

Forging the Nation's Economy Part 2: Industrial Revolution

Population Growth

- explosion: doubles between 1800-1825, doubles again in the next 25 years; mostly attributed to birthrate
- makeup: supplemented by Euro immigrants after 1830; nonwhite population grows (despite ban on importation of slaves after 1808), but as a percentage, nonwhites actually decline (20% in 1790, 15% in 1850s)
- location: by 1830s, about 1/3 live west of Alleghenies (northern Appalachians)

Transportation

- roads: PA's Lancaster Turnpike, built in 1790s, connected farmlands; success stimulates construction of other privately built, short toll roads; by mid-1820s, most major cities are connected by them; What "roadblocks" did pro-road people hit; think Jacksonians? (States' righters blocked spending of federal funds); roads crossing state lines was rare, National (Cumberland) Road was exception, major route west from Maryland to Illinois (1811-1850s) built with federal and state money
- canals: Erie Canal (1825) linked western farms with eastern markets; decade later all major lakes and rivers east of the MS are linked; This leads to 3 things: 1) lower food prices, 2) more immigrants moving West, 3) stronger economic ties between East and West
- steamboats: steam powered travel starts in 1807 with journey up the Hudson on the *Clermont*, developed by Robert Fulton; What does the steamboat do for transportation? (faster and cheaper)
- railroads: first lines built in 1820s; there were early safety issues, but by 1830s compete with canals, faster and more reliable method to carry people and freight; expands local national economy turns small towns into major commercial centers (Cleveland, Cincinnati, Detroit and Chicago)

Mechanical Inventions

- cotton gin: Eli Whitney was most famous of hundreds of inventors hoping to get rich with protective patent laws; invented the cotton gin in 1793, which would eventually revolutionize cotton industry
- interchangeable parts: created system to make rifles out of interchangeable parts during War of 1812; would become the basis for mass production

Factory System

- Samuel Slater: Slater snuck out Br manufacturing secrets and established the first US factory in 1791
- War of 1812: TJ's embargo and the War of 1812 helped stimulate domestic manufacturing Why? (out of necessity), tariffs helped factories to prosper
- New England: by the 1820s, NE becomes leading center of manufacturing because of its many waterways to drive machines and seaports for shipping goods; decline of original maritime industries made capital available; decline of farming in the region gave factory owners abundant labor supply; New York, New Jersey and Pennsylvania will soon follow
- encourages growth: as the system expands, it encourages growth of financial businesses (banking and insurance)

Labor

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Unions

- early unions: unions developed by 1790s; number increased as factory system did
- factory vs cottage industry: skilled workers (shoemakers and weavers) looked to factories for work because making things out of their home couldn't compete with lower priced, mass-produced goods
- long hours, low pay and poor working conditions: these were the common themes among factories which caused workers to organize; the prime goal was to reduce the workday to 10 hours
- obstacles: there were obstacles for unions
 - immigrant replacement workers
 - state laws outlawing unions (Texas is a right-to-work state)
 - frequent economic depressions with high unemployment; no way to fight this

Commercial Agriculture

- subsistence to commercial: What is subsistence farming? (farming mostly to provide for your family, maybe sell/barter small amounts); in early 1800s, farming becomes commercial enterprise
- cheap land: fed government offered land at low prices; banks made it easy to get land with low interest rates
- markets: western farmers no longer limited to southern markets via MS or OH rivers, why? (canals and railroads are open to growing factory cities in the east)

Cotton and the South

- Whitney's invention: Cotton gin (1793) transformed agriculture, allowing for the easy separation of cotton fiber from seeds
- cotton grows: cotton is now more profitable than tobacco and indigo
- investing capital: What is capital? (money used for investment); How did Southern planters use this excess capital? (more slaves and new land in AL and MS)
- overseas markets: most of the cotton crop goes to Br, Why? (textile industry there is booming, NE factories don't take much cotton, compared to how much is grown)

Effects of the Market Revolution

- new challenges: no more self-sufficient households and bartering for goods/services; now farmers fed city workers, who in turn provided farms with mass produced goods; standard of living increases for most, but brings new challenges
- women: family life changes, wives no longer work next to husbands on the farm; women faced 2 options for work: domestic service or teaching, factory jobs were rare and those who worked in factories were typically single
- Econ and social mobility: wages improve but gap between rich and poor widens; social mobility typically happened between generations, Meaning what? (children typically did better than parents), economic opportunities in the US were greater than Europe; examples of very poor becoming very rich are rare
- Slavery: at the turn of the century, many felt slavery would just disappear, because it was becoming unfeasible, Why? (exhausted soil and ban on importation of slaves in 1808); this attitude changes with the boom of the cotton industry; debate over slavery would soon come to a head