

# U.S. HISTORY STUDY GUIDE:

## CHAPTER 13: THE TRIUMPH OF INDUSTRY, 1865-1914

### GEORGIA STANDARDS OF EXCELLENCE (YOUR OBJECTIVES FOR THIS CHAPTER):

**SSUSH11 Examine connections between the rise of big business, the growth of labor unions, and technological innovations.**

- Explain the effects of railroads on other industries, including steel and oil.
- Examine the significance of John D. Rockefeller and Andrew Carnegie in the rise of trusts and monopolies.
- Examine the influence of key inventions on U.S. infrastructure, including but not limited to the telegraph, telephone, and electric light bulb.
- Discuss the origins, growth, influence, and tactics of labor unions including the American Federation of Labor.

### CHAPTER SUMMARY (from <http://www.phschool.com/webcodes10/index.cfm?wcprefix=nck&wcsuffix=1013&area=view>)

At the end of the Civil War, Americans enthusiastically embraced innovation and technology with the goals of expanding business and improving people's daily lives. American industrialization grew out of the English Industrial Revolution, but it had a distinctly American character. Backed by business leaders and shaped by a huge number of creative inventors and scientists, this "**second industrial revolution**" turned the United States into an industrial powerhouse. The rise of big business, characterized by the investment of huge amounts of resources, turned the United States into one of the most economically powerful countries in the modern world. As industrialization intensified, the booming American economy relied heavily on workers to fuel its success. But struggles between business owners and workers also intensified, as workers rebelled against low pay and unsafe working conditions. To keep the economy thriving, Americans had to find ways to ease the tensions between business owners and workers.

### KEY TERMS AND NAMES

**Alexander Graham Bell** inventor of the telephone

**American Federation of Labor (AFL)** labor union of skilled workers in a specific trade who sought specific demands instead of broad changes

**Andrew Carnegie** steel tycoon who established libraries in part to help the disadvantaged rise in society.

**Bessemer process** a method for purifying iron, resulting in strong, lightweight steel

**cartel** association of producers of a good or service that prices and controls stocks in order to monopolize the market

**collective bargaining** workers negotiating as a group for better wages or working conditions

**communism** a political and economic theory in which the means of production, (factories, land, etc.) is owned by all.

**company town** community whose residents rely upon one company for jobs, housing, and shopping

**corporation** company recognized as a legal unit that has rights and liabilities separate from each of its members

**entrepreneur** person who invests money in a product or business with the goal of making a profit

**Eugene V. Debs** president of the American Railway Union

**Haymarket Riot** 1886 labor-related protest in Chicago which ended in deadly violence

**Homestead Strike** 1892 strike against Carnegie's steelworks in Homestead, Pennsylvania

**horizontal integration** system of consolidating many firms in the same business

**Interstate Commerce Commission (ICC)** first federal agency monitoring business operations, created in 1887 to oversee interstate railroad procedures

**John D. Rockefeller** oil tycoon and founder of the Standard Oil Company

**Karl Marx** political philosopher noted for his writings on communism

**Knights of Labor** labor union that sought to organize all workers and focused on broad social reforms

**laissez-faire** lenient, as in the absence of government control over private business

**mass production** production of goods in large numbers through the use of machinery and assembly lines

**monopoly** exclusive control by one company over an entire industry

**patent** official rights given by the government to an inventor for the exclusive right to develop, use, and sell an invention for a set period of time

**protective tariff** tax on imported goods making the price high enough to protect domestic goods from foreign competition

**Pullman Strike** violent 1894 railway workers' strike which began outside of Chicago and spread nationwide

**Samuel Gompers** president of the American Federation of Labor

**Samuel Morse** inventor of the telegraph

**Sherman Antitrust Act** 1890 law banning any trust that restrained interstate trade or commerce

**skyscraper** very tall building

**Social Darwinism** the belief held by some in the late nineteenth century that certain nations and races were superior to others and therefore destined to rule over them

**socialism** a belief that democratic means should be used to distribute wealth, goods and services in a society

**suspension bridge** bridge that has a roadway suspended by cables

**sweatshop** small factory where employees have to work long hours under poor conditions for little pay

**Terence V. Powderly** leader of the Knights of Labor (union)

**Thomas Edison** prolific inventor most famous for the light bulb, phonograph and motion pictures

**time zone** any of the 24 longitudinal areas of the world within which the same time is used

**trust** group of separate companies that are placed under the control of a single managing board in order to form a monopoly

**vertical integration** system of consolidating firms involved in all steps of a product's manufacture

### KEY IDEAS AND CONCEPTS

**This is a period of transformations or shifts in America:**

- Industrialization:** The economy shifts from primarily agricultural to more industrial.
- Urbanization:** Population shifts from mostly rural to mostly urban dwelling. (By 1920, more than 50% in cities.)
- Immigration:** Immigrant origins shift from Northern & Western Europe to Southern & Eastern Europe and Asia.

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**Railroads and their impact on Industry, Transportation and Communication**

- Transcontinental Railroad (authorized by Pacific Railway Act and built by Chinese and Irish laborers)
- government land given to railroads and sales of land by railroad companies for profit

**Key Inventions, Inventors and How They Affected American Life**

- steel: Sir Henry Bessemer and the Bessemer process
- skyscrapers and suspension bridges
- relationships of steel & railroads and their impact on American life
- Morse and the telegraph
- Edison: electric light bulb, motion pictures, and phonograph
- Alexander Graham Bell: telephone
- others: refrigeration, textiles, standard sized clothing, radio, transatlantic telegraph cable, etc.
- expansion of technology into business and big business

**Immigration**

- immigrants provide labor force for factories and industry
- New immigrants' Southern and Eastern European origins
- increase in Chinese immigration on West Coast
- Ellis Island (New York) and Angel Island (California)

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**Business Organizations: Corporations, Trusts, Monopolies and Holding Companies**

- What is "Big Business"?
- the organization of big business, inc. corporations, stock, holding companies, trusts, pools monopolies
- John D. Rockefeller and the Standard Oil Company and the rise of trusts and monopolies
- Andrew Carnegie and his steel and railroad businesses

**Development of Labor Unions**

- purpose of unions: better pay & working conditions
- types of unions: trade unions versus industrial unions
- union strategies and tactics: closed shops, collective bargaining, strikes, slow downs, etc.
- 1894 Pullman strike as an example of industrial unrest
- American Federation of Labor and Samuel Gompers
- attempts to break up unions or weaken them (inc. blacklists, lockouts, injunctions, etc.)

**Corruption and Graft**

- Political machines and party bosses (inc. William "Boss" Tweed and Tammany Hall)
- Crédit Mobilier scandal
- Jay Gould and insider trading