# Industrialization

Unit 2



Section 1

# **Big Business**

## Self-reliant individualism and entrepreneurs

- Hard working people
- Entrepreneurs risked money
- Free market capitalism
  - Competition
  - Laissez-faire
- Tycoons seen as "robber barons"
  - Gave money for this reason



## Corporations began to dominate

- Stock holders owned
- Trusts
  - Corporations turned over stocks to board of trustees to make decisions
- Monopoly
  - When a trust gained control of a market they had a monopoly
  - PRICE CONTROL!

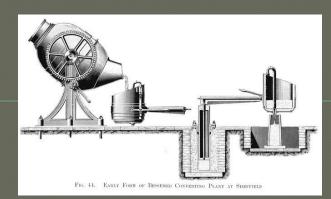


# Social Darwinism

#### Social Darwinism

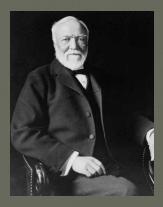
- Survival of the fittest
- Weaker people, businesses, and nations would fail

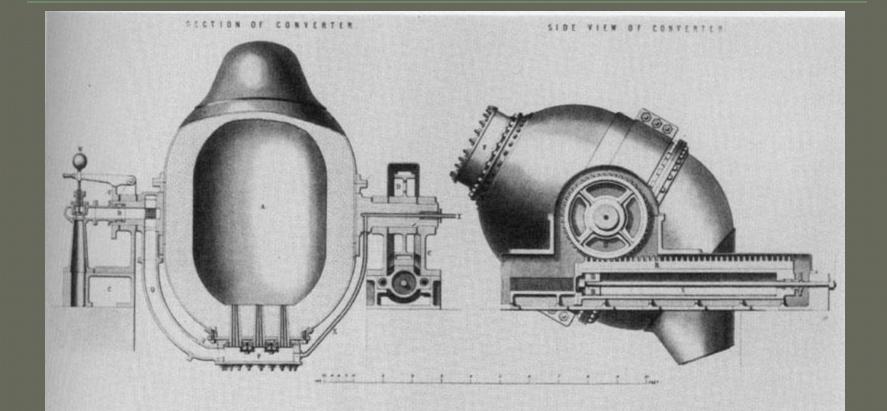
## Steel

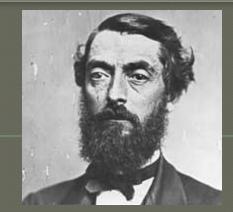




- Bessemer Process
- Purified steel and made stronger steel
- Made U.S. #1
- Cheaper
- Allowed for higher, taller, stronger buildings
- Andrew Carnegie
  - Carnegie Steel Company
  - Charity
  - Poor immigrant as a child





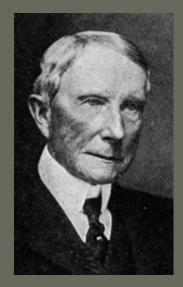


## Oil Industry

- Needed to lubricate machinery
- Edwin L. Drake
- Wildcatters

#### John D. Rockefeller

- Standard Oil Company
  - Owned 90% of oil industry
- Horizontal integration
  - All of one step of a business
- Vertical integration
  - All steps of a business
- Gave over half of fortune away
  - Rockefeller Foundation





# Railroads

Transcontinental Railroad

- Started in Omaha, NE headed West
  - Easy and quick building
- Started in Sacramento, CA headed East
  - Built by Chinese Immigrants
  - Much tougher terrain (mountains)
  - Dangerous work
- May 1869 two lines met in Promontory Summit, UT

### Led to adoption of standard time

- C.F. Dowd
- Divided earth into time zones
- Before standard time each town was on a different time zone

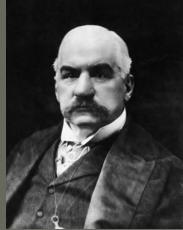


#### Abused settlers

- Didn't sell land
- Charged farmers high prices

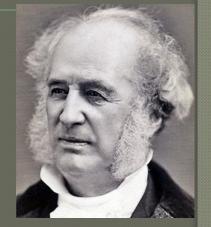
#### Railroads often went bankrupt

• J.P. Morgan and Company bough up lines and completed them



## Cornelius Vanderbilt

- Railroads
- Bought up track after Civil War
- Gave money to university: Vanderbilt U.
- George Pullman
  - Sleeper cars
  - Pullman Town \_ outside Chicago
    - Company owned everything





