

Second Industrial Revolution

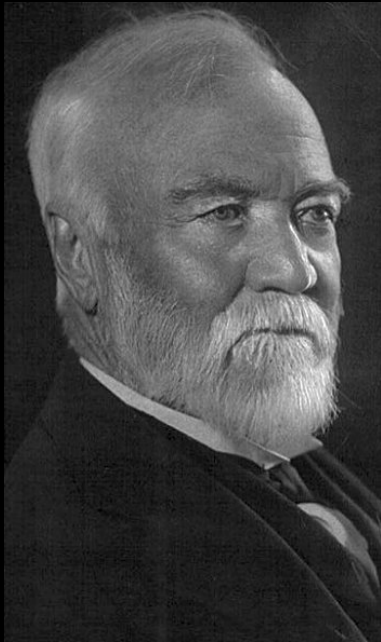
US Industrializes

- Industry grows HUGE after Civil War
- Leading industrial power by 1914
- 36% of worlds manufactured goods
- Why?
 - Government played a big role
 - Mass production
 - Culture of consumption

- Telegraph and telephone increase communication
- Bessemer process lowers the cost of steel and encourages construction
- Electricity

Businesses Grow Larger

- Horizontal integration—buy up every company in the same business
- Vertical integration—take control of each step of the production & distribution of a product



Vertical and Horizontal Integration

RESOURCES

Raw materials, fields, forests, and farms



VERTICAL

MANUFACTURING

Production and processing

HORIZONTAL



HORIZONTAL

DISTRIBUTION

Shipping and transportation, delivery to customers



VERTICAL

Monopolies

- One business is the *only* supplier of a particular item
- Example: If AT&T were the only cell phone company in the United States, they would have a *monopoly*.

– Why might this be?



Monopolies

- Businesses formed **monopolies and trusts**
 - Controlled all of one kind of business
 - Allowed them to set prices

- Why wasn't the government regulating this behavior...

Laissez Faire Policies

- “Hands off” policies which allowed businesses to do whatever they wanted
 - Market will regulate itself by supply and demand and government should not intervene

Social Darwinism

- Based on Darwin's theory of evolution
- The best-run businesses led by the most capable people would survive prosper
- "Survival of the fittest"

In Reality...

- Businesses bribed legislators to pass laws favoring their companies
 - “Our political leaders are hired, by bribery...to conduct the government of a city, state, nation, not for the common good, but for the interests of private business.”
- Government sells resources to companies at very low prices

PUCK.



THE BOSSES OF THE SENATE.

Assembly Lines & Scientific Management

- Fredrick Taylor & Henry Ford
- Interchangeable parts
- No wasted time
- Workers stand in one place all day, performing the same task over and over
- Workers feel as though they have become machines

Child Labor

- Up to 18% of the workforce during the Gilded







Working Conditions

- Many companies forced people to work in brutal conditions
 - As much as 6 days a week, 12 hours a day
 - Got no vacation, sick leave, unemployment compensation, or reimbursement for injuries suffered on the job.
- 1882, an average of 675 laborers were killed in work-related accidents each week

Life Changes

- Average person starting to see changes in life
 - First IR does not really effect individuals much
- Big Changes
 - Railroad transportation of people
 - Sewing machines and Skyscrapers
 - Communication Network
 - Lack of Household production

Impacts of the Industrial Revolution

- 1. New economic systems
 - Capitalism, socialism, communism...
- 2. New technologies and innovations
 - Everything we know today is an effect of the Industrial revolution
- 3. Shift from rural life to urban life
 - People's way of life drastically changed for the first time in thousands of years
- 4. Imperialism!
 - Europeans began to run out of resources like coal. They needed to look elsewhere for resources. Lead to European Imperialism around the world!