

Social Effects of Industrial Revolution

“Rags to Riches”

Gilded Age (1870 – 1900)



Social Effects of Industrial Revolution

Urbanization



Social Effects of Industrial Revolution

Tenements



Social Effects of Industrial Revolution

Child Labor



Social Darwinism

Theory that says

The Strong Shall Survive

Initially used to justify ownership of factories...later, used for racism



Charles Darwin

never said it...

Did not believe it...

But, his **THEORY OF EVOLUTION**
was used as foundation for social theory

Political and Economics

New Ideas

Capitalism – Free Enterprise

Adam Smith



CAPITALISM

If history could teach us anything, it would be that private property is inextricably linked with civilization.— Ludwig von Mises



Captains of Industry or Robber Barons ?

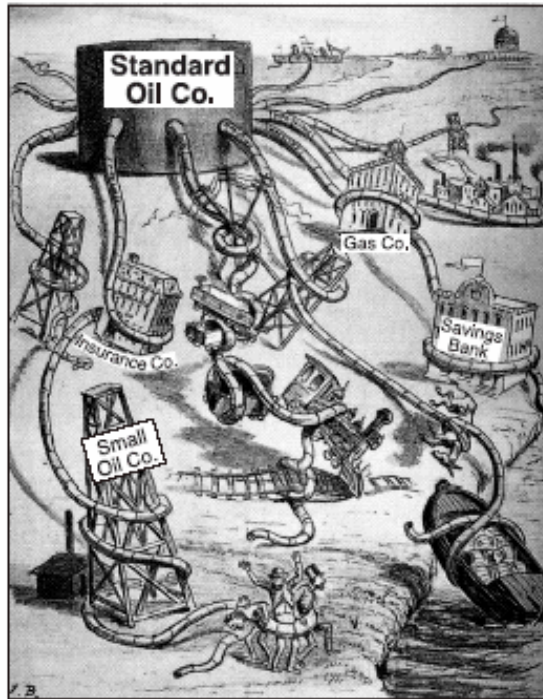
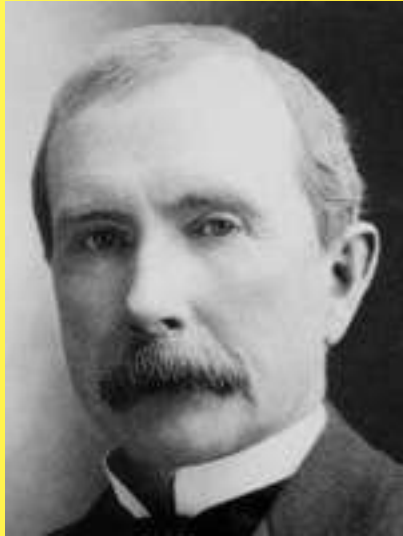


Robber Baron

- **By the 1890s the term was used to attack any businessman who used questionable practices to become wealthy. It combines the sense of criminal ("robber") and illegitimate aristocracy ("baron").**

Captains of Industry

describing a business leader whose means of amassing a personal fortune contributes positively to the country in some way

