

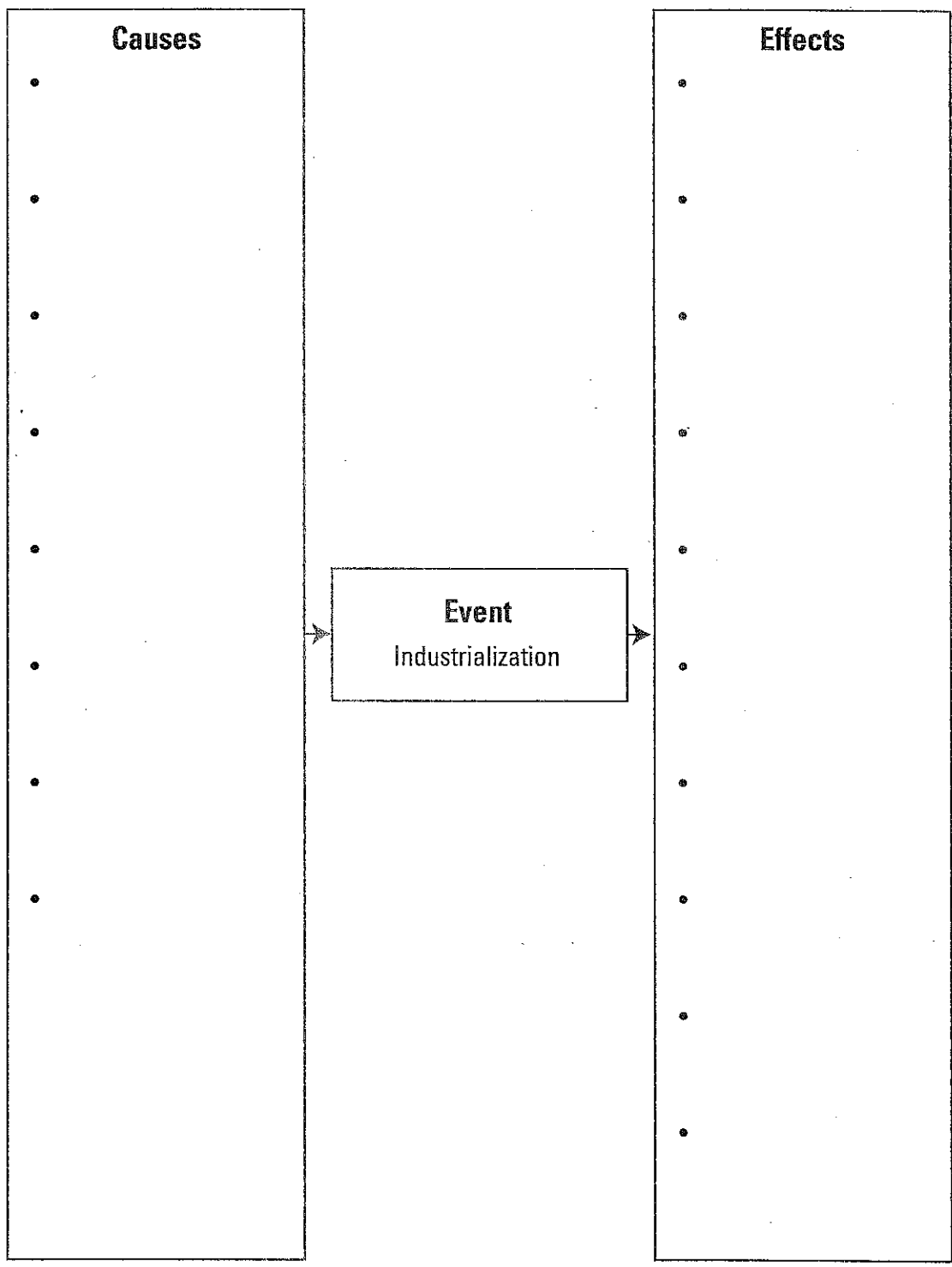
CHAPTER
4
SECTION 1

Note Taking Study Guide

TECHNOLOGY AND INDUSTRIAL GROWTH

Focus Question: How did industrialization and new technology affect the economy and society?

