

# INDUSTRIALIZATION: THE GROWTH OF BUSINESS

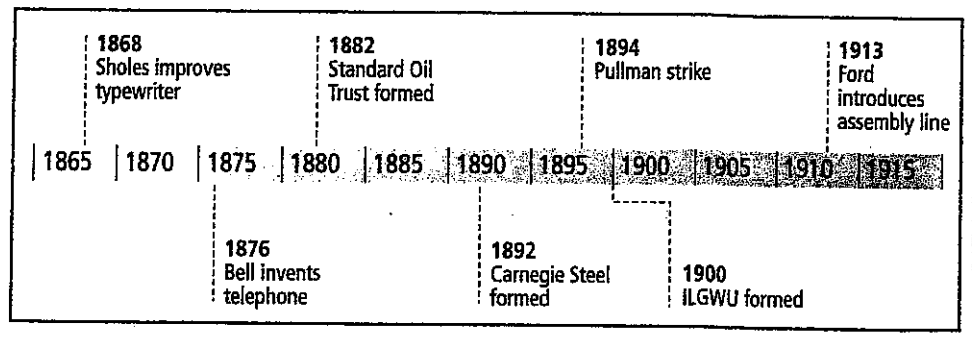
1. Government takes a hands-off approach with Businesses (laissez-faire)

Some Key Economic Issues in the Post-Civil War Era

	NORTH	SOUTH
<b>industries</b>	continued rapid development financed by wartime growth; new interest in overseas markets	began slowly after the war, especially in textile and steel production; urban areas needed major reconstruction
<b>railroads</b>	crucial to economy; new transcontinental routes allowed the development of western markets	destroyed during the war; needed to be rebuilt, along with roads and bridges
<b>land use and agriculture</b>	farms began to mechanize and to increase production, providing food for the growing urban areas	plantation economy based on slavery ended; land destroyed by fighting; former slaves competed with destitute whites in search of land; tenant farming and sharecropping began

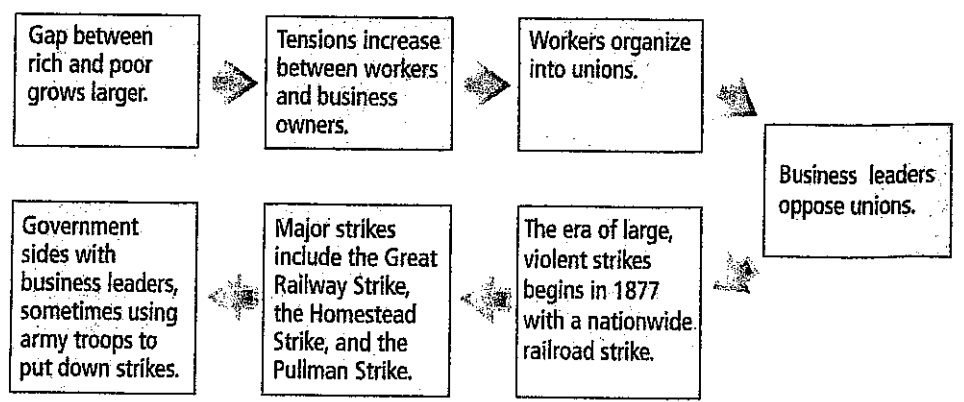
2. Business Expands → Exploits Workers & Consumers for a Profit

Innovations and Business Developments, 1868-1913



3. Workers Organize & Form Unions

An Era of Strikes, Late 1800s



Increasing tensions between workers and employers led to large, often violent strikes

## A NEW INDUSTRIAL AGE

**LONG-TERM CAUSES**

- abundant natural resources
- harnessing of early power sources such as water and coal
- invention of the steam engine
- construction of roads, canals, and railroads in early 1800s

**IMMEDIATE CAUSES**

- expansion of railroads in late 1800s
- cheap labor supply provided by increasing immigration
- burst of technological innovation
- new management techniques and business strategies
- investment capital

## BIG BUSINESS BOOMS

### 1880-1914

**IMMEDIATE EFFECTS**

- growth of large corporations
- new and plentiful manufactured goods
- poor working conditions in factories and sweatshops
- increased labor activism

**LONG-TERM EFFECTS**

- regional economies are linked
- labor movement wins shorter workweek

4. Government Responds By Tightening Control over Business (Antitrust Legislation) & Cracking Down On Union Activity

## Questions

- ① What is business free to do when govt has a "laissez-faire" approach?  
→ anything it wants
- ② Using the North + South chart, which region will take part in industrialization? Why?  
North
- ③ Using the innovations + Business developments chart, what is the significance of Ford's introduction of the assembly line? makes production faster and cheaper
- ④ As business grows how does business exploit workers + consumers? Examples?
  - low wages
  - unsafe conditions
- ⑤ Why do workers form unions?  
protection  
to improve conditions  
" " pay
- ⑥ What is govt's response to the activities of business + unions  
antitrust legislation  
pass laws ←  
crack down on unions