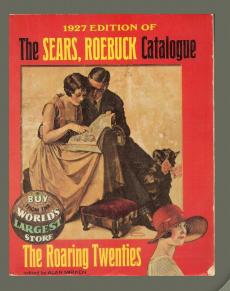


## **Business and Labor**

Section 2

# Mass Marketing

- Household items targeted to women
- Used brand names
- Department store emerged
- Mail-order companies serviced rural areas
  - Sears, Roebuck, and Company



## **Government and Business**

- People turned against laissez-faire
  Sherman Anti Trust Act of 1890
  - Prohibited monopolies and some trusts
- I0% of population controlled 75% of wealth



# Industrial Workers

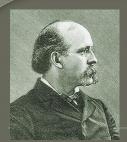
### • Workforce

- Immigrants
- Rural Americans who moved to cities
- Native born or European whites got best jobs
- 1 in 6 children worked in factory

### Work Conditions

- 10 hour days 6 days a week
- No sick leave, no vacation
- Injuries
- Sweatshops

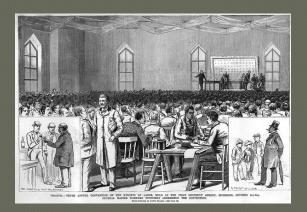




# Organized Labor

## Knights of Labor

- 1869
- Terence V. Powderly
- National Union
- Allowed un-skilled workers to join
- Haymarket Riot
- The Great Railroad Strike
  - 1877
  - Army showed up to end strike





### Commonwealth v. Hunt

- 1842
- Legalized labor unions

### American Federation of Labor

- Samuel Gompers
  - Higher wages/shorter hours

### Industrial Workers of the World

• IWW, Wobblies





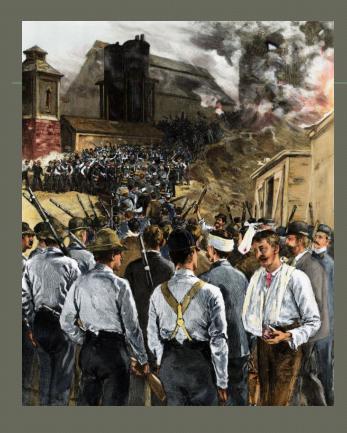


#### • The Homestead Strike

- Carnegie Steel Company
- Attempted lock out
- Workers took plant \_ private guard started battle
  - 14 hours
- State militia came to end strike

#### Pullman Strike

- After layoffs cut wages as well without lowering rent
- American Railway Union \_ Eugene V. Debs
- President Cleveland called in federal troops







Section 3

# Inventions





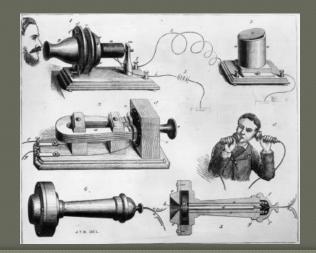
#### • Streetcars

- Horse drawn vehicles on steel rails
- San Francisco \_ cable cars
- Subways
  - Streets too crowded
  - Boston built 1<sup>st</sup>
- Automobiles
  - Internal combustion engine 1867
  - First car in US 1893
  - Too Expensive for most people
- Airplanes
  - Ohio Bicycle makers Orville and Wilbur Wright
  - Kitty Hawk \_ 12 Second Flight



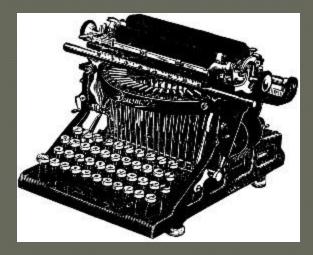
### • Telephone

- Alexander Graham Bell
  - Essential for business and eventually homes



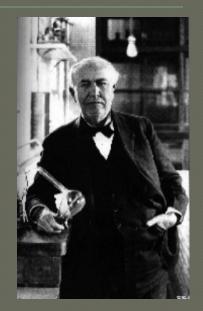
### • Typewriter

- Christopher Latham Sholes
- QWERTY Keyboard
  - So keys wouldn't hit each other
- Career for women



