

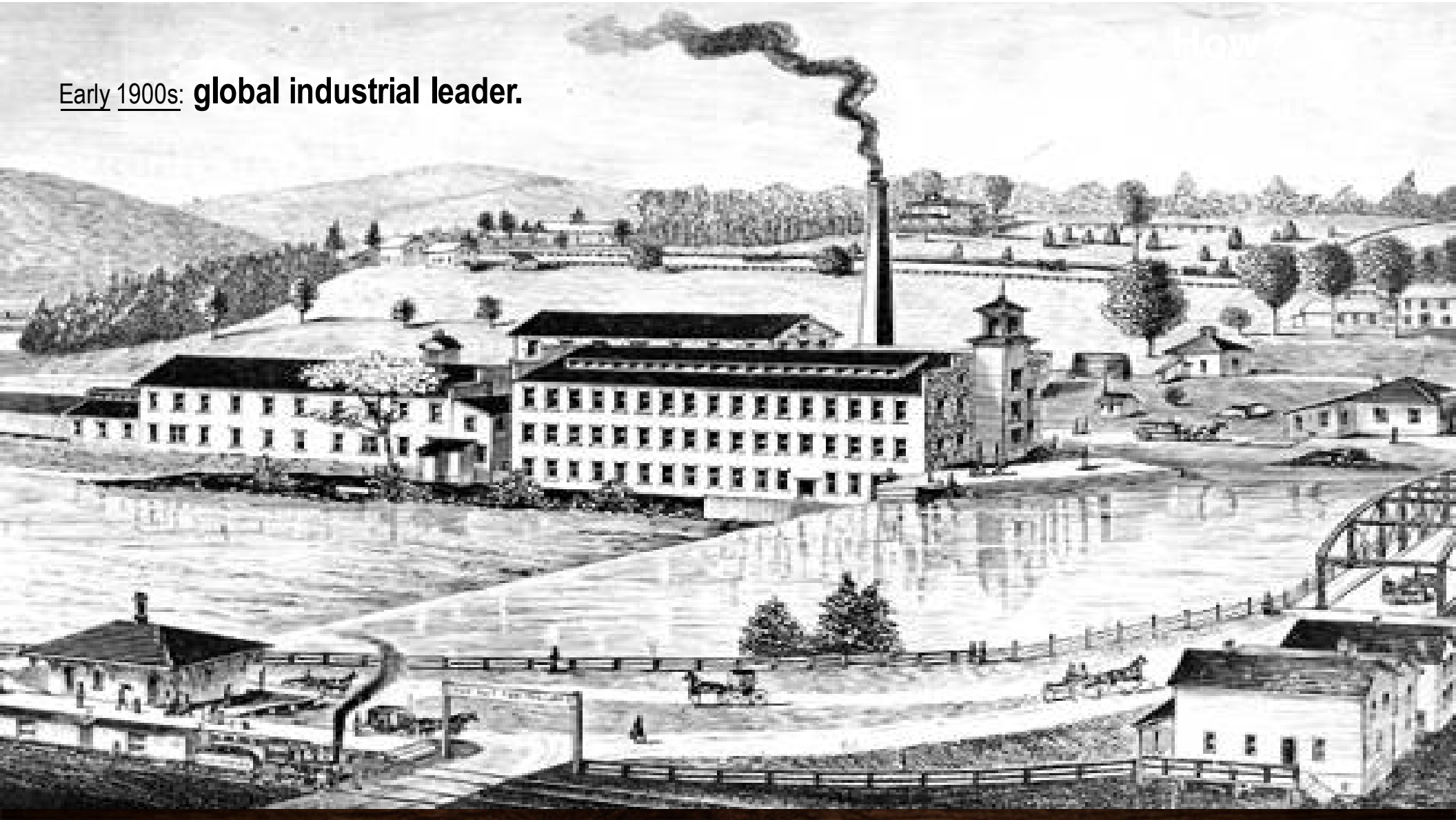
The Rise of Industrialization and Big Business



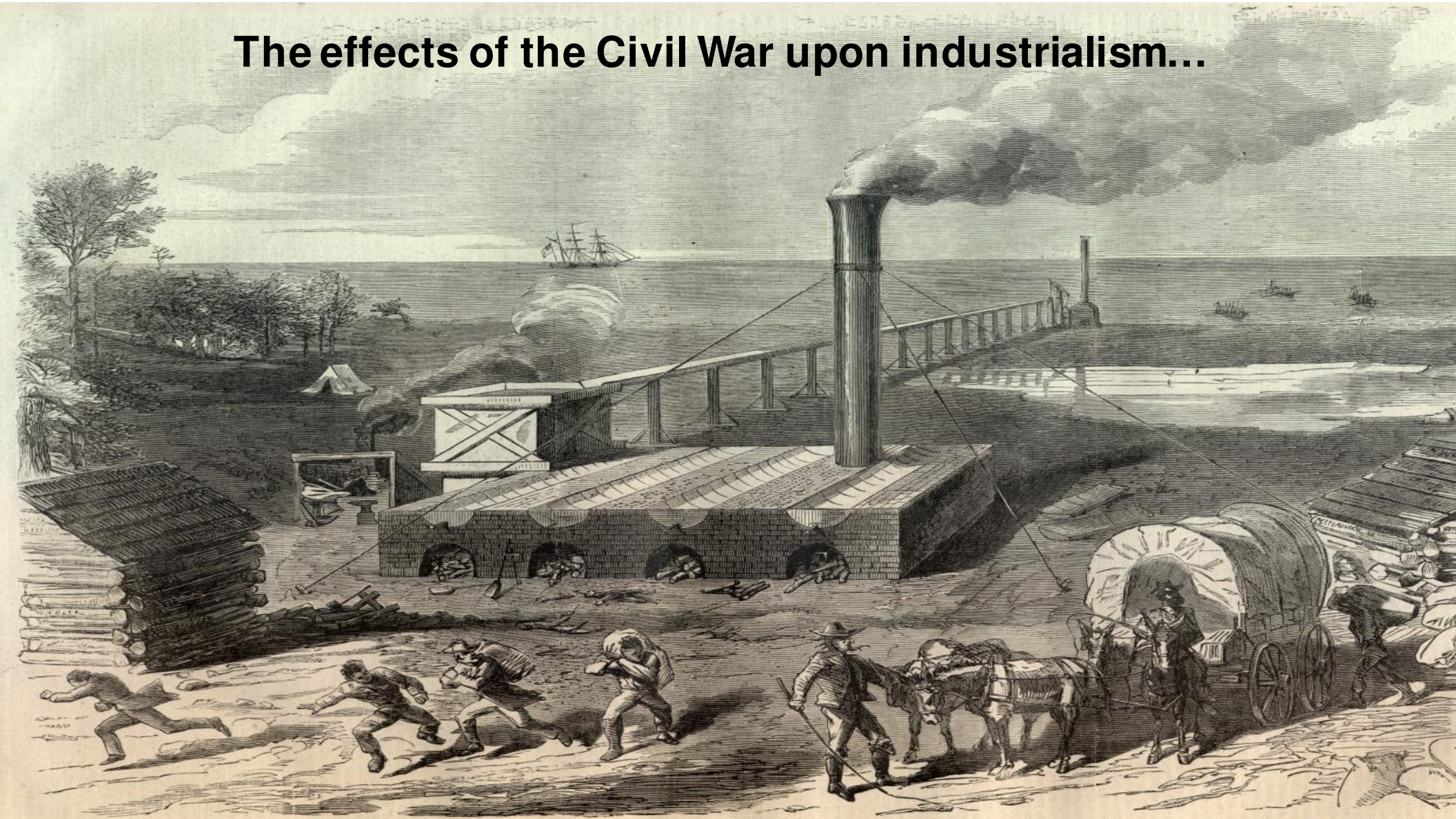
1800s:
U.S. is an agrarian nation.