As you read, record the causes and effects of industrialization in the chart below.



CHAPTER
4
 SECTION 1

Section Summary
TECHNOLOGY AND INDUSTRIAL GROWTH

READING CHECK

Name two inventions that changed Americans' lives.

VOCABULARY STRATEGY

What does the word *stimulated* mean in the underlined sentence? Look for context clues in the surrounding words, phrases, and sentences.

READING SKILL

Identify Causes and Effects
 How did industrialization cause the United States to become more involved in world affairs?

The Civil War encouraged industrial growth by challenging industries to make products more quickly and efficiently than they had been made before. The country's growth was also fueled by its vast supply of natural resources. In addition, industries had a huge workforce to fuel growth. After the Civil War, large numbers of Europeans, and some Asians, immigrated to the United States.

Entrepreneurs fueled industrialization. Capitalism is a system in which individuals own most businesses. The heroes of this system were **entrepreneurs**, or people who invest money in a product or enterprise in order to make a profit.

Government encouraged the success of businesses in the late 1800s. To encourage the buying of American goods, Congress enacted **protective tariffs**, or taxes that would make imported goods cost more than those made locally. The government also encouraged *laissez faire* policies, which allowed business to operate under minimal government regulation.

Thomas Edison received more than 1,000 **patents** for new inventions. Edison and his team invented the light bulb. George Westinghouse developed technology to send electricity over long distances. Electricity lit streets and powered homes and factories. Alexander Graham Bell patented the telephone. By 1900, there were more than one million telephones in the United States.

The **Bessemer process** created strong but lightweight steel that made possible innovations, including skyscrapers and **suspension bridges**. As railroads expanded, they stimulated new technology. To help trains set schedules, the globe was divided into twenty-four **time zones**. Electric streetcars, commuter trains, and subways appeared in major cities. As a result, American suburbs grew.

To meet the growing demand for goods, factory owners developed systems known as **mass production** for turning out large numbers of products quickly and inexpensively.

Industrialization touched every aspect of American life. Farms became mechanized. Mass production meant people had easy access to goods. As the United States grew as an economic power, it became more involved in the affairs of other nations.

Review Questions

- How did entrepreneurs encourage industrialization?

- What innovations were made possible by the Bessemer process?

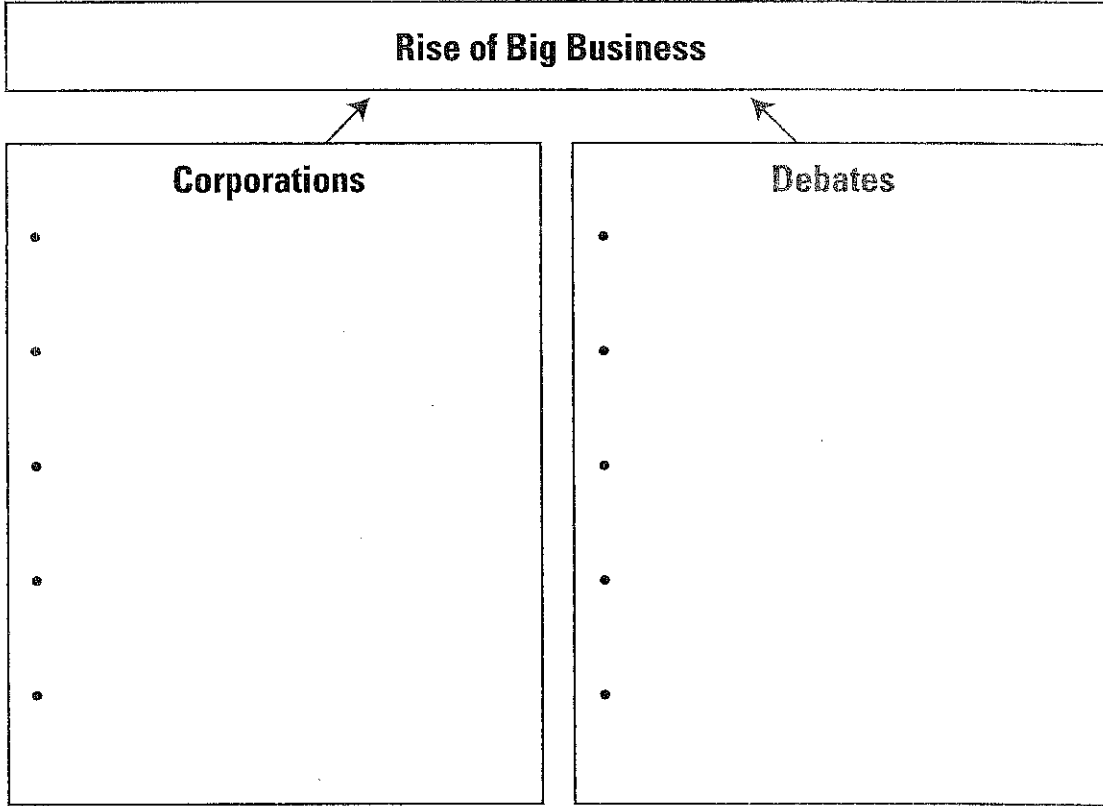
CHAPTER
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SECTION 2

