

Lecture 6: *Industrialization and the Market Revolution Part I*

Economic Transformations of Early 1800's

- Transportation Revolution
 - Rapid change from Colonial Period
 - Railroads, canals, roads, telegraph, steamboats
- Market Economics
 - Cash crops, sell to distant markets
- Urbanization and immigration
 - Surplus labor heads to urban cores
- Industrialization
 - Production and wage labor

Summary

4 elements of economic (Economic Revolution) change sweeping through northern states in the 1800's

Transportation Revolution

- Prior there was no change in how goods and ideas were transported (horse)
 - Any change is a big change
- New inventions and machines that change transportation of people, ideas, and goods
 - Sewing machine, revolver, steamboats, typewriter

Market Revolution

- Concerned **where** and **how** farming took place
 - Shift from original state in union into states in the westward expansion
 - Connected by roads, canals, steamboats
 - Market Rev. depended on the Transportation Rev.
- Shift from subsistence farming to market farming (commercial)
 - Cash crops
 - Sell to distant markets because crops could be transported

Urbanization and Immigration Revolution

- Inventions allowed use of mechanization that displaced the need for physical laborers
 - These people moved to cities and urban areas grew larger
- Internal migration & external migration with open borders

Industrialization Revolution

- Rise of factories
 - Proved Hamilton's predictions
 - Shift from Agrarian society to an Industrial society
 - Factory labor and wage labor (time for money)

Transportation Revolution: “Annihilate Space and Time”

- Roads
 - 1806 construction National Road
 - Links Maryland to Ohio River Valley
- Steamboats
 - Commerce on rivers, Great Lakes, Atlantic Ocean
- Canals
 - Success of Erie Canal inspires other cities
 - By 1837 3,000 miles of canals were built
 - Linking Atlantic states with Ohio and Mississippi River Valleys'

Summary

Change on how people, goods, and ideas circulated

An investment into infrastructure with the building of roads that was passed by Congress

- Cumberland gap

Steam engines power brought efficiency to boats that did not depend on the nature of the wind

- Allowed us to take advantage of rivers across all the states
- 1815 Erie Canal is built that linked Great Lakes region to New York City (linked NYC to west)

Economic Integration

Summary

By 1840 America quickly expanded westward (Ohio, Indiana, Illinois)

Roads, railroads, canals, that connect all these states

- A web and grid of roads

Railroads and Telegraph

- Railroads open interior to settlement
- 1828
 - B&O Railroad begins (with horses) and opens July 4th, 1828
- 1830
 - Steam locomotive adopted
- Shorten travel times, allow urban growth, lower costs, develop iron and coal industries, reading material, resort town, watches, and clocks
- 1844
 - Morse invents telegraph
 - 16 years later 50,000 miles of wire linked the nation

Summary

Railroads were biggest impact in 19th century

Linked farmers in eastern states to the goods they used

Print industry develops

Resort towns are established as transportation goes to a mobile age

Market Revolution

- Integrated economy of commercial farms and manufacturing cities in northeast
- Farmers grow surplus, sell to distant markets
- Purchase goods formerly produced at home
- Mechanization lowers production costs and decreases labor demands

Summary

Concerned farmers in what is now the Midwest (where)

Commercial farming grew in surplus of crops for profit (how)

Prior farmers produced only what they needed (subsistence farming)

Instead of making clothes and items one could buy those same items with the surplus money made from the crops

- Embrace of mechanization (machines) made commercial farming possible
 - Led shift to machine tasks from human driven tasks

Urbanization and Immigration

- 12 cities over 5,000 in 1820
 - 150 in 1850
 - Most rapid period of urbanization
- Western cities develop
 - Ex. Cincinnati
- Lure of the city
 - City jobs less physically demanding, better material life, theatres, parades, urban markets
- 1820's 1830's
 - 667,000 immigrants
- 1850
 - 4.2 million
 - New York triples in size

Summary

Cities sprout up near and along railroad lines in the Midwest

Shift from 18th century rural America to the 19th century urban America

Push factor from land, land, land

Pull factor of the allure of cities and preferable jobs (hard labor farming to less physically demanding factory jobs)

Factory is not chained by the nature of the outside world like farming is

Dreams of fame and stardom pulled people into bustling cities (people could make it big and live large)

Industrialization

- Factory system develops slowly, regionally, but steadily
- Replaced artisan labor, world of the ready-made
- Textile industry develops in the Northeast
- 1820's
 - Boston Associates create first modern factories, factory town Lowell

Summary

Decline of blacksmiths, artisan laborers, tailors, etc....

Mass production is at the forefront

Abstraction of the consumer that is needed when there is mass production of items for the shelves

Consumer capitalism is dependent on this abstraction of the consumer

Cotton factories cropped up for mass production of textiles to sell to nation

Lowell

- Mechanized, all phases of production
- Relied on female and child labor
- Women participate in public world
- 1850
 - 52 mills
 - 10,000 workers
- Model to follow
- Advent of wage labor

Summary

Women are hired as first laborers in factories

- Women were active in this time even if their wages were not their own

Child labor was normal and was not illegal until the early 1900's

New thing was selling your time for money

Transportation of American Economy

- Transportation Revolution
 - Market Revolution
 - Urbanization / Immigration Revolution
 - Industrialization and Wage Labor
 - North/South Divide
-
- How did this massive, integrated change affect the American public?

Summary

4 elements of economic change sweeping through the northern states

Change confined to the Northern states and applies solely to the north

South is becoming more reliant on slave-based agriculture