Early 1900s: **global industrial leader.**

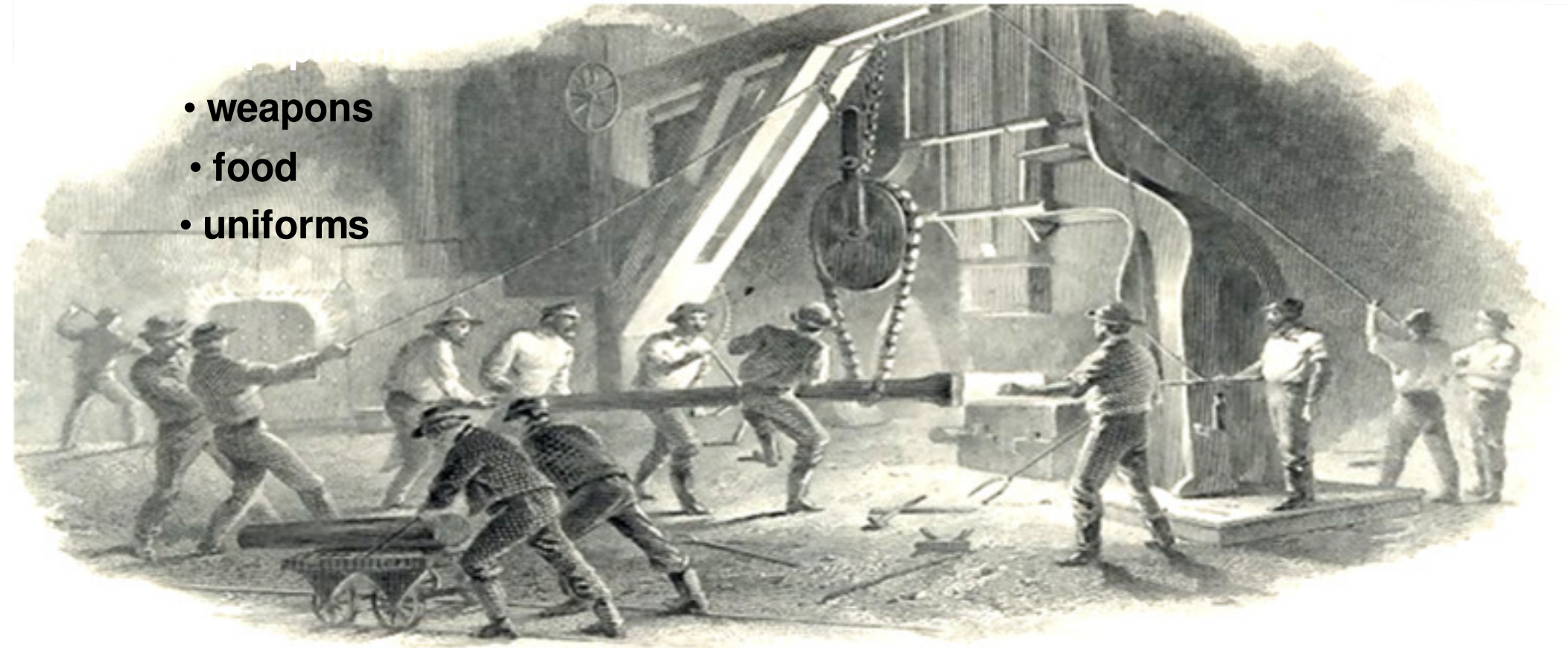


The effects of the Civil War upon industrialism...



mass production of...

- weapons
- food
- uniforms



The use of mass production, industrialization and modern transportation during war time...