Note Taking Study Guide

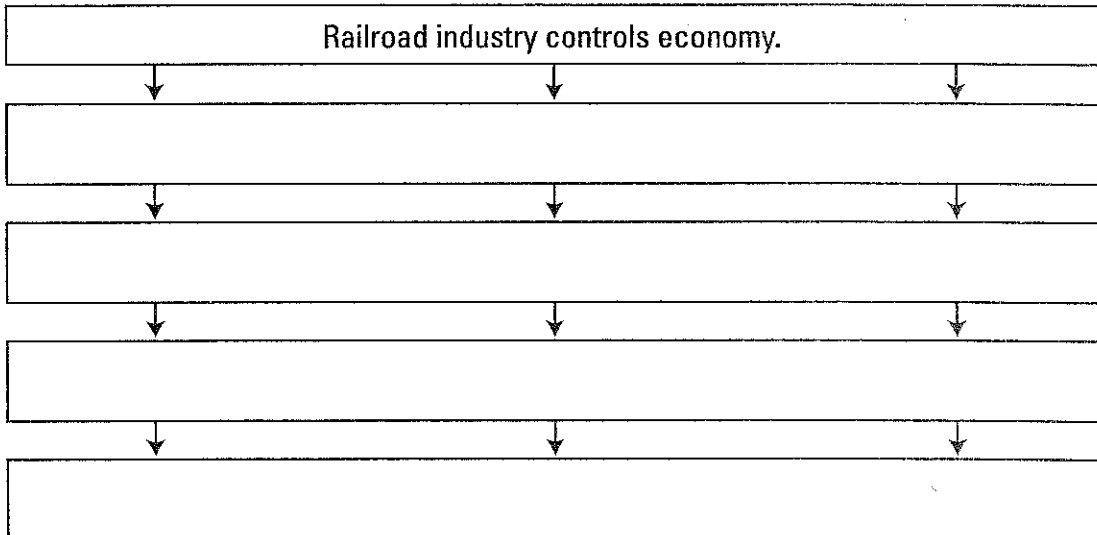
THE RISE OF BIG BUSINESS

Focus Question: How did big business shape the American economy in the late 1800s and early 1900s?

A. Record supporting details about the rise of American big business in the chart below.



B. As you read, record details about how the government gradually became involved in regulating industry.



CHAPTER
4
SECTION 2

Section Summary

THE RISE OF BIG BUSINESS

READING CHECK

name one social condition that people used Social Darwinism to justify.

VOCABULARY STRATEGY

What does the word *restraint* mean in the underlined sentence? The terms *control* and *command* are synonyms of *restraint*. Use these synonyms to help you figure out the meaning of *restraint*.

READING SKILL

Identify Supporting Details
What details support the opinion that big business had a negative impact on the United States?