### Thomas Edison

- Obsessed with progress
  - Deaf at 12
  - Inventor at 22
  - Opened research lab in Menlo Park, NJ
    - "Wizard of Menlo Park"
- "Genius is 1% inspiration, 99% perspiration"
  - 1,000 patents
- Electric Lighting
  - Brought electricity to NYC





Section 4

# Old vs. New Immigration

#### • Old

- 1800-1900
- Northern and Western Europe
- Protestant Christian
- Some Asian Immigration

• New

- 1880-1910
- Southern and Eastern Europe
- Roman Catholics,
  Orthodox Christians and
  Jews. Arabs, Armenians,
  and French Canadians
- Little Asian Immigration

# Journey to America

- Ellis Island
  - Opened 1892 as an immigration station
    - 112 million immigrants
  - Immigrants had to pass inspection
- Angel Island
  - West Coast
    - San Francisco
  - Many Chinese immigrants were detained in prison-like conditions





# **Urban** Communities

#### Slums near work

As transportation improved people spread

• Ethnic clusters

#### Immigrants settled with others from the same area

- Ethnic
- Religious

#### Benevolent societies

- aid organizations to help new immigrants obtain jobs, health care, and education.
- Hull House
  - Founded by Jane Addams
  - Women could lead, work, and organize
  - Taught skills and language
- Religious views
  - The Social Gospel
  - Social Darwinists disagreed with the Social Gospel.



# Nativists Respond

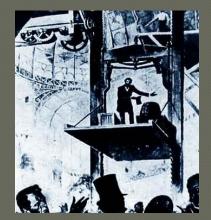
- Wanted no immigration
- Limited Chinese Immigration
  - Denis Kearney led opposition
  - The Chinese Exclusion Act
    - 1882
    - banned Chinese immigration for 10 years
    - Chinese in the U.S. would not be allowed citizenship.
    - Renewed in 1892
    - Outlawed Chinese Immigration1902



# **New Cities**

#### Tall buildings

- Steel frames
- Elisha Otis's safety elevator
- Transportation
  - People spread
- Green spaces
  - Urban planning
  - Frederick Law Olmsted designed city parks
    - New York's Central Park





# Social Classes

### Wealthy

- Inherited and made money
- Women
  - Homemakers and reformers
- - New Professional Class
  - Education required
- Working
  - Poverty and low wages
  - Poor living conditions

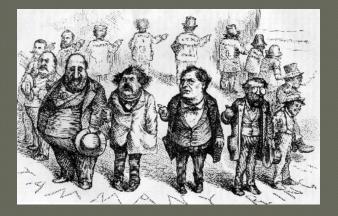


Section 5

# **Political Machines**

#### Political Machine

- Controlled Local Government
- Corruption
- Used Immigrant Votes
- The Tweed Ring
  - Political Machine in NYC
  - William Marcy Tweed
- Thomas Nast
  - a political cartoonist who attacked the corruption
  - Harper's Weekly



# Federal Corruption

### Grant's Scandals

- Crédit Mobilier
  - cost the taxpayers \$23 million
- The Whiskey Ring



#### Hayes and reform

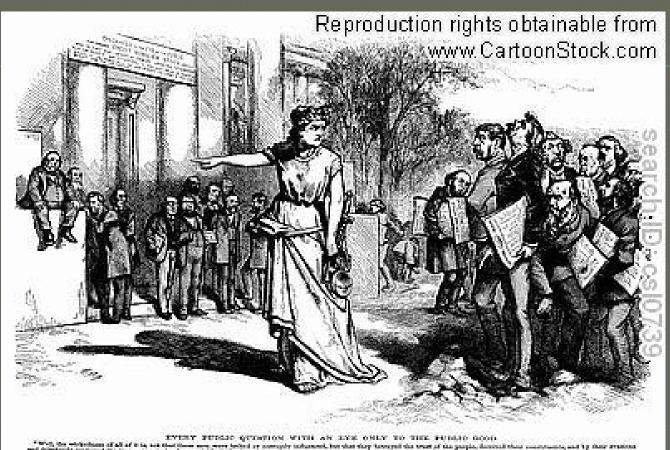
- Executive order
  - prohibited government employees from managing political parties or campaigns.
- Stalwarts

wanted to continue the spoils system.