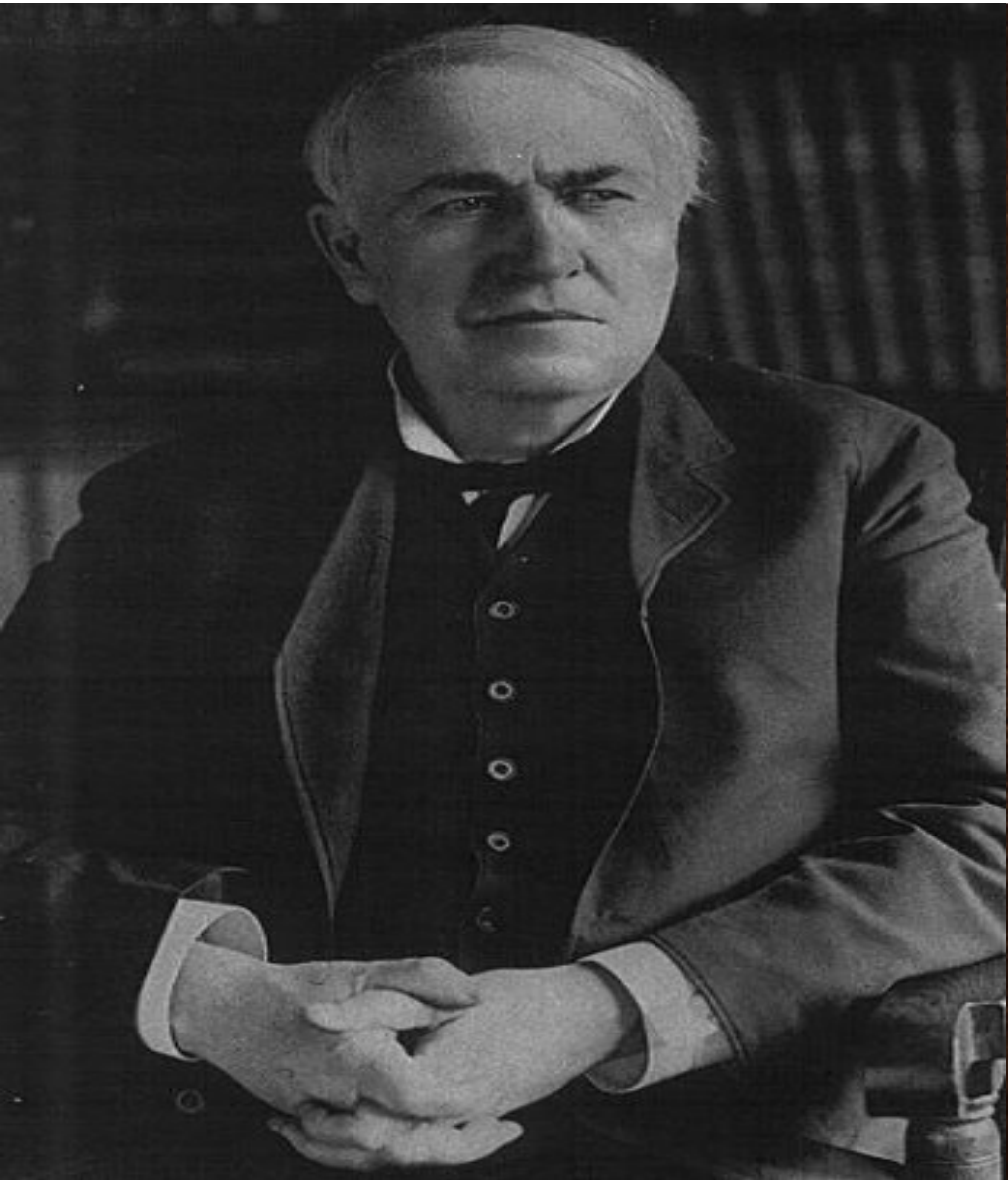


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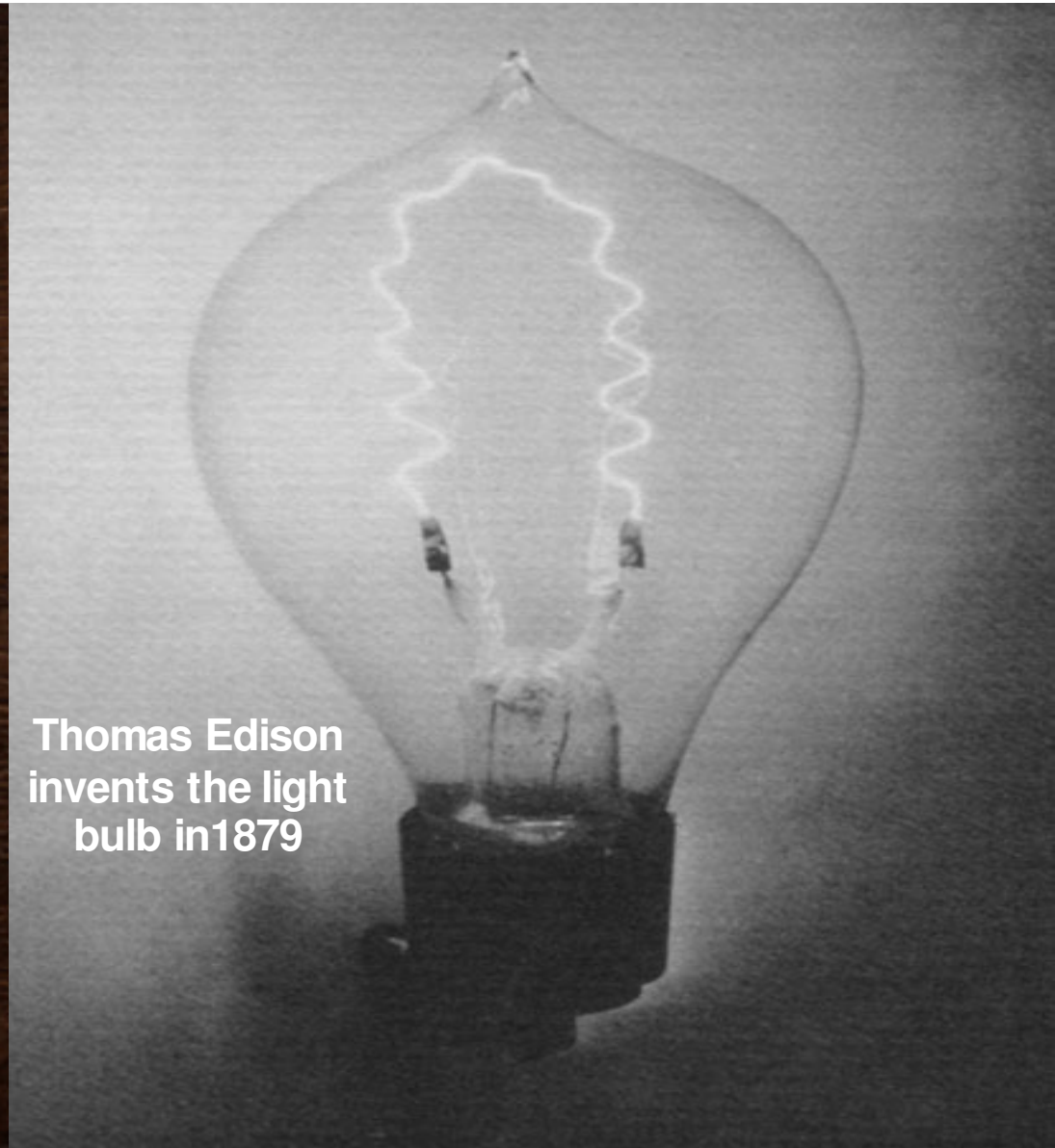
Thomas Edison Menlo Park Laboratory