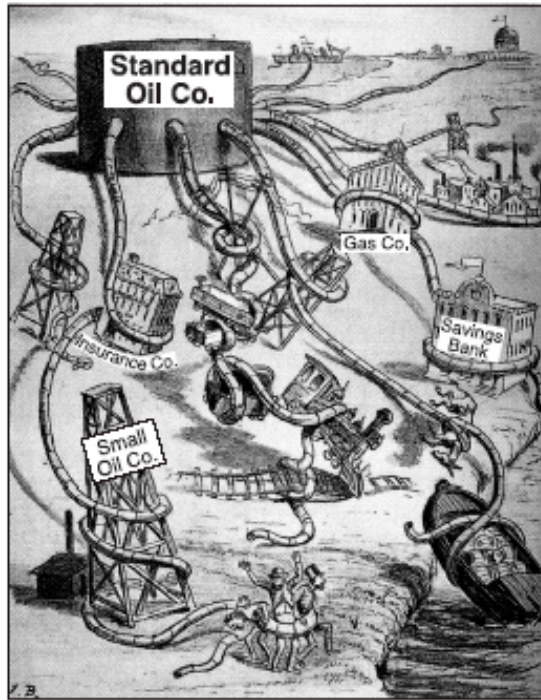
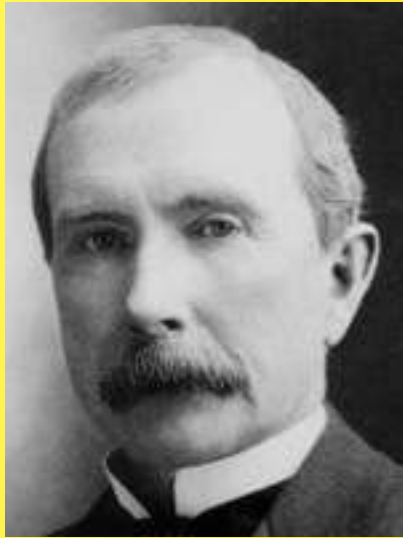


Source: Herman Viola, *Why We Remember: United States History*, Scott Foresman-Addison Wesley Publishing Co. (adapted)

John D. Rockefeller

Standard Oil





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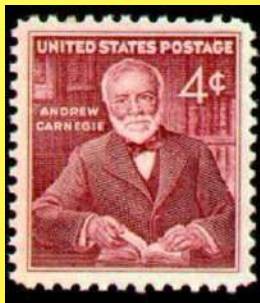
John D. Rockefeller

Standard Oil

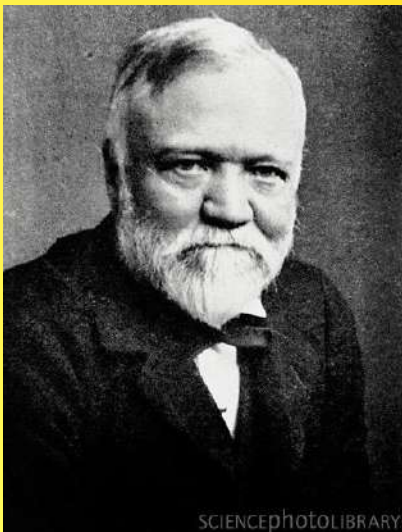
Horizontal integration - a firm is being taken over by, or merged with, another firm which is in the same industry. This process is also known as a "**buy out**" or "**take-over**".

Goal:

consolidate like companies and monopolize an industry.



