed by President Lincoln, this act provided for the construction of a transcontinental railroad by the Union Pacific and the Central Pacific which connected each coast

Government involvement—Federal Government gave land to each company along the track, so each company was in a competition for free land. The company that laid more track got more land.

Grenville Dodge—led the Union Pacific effort to build the transcontinental railroad

Cornelius Vanderbilt—owned a network of railroads—his son inherited his fortune and constructed the Biltmore mansion in North Carolina

Effect of a transcontinental railroad—time zones were created to make sure the train schedules would match up across the country

Section 3: Big Business

Corporation—an organization owned by many people (stockholders) who own shares of the corporation called stock

Andrew Carnegie—steel company owner who used the Bessemer Process to produce steel cheaply—his company was involved in the Homestead Strike—he gave away a lot of his money to pay for libraries around the US

Vertical Integration—a company owns all of the different business on which it depends for its operation

Example: A company sells pre-packaged salads. It decides to purchase the companies that grow or make the raw materials of salad: tomatoes, lettuce, onions, peppers, carrots, bacon, cheese, as well as transportation providers to transport the salad to the stores.

Horizontal Integration—a company buys other companies that compete with it in the same type of business

Example: Kentucky Fried Chicken buys up all similar competitors, such as Church's, Popeye's, and Chick-fil-A to increase its share of the market for fried chicken.

Monopoly—when a single company achieves control of an entire market

Advertising—advertising became more vibrant and colorful and celebrities began to be used in ads by the late 1800s, replacing boring black and white advertising

Section 4: Unions

Working conditions

In 1900 the average industrial worker made 22¢ per hour and worked 59 hours per week.

Work in industry was often *dangerous* because employers did not often provide a safe work environment (remember the excerpt from "The Jungle" by Upton Sinclair about the meat-packing industry in Chicago)

Triangle Shirtwaist Fire—work environment was unsafe because workers were locked in the building and could not get out when the fire started

Unions

Trade Unions—unions limited to workers with specific skills (carpenters, plumbers, shoemakers, etc.)

Industrial Unions—unions which united all craft workers (with specific skills) with all common laborers (unskilled)

How Companies Tried to Stop Unions

Violence or threats of violence against Union Leaders

Workers who joined a union could be fired and then blacklisted—placed on a list of troublemakers that employers shared with each other

If workers went on strike (refusing to work until pay or work conditions were improved), then the employer could use a lockout (locking the business and hiring replacement workers known as strikebreakers)

Other Factors that Made it Difficult to Form a Union

Marxism was a theory that eventually workers would overthrow business owners and governments, resulting in a classless society that shared all property and wealth equally.

Anarchists believed that if they assassinated political leaders, then a revolution would happen and governments would collapse. Anarchists wanted there to be no government.

Many workers were immigrants from Europe, where Marxist and Anarchist ideas were popular. For this reason, it was feared that unions were also made up of Marxists and Anarchists.

Important Unions and Union Leaders:

Knights of Labor—the first nationwide industrial union

American Federation of Labor—led by Samuel Gompers, this union helped unions to become more accepted in America

Women's Trade Union League—first union dedicated to promoting women's labor issues