<https://www.youtube.com/watch?v=HQ2RJC1a8T0>



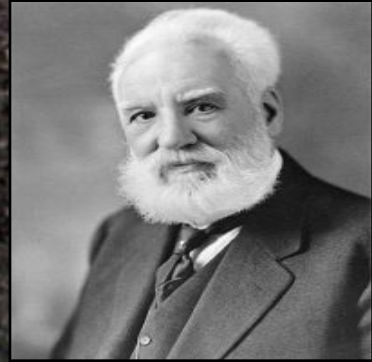


Thomas Edison
invents the light
bulb in 1879





telephone, 1876



Alexander Bell

13.3 An Explosion of Industrial Growth

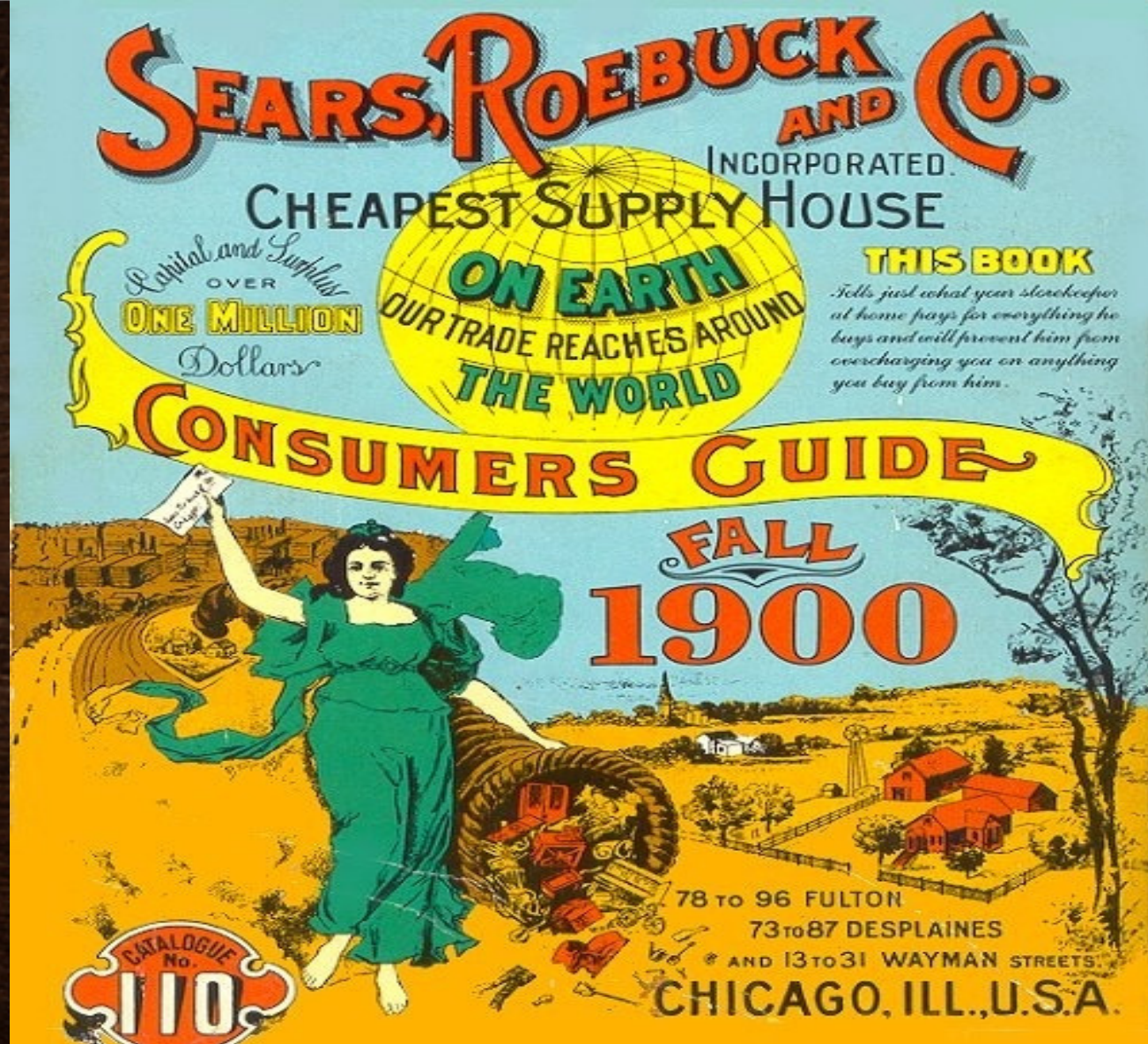
Total Number of Workers, 1870–1920 (in thousands)		
Year	Agricultural Workers	Non-Agricultural Workers
1870	6,850	6,075
1880	8,585	8,807
1890	9,938	13,380
1900	10,912	18,161
1910	11,592	25,779
1920	11,449	30,985

Source: *The Statistical History of the United States from Colonial Times to the Present*, U.S. Census Bureau, New York: Horizon Press, 1965.



The Granger Collection, New York

...and leads to an era of
Big Business and
consumerism.



SEARS, ROEBUCK AND CO.
INCORPORATED.
CHEAPEST SUPPLY HOUSE

Capital and Supplies
OVER
ONE MILLION
Dollars

ON EARTH
OUR TRADE REACHES AROUND
THE WORLD

CONSUMERS GUIDE
FALL
1900

*Tells just what your storekeeper
at home pays for everything he
buys and will prevent him from
overcharging you on anything
you buy from him.*

78 TO 96 FULTON
73 TO 87 DESPLAINES
AND 13 TO 31 WAYMAN STREETS
CHICAGO, ILL., U.S.A.

CATALOGUE
No.
110

The advertisement features a central illustration of a woman in a green dress holding a card, standing in a rural landscape with a barn and a windmill. A globe is positioned above the text, and a banner across the middle contains the title 'CONSUMERS GUIDE'. The background is a light blue sky with a yellow sun.



Fancy Dress Shirts

Wonderful Value, 49 Cents.

No. 48060 MEN'S ELEGANT FANCY BOSOM LAUNDERED DRESS SHIRTS. Open back style, fine white muslin body, a full collar, detachable front and striped cuffs, and the French or open bosom. A pair of cuff buttons and a pair of collar buttons included. Colors, blue, pink, red, green, yellow, and white. Price, 2 for \$1.00, each.

Another Great Leader.

No. 48062 OUR NEW SHIRT BOSOM SHIRT, with cuffs to match, back neck, style with open back and white body, a full collar, detachable front and striped cuffs, and the French or open bosom. A pair of cuff buttons and a pair of collar buttons included. Colors, blue, pink, red, green, yellow, and white. Price, 2 for \$1.00, each.

No. 48061 OPEN BACK STYLE, with fully colored Madras cloth body, Madras check, stripes and fancy figures, bright and colored patches, plaid, blue, blue and other fashionable colors. Price, 2 for \$1.00, each.

No. 48068 SOLID FANCY SHIRT BOSOM LAUNDERED DRESS SHIRT. Fine white muslin body, with fully colored Madras cloth body, Madras check, stripes and fancy figures, bright and colored patches, plaid, blue, blue and other fashionable colors. Price, 2 for \$1.00, each.

Stylish All Colored Shirts.

Much More Popular Now than White Body Shirts. No. 48064 THE NEWEST SHIRT OF THE SEASON. Same as all Madras cloth shirt, custom length bosom with detachable link cuffs. The combinations in stripes and plaids, medium colors, blue, green, red, yellow, and white, lavender and white, tan, pink, and other shades. Open front and back. Size, 14 to 17. Price, 2 for \$1.00, each.

Finest White Body Fancy Bosom Shirts, 95 Cents.