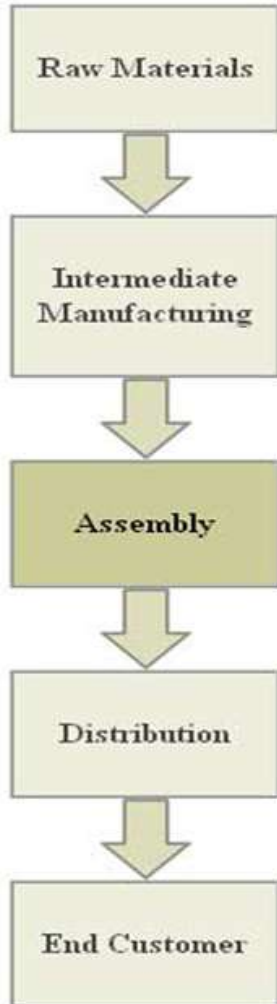
Andrew Carnegie Steel Industry





Andrew Carnegie Steel Industry

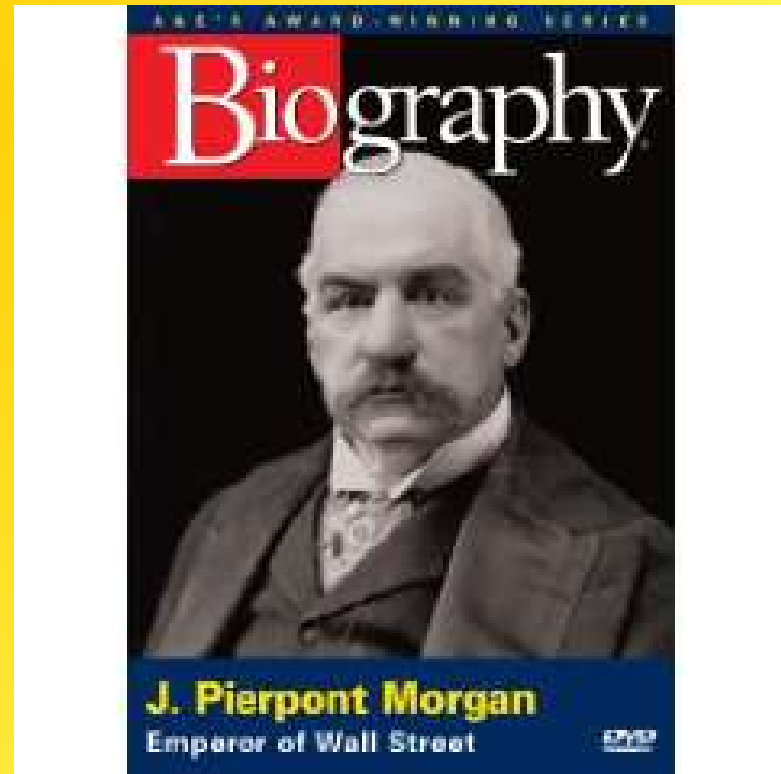
~~Vertical Integration~~



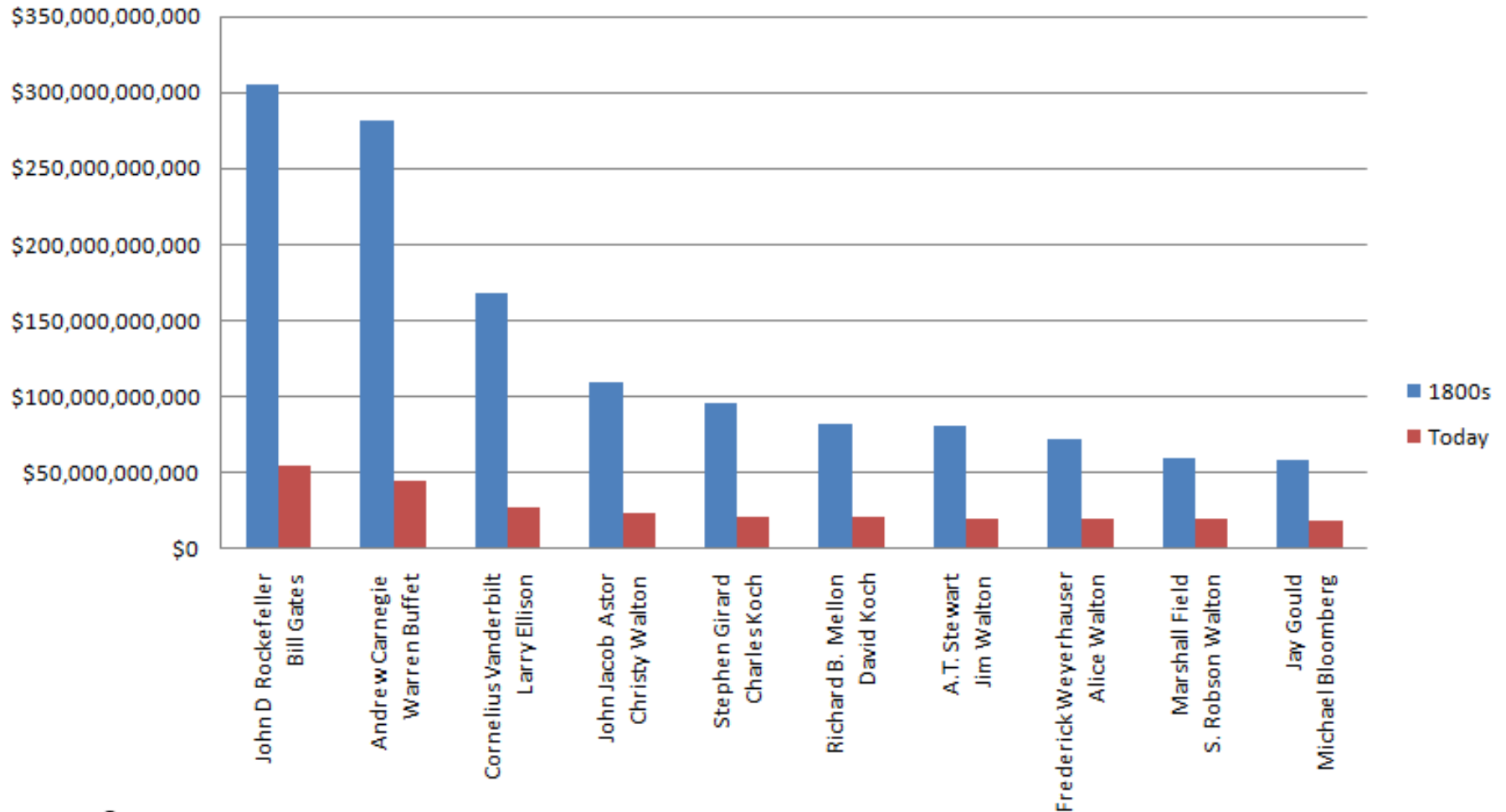
Vertically integrated - companies in a supply chain are united through a common owner. Usually each member of the supply chain produces a different product or (market-specific) service, and the products combine to satisfy a common need

