

**CHAPTER SIXTEEN: WONDER AND WOE:
THE RISE OF INDUSTRIAL AMERICA, 1865–1900**

READING AND STUDY GUIDE

- I. The Emergence of Big Business
 - A. Sources of the Industrial Revolution
 - B. The Railroads
 - C. Modern Business Practices
 - D. Rising Concern over Corporate Power
 - E. Andrew Carnegie: Making Steel and Transforming the Corporation
 - F. Rockefeller and the Rise of the Trust

- II. Creating a Mass Market
 - A. The Art of Selling
 - B. Shopping as an Experience: The Department Store
 - C. Bringing the Market to the Frontier
 - D. Selling the World

- III. The World of Work Transformed
 - A. The Impact of New Technology
 - B. Hard Times for Industrial Workers
 - C. Exploitation, Intimidation, and Conflict
 - D. New Roles and Opportunities for Women

- IV. Conflicting Visions of Industrial Capitalism
 - A. Capitalism Championed
 - B. Capitalism Criticized
 - C. Power in Numbers: Organized Labor
 - D. The Great Upheaval of 1886

The last third of the nineteenth century saw the United States thoroughly transformed by the Industrial Revolution, from a predominantly agricultural nation that ranked well behind England, Germany, and France to the world's most formidable industrial power by 1900.

While many Americans celebrated the Industrial Revolution for the unprecedented material wealth and progress it brought to American society, others grew disturbed by some of the grim consequences of industrialization, especially the immense power accrued by big businesses and capitalists and the growing number of workers living in squalid slums. The result of these conflicting visions was an intense debate over the proper role of government in regulating the economy, the rights of workers to form unions and strike for better wages and working conditions, and the impact of growing disparities of wealth on America's republican traditions.

Learning Objectives

After a careful examination of Chapter 16, students should be able to do the following:

1. Identify Thomas A. Edison and describe his contribution to nineteenth-century technology through the development of electrical power.
2. Define the term *corporation* and explain its advantages as a nineteenth-century form of business organization.
3. Explain the impact of corporate monopolies on American business and on traditional American values regarding business.
4. Define the terms *vertical integration* and *horizontal integration* and explain the distinction between the two.
5. Describe the changing nature of American labor during the nineteenth century, focusing on skill levels, working conditions, work hours, and family life.
6. Describe the conditions of child labor during the nineteenth century.
7. Describe the unique problems faced by women in the workplace during the late nineteenth century. Explain why women's work remained segregated from men's work until well into the twentieth century.
8. Describe housing conditions in urban slums in the late nineteenth century, and compare these conditions to global norms in the early twenty-first century.
9. Define the terms *Gospel of Wealth* and *Social Darwinism* and explain how these ideologies served to discourage efforts to alleviate urban poverty.
10. Describe the Great Uprising and explain how, despite its failure, the strike encouraged labor organization during the late nineteenth century.
11. Identify the Knights of Labor and the American Federation of Labor. Compare and contrast these unions in terms of policy, membership, and levels of success.
12. Describe the events surrounding the Homestead strike and the Pullman strike. Explain how these events reflect the challenges faced by labor unions at the turn of the century.
13. Describe the economic, religious, political, and technological factors that contributed to European migration at the turn of the century. Describe the factors that contributed to Asian migration to the United States at the turn of the century.
14. Define *chain migration* and discuss its significance.

15. Define the term *landsmanshaften* and describe the role of the church in this association.
16. Describe the unique characteristics of nativism as it evolved into the late nineteenth century. Explain how it differed from nativism during the early nineteenth century.
17. Provide examples of efforts to restrict and limit foreign immigration to America during the late nineteenth century.
18. Describe the living and working conditions of urban African Americans at the turn of the century.
19. Explain the distinctions between downtown centers and residential suburbs at the turn of the century. Comment on the social, class, racial, and ethnic divisions reflected in these distinctions.
20. Describe the consumer-oriented lifestyle of the new urban middle class.
21. Distinguish among the leisure activities associated with the wealthy, middle, and working classes of the late nineteenth century.

Key Terms & Questions:

laissez-faire (French for “let do” or leave alone) A philosophy that argued that the government should impose no restraints on business. (471)

corporation Businesses owned by people who buy shares of stock in the company. (472)

monopoly The control of an industry or market by one corporation. (474)

vertical integration Business organization where one company controls the main phases of production of a good, from acquiring raw materials to retailing the finished product. (475)

horizontal integration Business organization where one company buys many other companies producing the same product to eliminate competition and achieve greater efficiency. (475)

robber barons A pejorative name for big business leaders that suggested they grew rich by devious business practices, exploitation of workers, and political manipulation. (476)

trust A legally binding deal bringing many companies in the same industry under the direction of a board of “trustees.” (476)

Sherman Anti-Trust Act Authorized the Justice Department to prosecute any illegal contract, combination, or conspiracy among corporations that eliminated competition or restrained free trade. (477)

holding company A huge corporation that bought and ran other corporations by purchasing their stock. (477)

depression A contraction of economic growth, widespread business failure, and high rates of unemployment lasting several years. (483)

blacklist A list of workers that employers in a particular town or industry refused to hire because they were considered troublemakers. (485)

socialism A theory that rejected capitalism and advocated common ownership of property and social and economic equality. (486)

Chinese Exclusion Act An 1882 law barring Chinese immigration to the United States for ten years. Renewed several times. It remained in effect until 1943. (486)

social Darwinism The belief that the principles of evolution, which Darwin had observed in nature, also applied to society. Advocates argued that individuals or groups achieve advantage over others as the result of biological superiority, an idea expressed as “survival of the fittest.” (490)

Knights of Labor A labor organization founded in 1869 that in the 1880s accepted workers of all trades and backgrounds and became the world’s largest industrial union. (492)

Haymarket Incident A violent incident touched off when a bomb exploded amid a group of policemen as they broke up a peaceful labor rally in Chicago’s Haymarket Square on May 4, 1886. (493)

Study Questions:

What aspects of industrialization worried Americans in the late nineteenth century? (468)

What role did human migration play in fostering American industrialization? (470)

How did government officials defend the practice of making huge land grants to the railroads? (471)

How did railroad giants both reflect and promote national economic growth? (472)

What advantages did standardization bring to business? (473)

Why did many Americans come to see railroads as potential threats to democracy? (474)

What policies contributed to Andrew Carnegie’s success in business? (475)

Why did big business find trusts so useful and attractive? (476)

Why did efforts to curb the power of trusts fail? (477)

Why did advertising become so important to business success? (478)

How did retailers justify spending so much money to build lavish stores? (479)

How did advertisers cultivate anxiety to generate sales of their products? (480)

How did advertising promote the development of a national consumer culture? (482)

How did new technology weaken the independence of skilled workers? (483)

What factors made industrial workplaces so dangerous? (484)

Why were employers so hostile to labor unions? (485)

Why were industrial workers so divided? (486)

Why do labor activists argue that unions are defensive in nature? (487)

What factors explain the surge in the numbers of women entering the paid workforce? (488)

How did business leaders like Carnegie defend industrial capitalism? (489)

Why was the self-made man idea so popular in the age of industry? (490)

Why was the theory of social Darwinism so attractive to the wealthy and successful? (491)

Why did so many workers find the Knights of Labor so appealing? (492)

What role did the press play in promoting a negative impression of labor unions? (493)

What made strikes so risky for workers? (494)

What led to the rapid demise of the Knights of Labor? (495)