No. 48070 ABSOLUTELY HIGH GRADE IN EVERY PARTICULAR. White muslin body, with fancy colored bosom and detachable link cuffs. The combinations in stripes and plaids, medium colors, blue, green, red, yellow, and white, lavender and white, tan, pink, and other shades. Open front and back, with hand turned button. Size, 14 to 17. Price, 2 for \$2.00, each.

\$1.75 Madras Shirts for \$1.25 with Collars and Cuffs.

No. 48075 MEN'S FANCY MADRAS CLOTH SHIRTS, with detachable collar and one pair cuffs to match. Rich and durable, made of newest plaids, checks and stripes in various shades of blue, green, brown, etc. This is the regular \$1.75 shirt, and is not surpassed for workmanship. Open front and back. Size, 14 to 17. Price, 2 for \$1.00, 3 for \$1.50, each.

Fine French Percale Shirts with Collars and Cuffs, 95 Cents.

No. 48074 MEN'S FINE FRENCH PERCALE SHIRTS, with detachable lay down collar and cuffs; fast colors; open back. They are made large and full sized body, fine custom style and finish, and we guarantee them to give perfect satisfaction. Two detachable lay down collars and one pair of cuffs are included with each shirt. Next stripes and checks, such as blue, brown and pink on white background. One of the fashionable shirts of the season. Size 14 to 17. Price, 2 for \$1.00, 3 for \$1.50, each.

Postage, Extra, 15 Cents Each.



New Novelties in Summer Shirts

Allow 10 Cents to 15 Cents for Postage when Ordering by Mail.

No. 48210 Fancy Figured Percale Novelty Shirts. Made of fine quality percale cloth, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48211 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48212 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48213 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48214 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48215 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48216 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48217 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48218 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48219 Men's Fine French Percale Novelty Shirts, with detachable collar and cuffs, and open back. Colors, blue, pink, red, green, yellow, and white. Price, per doz. \$4.00, each.

No. 48220 Men's Warranted Fast Black Madras Novelty Shirts. Lay white down collar and cuffs, fine white percale body and open back. Price, per doz. \$3.00, each.

No. 48221 Men's Warranted Fast Black Madras Novelty Shirts. Lay white down collar and cuffs, fine white percale body and open back. Price, per doz. \$3.00, each.

No. 48222 Men's Warranted Fast Black Madras Novelty Shirts. Lay white down collar and cuffs, fine white percale body and open back. Price, per doz. \$3.00, each.

No. 48223 Men's Warranted Fast Black Madras Novelty Shirts. Lay white down collar and cuffs, fine white percale body and open back. Price, per doz. \$3.00, each.

No. 48224 Men's Warranted Fast Black Madras Novelty Shirts. Lay white down collar and cuffs, fine white percale body and open back. Price, per doz. \$3.00, each.

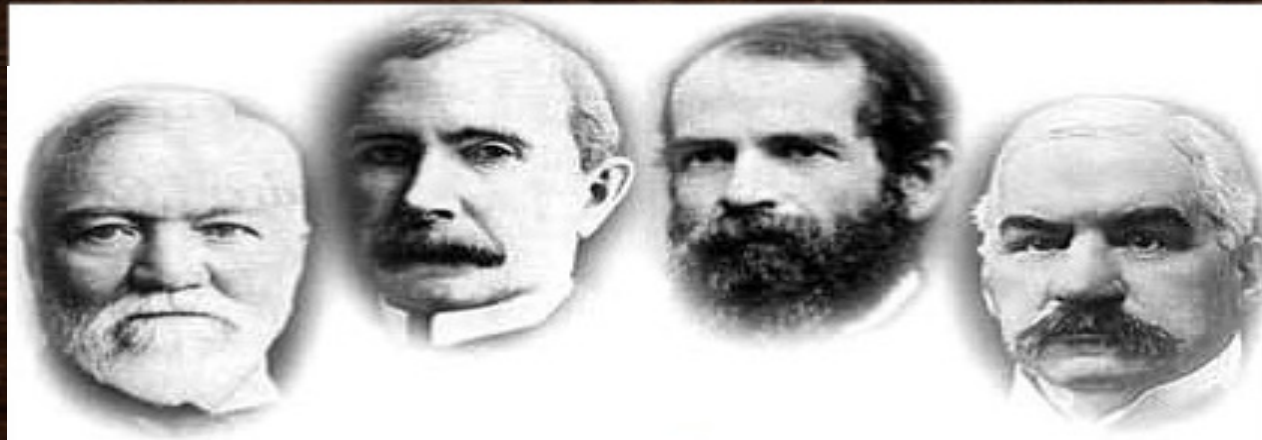
No. 48225 Men's Warranted Fast Black Madras Novelty Shirts. Lay white down collar and cuffs, fine white percale body and open back. Price, per doz. \$3.00, each.

No. 48226 Men's Warranted Fast Black Madras Novelty Shirts. Lay white down collar and cuffs, fine white percale body and open back. Price, per doz. \$3.00, each.

No. 48227 Men's Warranted Fast Black Madras Novelty Shirts. Lay white down collar and cuffs, fine white percale body and open back. Price, per doz. \$3.00, each.

Big Business and the growth of trusts (giant corporations).

Captains of Industry



Cornelius Vanderbilt

(1794–1877)

“rags to riches”

born to a poor farming family

created a railroad empire



<https://www.youtube.com/watch?v=H9Gq-eKO6SQ>

The Men Who Built America: The Rise of Cornelius Vanderbilt?



11 ▶ 🔊 1:10 / 3:57



At 16, he bought a small boat & started a ferry business in NY

...then, to steamboats....

...then railroads...