J. P. Morgan Banking

Someone had to lend them the money for the large corporations.



Top 10 Richest people from the 1800s and Today (2006 dollars)



Sources:

http://www.forbes.com/2007/09/14/richest-americans-alltime-biz_cx_pw_as_0914ialltime_slide.html - Forbes All-Time Richest Americans

<http://www.forbes.com/wealth/forbes-400> - Forbes Richest People in America

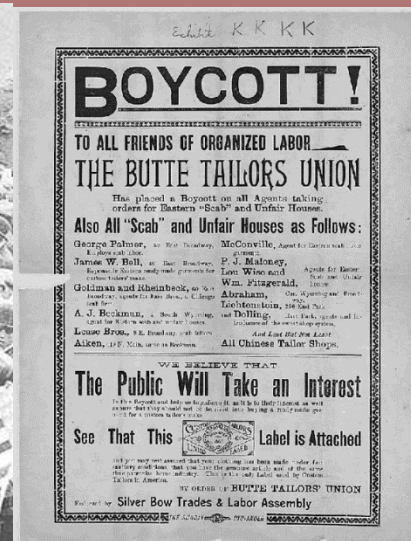
Social Effects of Industrial Revolution

Labor Unions and Legislation

Mines

Factories

Timber Industry

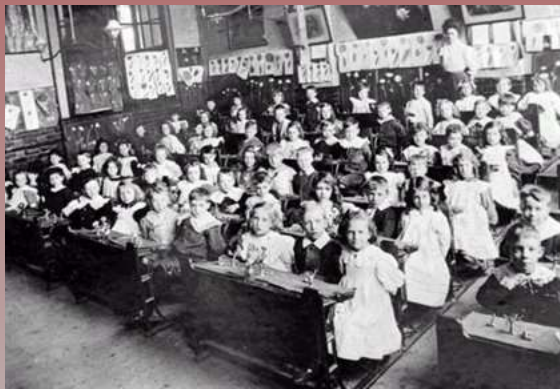


Social Effects of Industrial Revolution

Labor Unions and Legislation

By late 1800's the fastest growing class of people in the western world was the

Middle Class



Women: “A woman’s place is in the home”