- Civil service reform
  - Republicans compromised on James A. Garfield
    - Killed 4 months after taking office
  - Chester A. Arthur,
    - turned against the spoils system
    - Pendleton Civil Service Reform Act







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### Farmers

#### Farmers' hardships

- Prices fell, loans cannot be repayed
- Railroad fees abusive
- High price of farm equipment
  - Merchants making all the money
- Farmers made no profit will others profited of them

### The National Grange

- First major farmers' organization
- Political Reform for Farmers
  - Attacked Railroad Rates
- Munn v. Illinois
  - state legislatures could regulate businesses
- Wabash v. Illinois
  - Creation of ICC
  - Federal government could regulate railroads

#### • The Farmers' Alliance

- Banking Reform
- Railroad Regulation
- Colored Farmers' Alliance
  - advocated hard work and sacrifice
- Expanded money supply
  - Silver backing of money
    - Intentional inflation



Section 6

# Populist



- born in Nebraska in July 1892.
- Party Platform
  - Supported the National Grange and Alliance
  - income tax
  - bank regulation
  - government ownership of railroad and telegraph companies
  - direct election of senators
  - free coinage of silver.

#### 1892 election

• Populists took several state offices and won seats in Congress.



# Panic of 1893

#### Depression

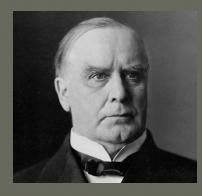
- investors pulled out of the stock market
- businesses collapsed

#### Cleveland

- Blamed silver
  - Silver prices fluctuated
  - People exchanged money for gold
- Congress repealed the Sherman Silver Purchase Act
  - Country stayed on the gold standard

# Election of 1896

- William McKinley
- Republican
- Gold Standard
- Winner!



- Williams Jennings Bryan
- Democrat
- Supported by Populist
- Free coinage of Silver
- Cross of Gold Speech

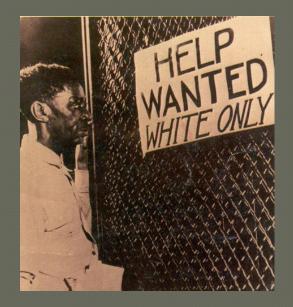


### **Racial Issues**

Section 7

## Segregation and Discrimination

- Voting Restrictions
  - Poll tax
  - Literacy test
    - Grandfather clause
- Legalized Segregation
  - Jim Crow Laws
- Civil Rights Act of 1875
  - Ruled unconstitutional based on 14<sup>th</sup> amendment
- Racial etiquette and lynching



### Plessy vs. Ferguson

### Louisiana

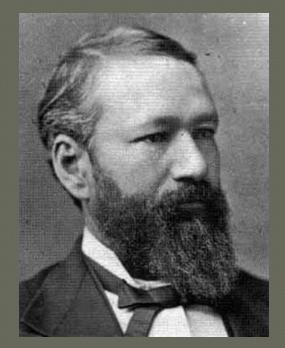
 state law required railroads to provide "equal but separate" accommodations

#### Homer Plessy

- Sat in the all white section
- Claimed 14<sup>th</sup> amendment rights

### Supreme Court

- Ruled in favor of law
  - Only one dissenting opinion
- "separate but equal"
  - Legalized segregation

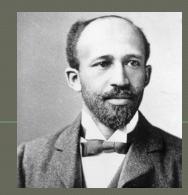


# **Black Leaders**

### Booker T. Washington

- Born into slavery
- Wanted others to accept segregation for now
- Farming and vocational skills were the key to prosperity
  - founded the Tuskegee Institute





#### • W.E.B. Du Bois

- a Harvard-trained professor
- full rights immediately
- Niagara Movement to protest discrimination in 1905
- helped found the National Association for the Advancement of Colored People (NAACP).