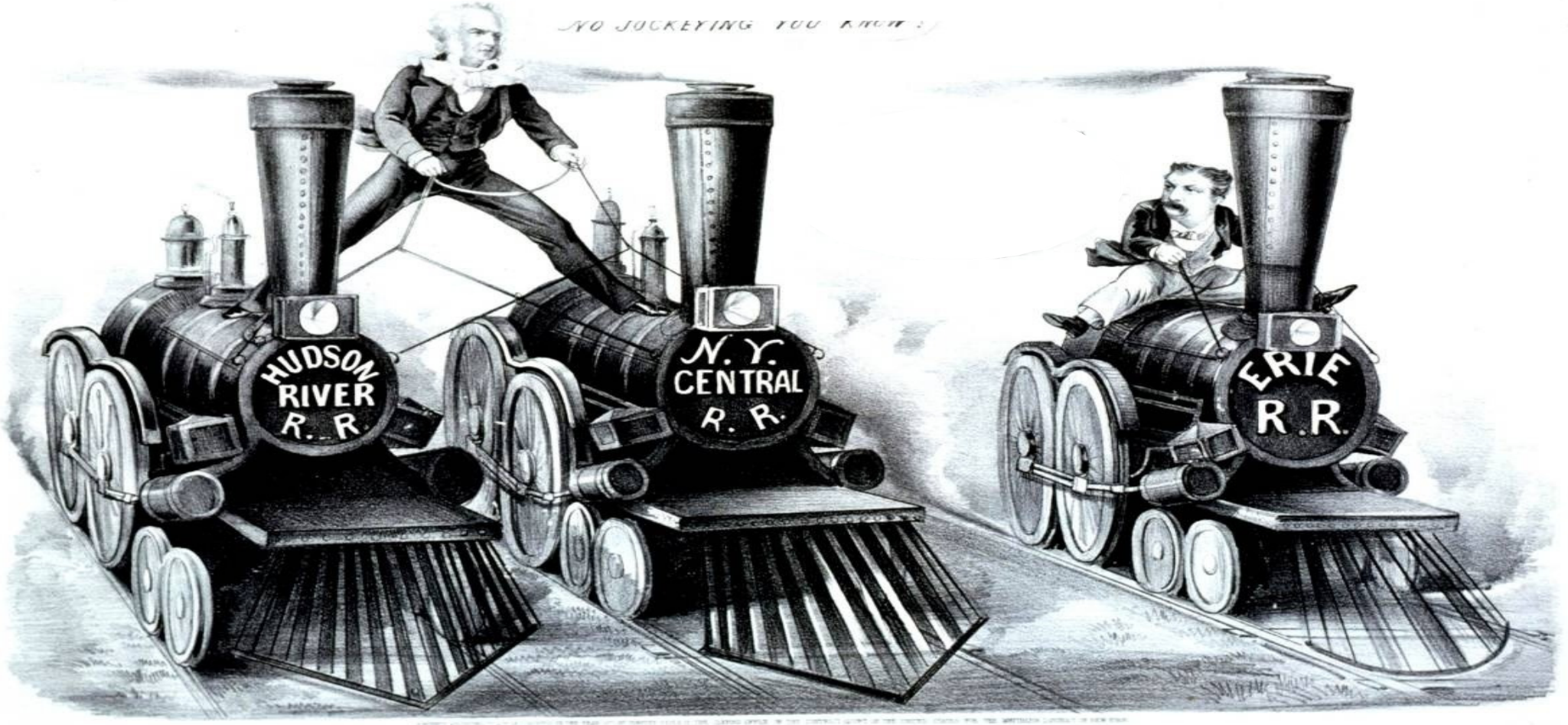
...one of richest men in U.S.



letter to a former
business associate.

"You have undertaken to cheat me. I won't sue you, for the law is too slow. I will ruin you."

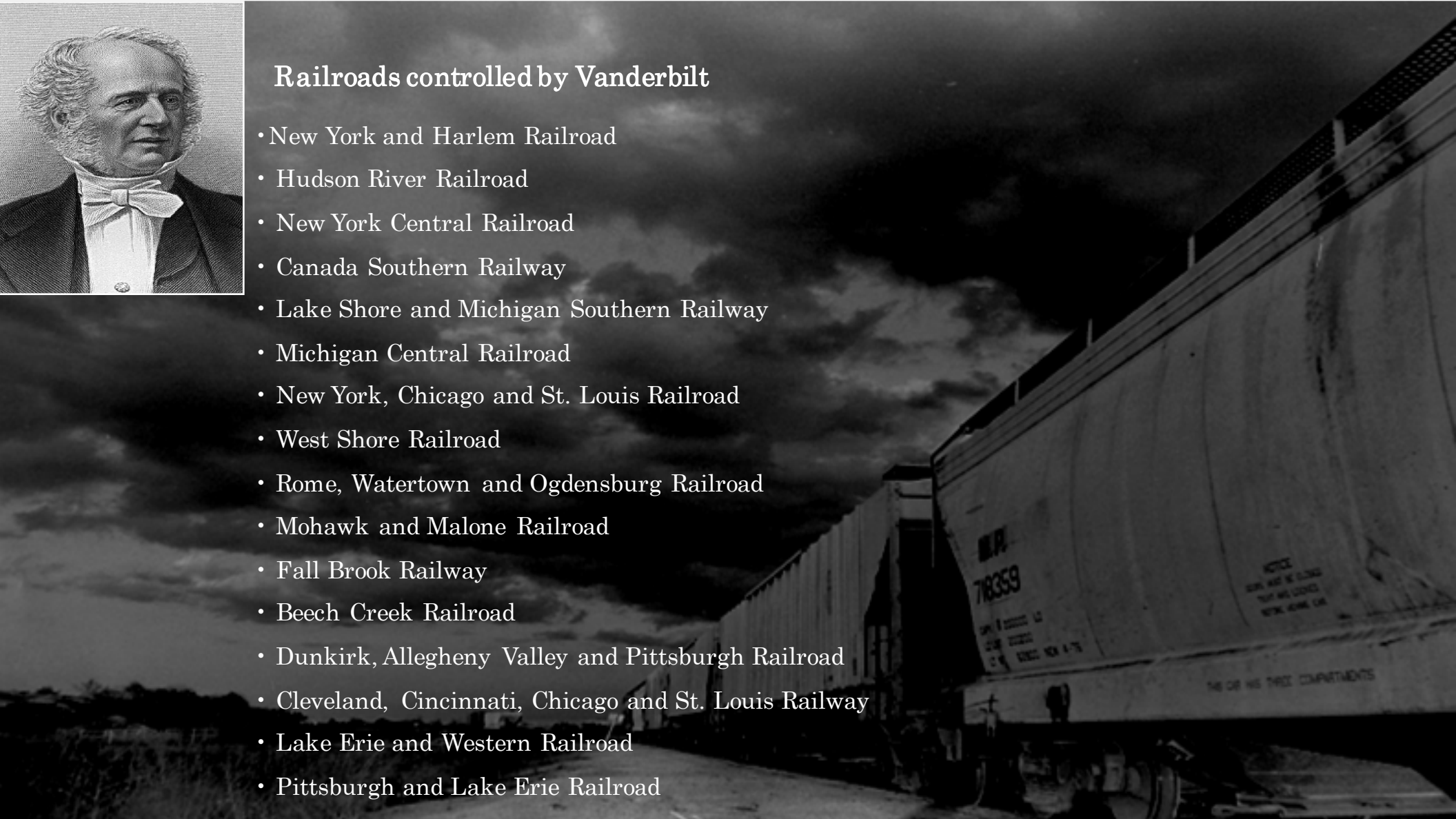
-Cornelius Vanderbilt, 1853





Railroads controlled by Vanderbilt

- New York and Harlem Railroad
- Hudson River Railroad
- New York Central Railroad
- Canada Southern Railway
- Lake Shore and Michigan Southern Railway
- Michigan Central Railroad
- New York, Chicago and St. Louis Railroad
- West Shore Railroad
- Rome, Watertown and Ogdensburg Railroad
- Mohawk and Malone Railroad
- Fall Brook Railway
- Beech Creek Railroad
- Dunkirk, Allegheny Valley and Pittsburgh Railroad
- Cleveland, Cincinnati, Chicago and St. Louis Railway
- Lake Erie and Western Railroad
- Pittsburgh and Lake Erie Railroad



Over his lifetime he gave little to charity.