To take advantage of larger markets, investors developed a form of group ownership known as a **corporation**. In a corporation, a number of people share ownership of a business. Corporations had access to huge amounts of money, allowing them to fund new technology or enter new industries.

Corporations worked to maximize profits in several ways. Some corporations tried to gain a **monopoly**, or complete control of a product or service. Other corporations worked to eliminate competition by forming **cartels**. In this arrangement, businesses making the same product agreed to limit their production and thus keep prices high. Another way to increase profits was to create a giant company with lower production costs. This system of consolidating many firms in the same business is called **horizontal integration**. **John D. Rockefeller, Andrew Carnegie**, and other businessmen also increased their power by gaining control of the many different businesses that make up all phases of a product's development. This process, called **vertical integration**, allowed businessmen to reduce costs and charge higher costs to competitors.

Gradually, consumers, workers, and the federal government came to feel that systems like **trusts**, cartels, and monopolies gave powerful businessmen an unfair advantage. At the same time, many people believed that business leaders served the nation positively. Factories, steel mills, and railroads provided jobs. The development of efficient business practices and industrialists' support for developing technology benefited the nation's economy, shaping the United States into a strong international leader. Finally, many business leaders were important philanthropists.

Charles Darwin's theory of survival of the fittest was applied to the world of American capitalism and was called **Social Darwinism**. People used Social Darwinism to justify all sorts of beliefs and conditions, such as discrimination.

The federal government slowly became involved in regulating trusts. In 1890, the Senate passed the **Sherman Antitrust Act**. This act outlawed any trust that operated in restraint of trade or commerce among several states.

