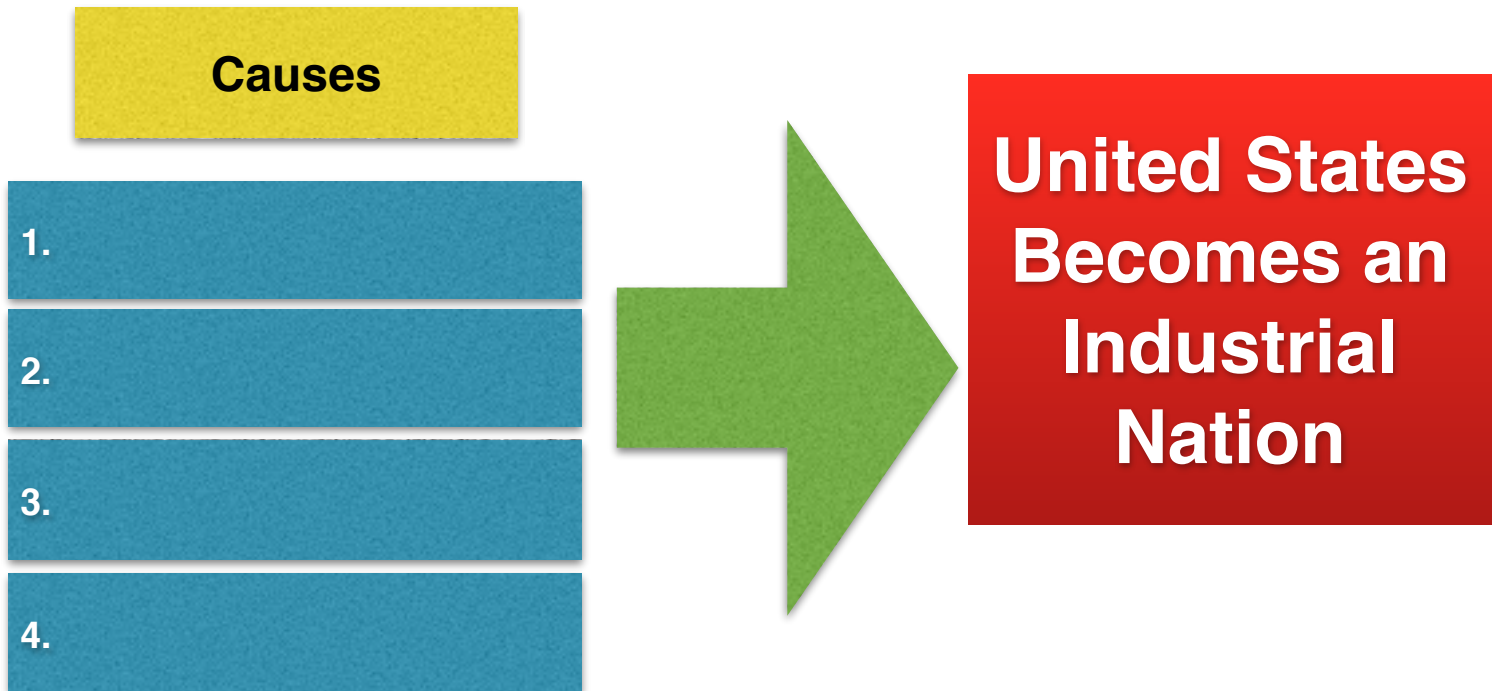


The Rise of Industry

Big Idea

List four causes that led to the United States becoming an Industrial Nation. (You may need to answer this after completing the rest of the worksheet.)



The United States Industrializes

Determining Cause and Effect

List two causes of American population growth.

- 1.
- 2.

After the Civil War, many people left their farms to find work in factories. By the late 1800s, the United States had become the world's leading industrial nation. By 1914 the **gross national product (GNP)**—or the total value of all goods and services produced by a country—was eight times greater than in 1865.

One reason that industries expanded was an abundance of natural resources such as coal and timber. Many resources were located in the West. The transcontinental railroad brought settlers to the West and resources to the East. A new resource, petroleum, was also being developed. It was turned into kerosene used in lanterns and stoves. In 1859 Edwin Drake drilled the first oil well near Titusville, Pennsylvania. Oil fields were soon developed across the country. Oil production helped to expand the nation's economy.

America's growing population provided industries with both a larger workforce and more demand for the goods they produced. The population increase resulted from large families and increased immigration. Between 1870 and 1910, over 20 million immigrants came to the United States.

Inventions

Problems and Solutions

What problem did Gustavus Swift solve?

Inventions also contributed to the growth of industries. In 1876 Alexander Graham Bell developed the telephone. It changed both business and personal communication. Thomas Alva Edison invented the phonograph and the lightbulb, among others. In 1882 an Edison company began to supply electric power to New York City. Electric power changed American society.

Technology affected other parts of American society. In 1877 Gustavus Swift shipped the first refrigerated load of fresh meat. Refrigeration kept food fresh longer. New machines helped the textile industry produce cloth faster. Standard sizes were used to make ready-made clothes. The clothing business moved from small shops to large factories. Similar changes took place in the shoe industry. Many products' prices dropped as the United States industrialized.

Free Enterprise

Identifying the Main Idea

Write the main idea of the passage.

The free enterprise system also helped industry in the United States expand. In the late 1800s, many Americans embraced a **laissez-faire** policy. This means government should not interfere in the economy, except to protect property rights and maintain peace. They believed a free market, in which companies compete, leads to more wealth for everyone. This policy promotes keeping taxes low and limiting government debt. The chance to gain wealth attracted **entrepreneurs**. These are people who risk their capital in organizing and running businesses. Many New Englanders invested capital in building factories and railroads. Foreign investors also invested in American industries.

In many ways, the U.S. government was laissez-faire in the late 1800s. In other ways, it actively aided industry. Congress passed the Morrill Tariff. It nearly tripled tariffs. This made imported goods cost more than American goods. The government gave land grants to western railroads and sold land with mineral resources for less than its true value.

High tariffs ran counter to laissez-faire policies. Tariffs also caused foreign countries to raise tariffs against American goods. This hurt Americans trying to sell goods abroad, particularly farmers. Despite this effect, many business and government leaders thought tariffs helped new American industries compete with large European industries. By the early 1900s, many American industries were large and competitive. Business leaders then began to push for free trade.

Section Wrap-Up

Answer these questions to check your understanding of the entire section.

1. What effects did the expanding population have on industry?

2. How did Alexander Graham Bell and Thomas Alva Edison influence American society?