When he died he left \$95 million of his \$100 million to one of his sons.



His wife and 8 daughters got \$500,000 each.



Another son got nothing (he later committed suicide).





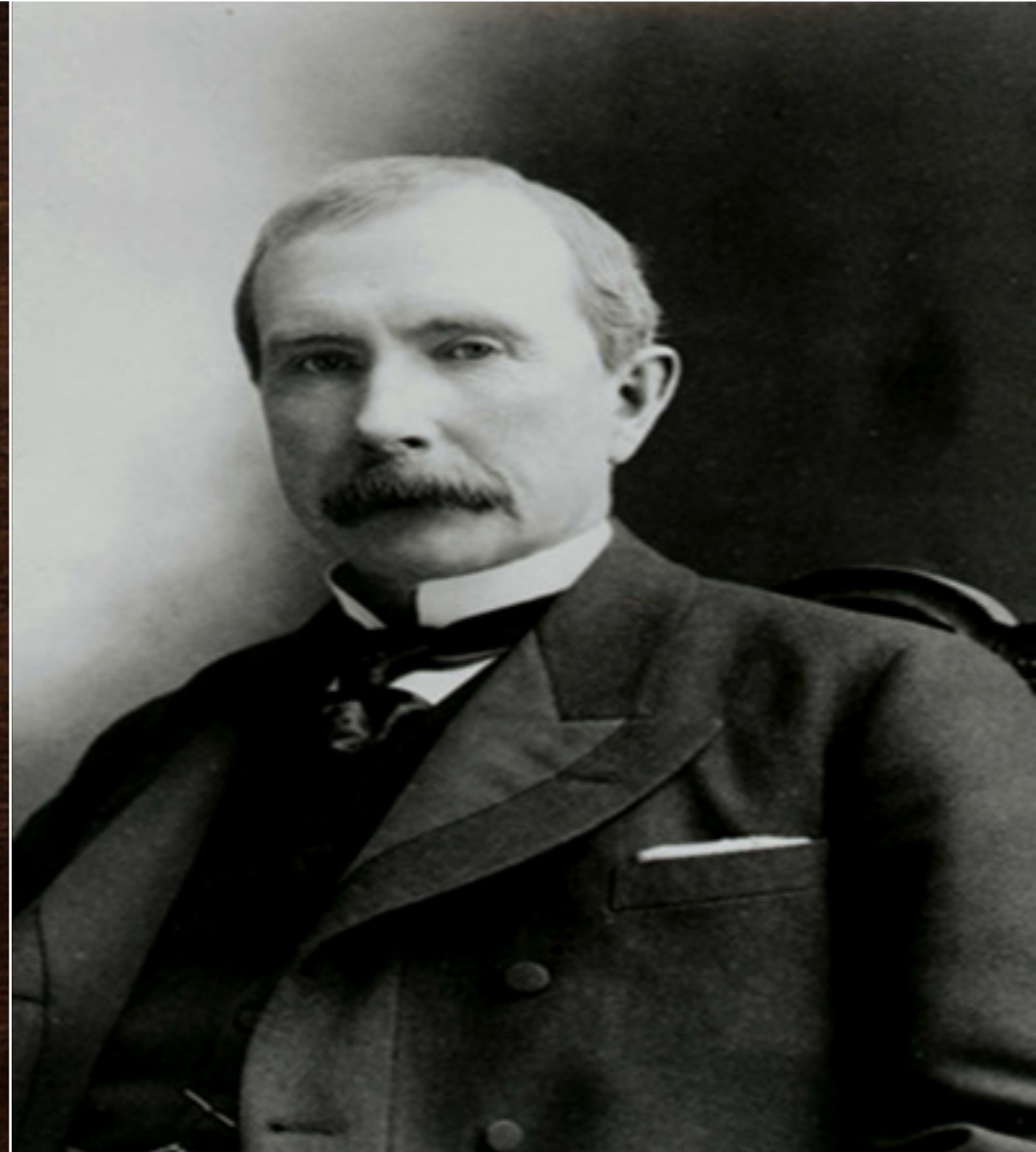
He also left \$1 million to have
Vanderbilt University built.

Century Turning Points in U.S. History:
Completion of the Transcontinental Railroad

John D. Rockefeller Sr.

(1839–1937)

During the 1860s, John D. Rockefeller earned a fortune refining oil in Cleveland Ohio and in 1870, he formed a corporation called Standard Oil.