Social Effects of Industrial Revolution

SUFFRAGE

Rights of Women to vote



Susan B. Anthony

Political and Economics

New Ideas

Socialism –

Private ownership of business with profits being shared by all

Utilitarianism -

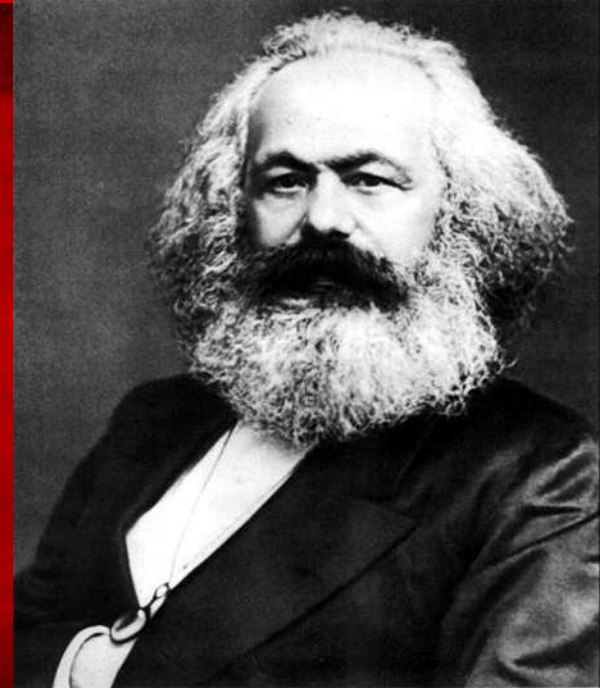
“greatest happiness for the greatest number”



Political and Economics

New Ideas

Communist Manifesto – Karl Marx



Political and Economics

Communist Manifesto – Karl Marx

**Struggle between social classes
would lead to a classless society**

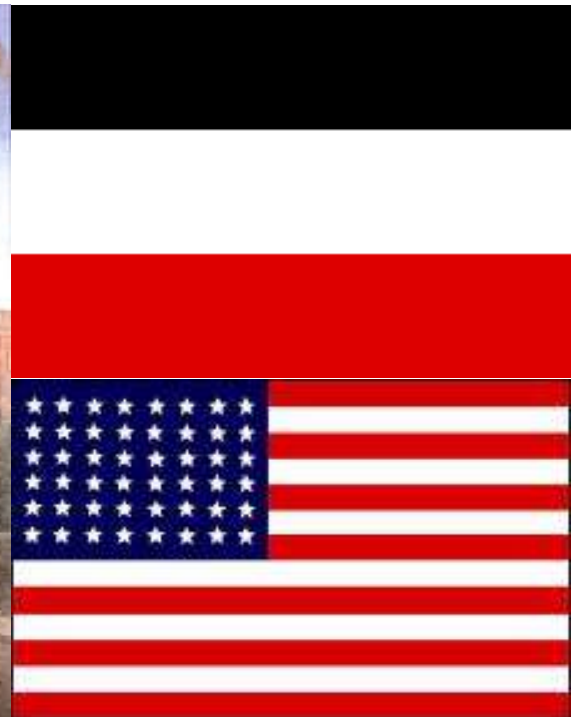
Bourgeoisie vs Proletariat



**Workers would rise up and take control of all production
(controlled by the state – gov. for the people, by the people)**

By the early 1900's

- **Germany and United States were the Industrial leaders in the world...**



Famous Union Fights

Midwest –

Auto Industry

Steel Manufacturing

West Virginia

Coal Mines – “Rednecks”

Northwest –

Boeing Aircraft

Timber Industry