

The New Industrial Age

- φ **Electricity** one of the key developments that helped the rise of American Industry
 - φ Electrical devices included:
 - φ **Trolley Cars** - helped expand cities
 - φ **Telegraph** - wide communication across U.S.
 - φ **Light bulb** - a revolution in lighting
 - φ **Telephone** - speeded up communication
 - φ Along w/ typewriter - increases women's employment

- φ **Steel Industry** -
 - φ **Bessemer process made steel cheaper and better**
 - φ Steel would be used for buildings, bridges, rails, etc.
 - φ **Andrew Carnegie** ran the steel industry w/ a monopoly

- φ **Natural Resources** -
 - φ **Iron Ore**
 - φ **Coal**
 - φ **Oil**
 - φ First successful drilled wells in Titusville, PA
 - φ Gas from oil would become important with arrival of internal combustion engine in 1890's

- φ **Railroads become the largest industry**
 - φ Our time zones came about because of railroads (1883)
 - φ **Transcontinental rail line completed 1869**
 - φ Link of two lines from east and west
 - φ **Mostly Irish immigrants working in the east**
 - φ **Chinese in the west**
 - φ Chinese treated poorly but they do great work
 - φ Railroad industry marred by **political corruption and overcharging**
 - φ Farmers the most upset by the overcharging
 - φ Most communities served by only one rail line
 - φ Railroad could charge whatever it wanted - no competition

φ **Interstate Commerce Act (1887) passed to control rates**

φ **Andrew Carnegie was one of the new millionaire industrialists**

- φ Rags to riches - makes his steel business an integrated operation
- φ He joins with other companies in mergers
- φ Creates huge **trusts** in which most aspects of an industry are controlled by one major company
- φ **The trusts come to dominate American business**
 - φ Many of these are run by men known as "**robber barons**" - ruthless, unjust men interested only in power and money
 - φ Shrewd businessmen who used illegal practices
 - φ Forced rebates, price gouging

φ **Social Darwinism**

- φ The idea of **survival of the fittest**
 - φ Built on Darwin's natural selection theories
 - φ Applied to business by **Herbert Spencer**
 - φ Book: *First Principles* (1862)
 - φ **Dangerous to interfere with free competition**
- φ Author **Horatio Alger** wrote rags to riches stories
 - φ **People could become successful by honesty and hard work**
 - φ **Left the impression with many that poverty was the fault of the individual - they weren't trying hard enough**
 - φ This idea would de-sensitize generations of Americans to the plight of the poor