Review Questions

1. Name two methods that businesses used to increase their profits.

2. List two reasons some people had favorable opinions about the impact of big business.

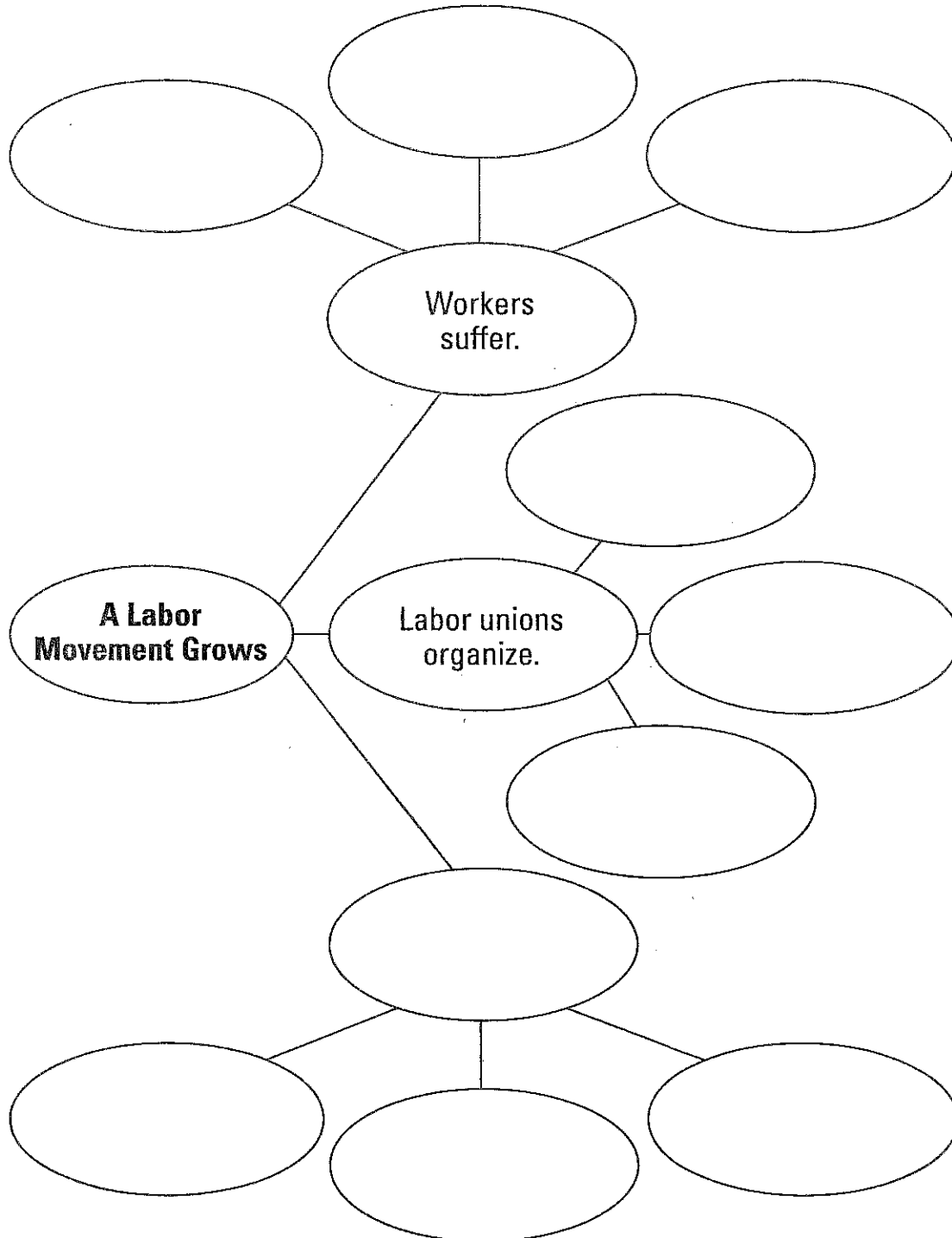
CHAPTER
4
SECTION 3

Note Taking Study Guide

THE ORGANIZED LABOR MOVEMENT

Focus Question: How did the rise of labor unions shape relations among workers, big business, and government?

Record the main ideas about the rise of organized labor in the concept web below.



CHAPTER
4
 SECTION 3

Section Summary
THE ORGANIZED LABOR MOVEMENT

READING CHECK

Who was the leader that called for a nationwide strike against the Pullman Company?

VOCABULARY STRATEGY

What does the word *trend* mean in the underlined sentence? Look for context clues in the surrounding words, phrases, and sentences.

READING SKILL

Identify Main Ideas Identify the main goals of organized labor.

Industrial growth produced wealth for business owners. However, factory workers toiled long hours in dirty workhouses known as **sweatshops**. Many miners were forced to live in communities near their workplace. The housing in these **company towns** was owned by the business and rented to employees. By the time workers received wages, most of the income was owed back to the company.

As early as the 1820s, factory workers tried to gain more power against employers by using the technique of **collective bargaining**. One form of collective bargaining was the strike.

In the 1830s, a movement called **socialism** spread throughout Europe. Socialism is an economic and political philosophy that favors public, instead of private, control of property and income. Many labor activists borrowed ideas from socialism to support their goals.

The **Knights of Labor**, a labor union founded in 1869, included all workers of any trade, skilled or unskilled. The union sought broad social reform. In 1881, **Terrence V. Powderly** became its leader.

In 1886, **Samuel Gompers** formed the **American Federation of Labor (AFL)**. Unlike the Knights of Labor, the AFL focused on specific workers' issues such as wages, working hours, and conditions.

On May 1, 1886, thousands of workers mounted a national demonstration for an eight-hour workday. Strikes erupted in several cities. At Haymarket Square in Chicago, frenzy broke out when a protester threw a bomb, killing a policeman. Dozens of people were killed. The result of the **Haymarket Riot** was that employers and many Americans associated union activities with violence.

The **Homestead Strike** was part of an epidemic of steelworkers' and miners' strikes that took place as economic depression crept across America. In each case, federal troops were called in.

In 1893, **Eugene V. Debs**, leader of the American Railway Union, called for a nationwide strike against the Pullman Company. By June 1894, nearly 300,000 railworkers had walked off their jobs. The **Pullman Strike** escalated, halting both railroad traffic and mail delivery. Federal troops were sent in to end the strike. Afterward, an important trend developed. The federal government regularly supported businesses over labor unions.

Review Questions

1. How did company towns negatively impact the workers who lived in them?
2. How did the goals of the Knights of Labor differ from those of the AFL?