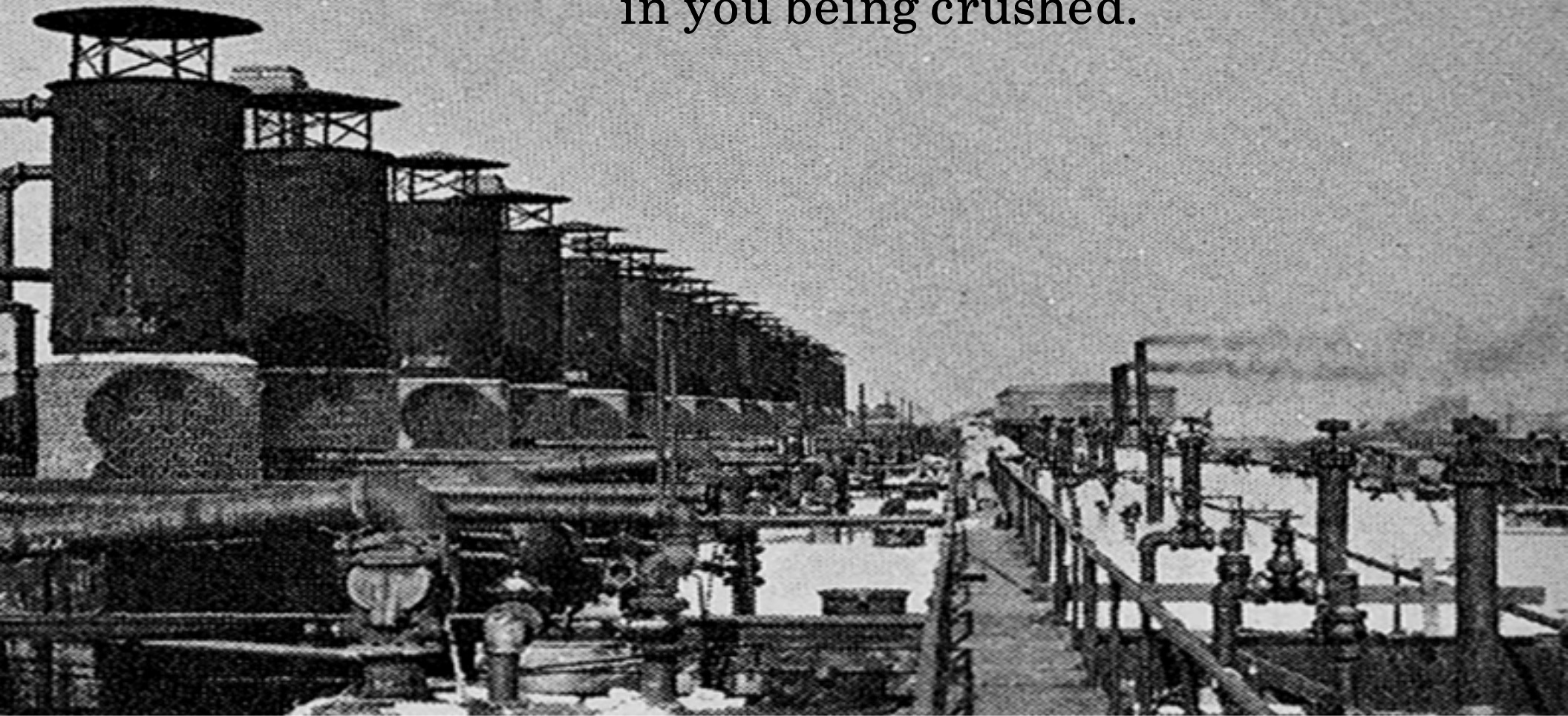




➤ Standard Oil undercut its competitors by making deals with railroad companies, which agreed to ship its oil at discount prices, allowing it to lower its prices.

➤ These price cuts forced other oil companies to lower their prices as well, causing many of them to either go bankrupt or to be sold to Standard Oil.

“If you refuse to sell, you will end
in you being crushed.”





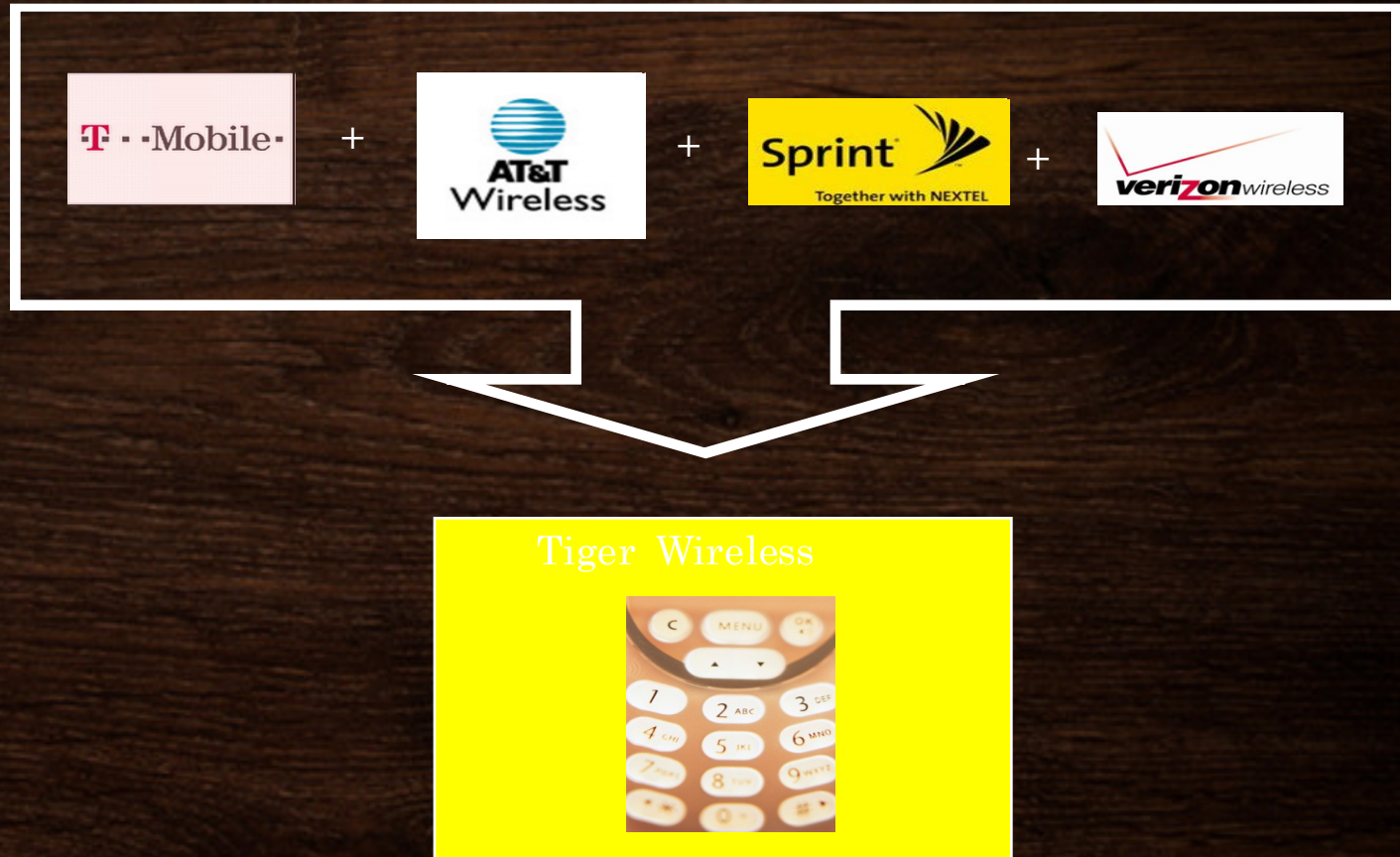
The Standard Oil Co. monopoly controlled almost 90% of U.S. oil.

With competitors out of the way, Standard Oil could raise its prices and make a bigger profit.



Horizontal Integration

- the joining together of as many business from the same industry as possible to make one big company





TIME

The Weekly Newsmagazine



JOHN DAVISON ROCKEFELLER

"I believe it is a religious duty to get all the money you can"
(See *Fortune* article)

Volume XI

Number 21

became richest
man in the world

Philanthropy

Gave away much of his \$
later in life

More than \$5 billion (in
current \$) to education,
religion and health care

19th Century Turning Points in U.S. History:
Rockefeller Incorporates Standard Oil Co. of Ohio



<https://www.youtube.com/watch?v=6MaJeW4XBxU>

John D. Rockefeller & Standard Oil



0:53 / 11:00

CC Settings Full Screen



Andrew Carnegie

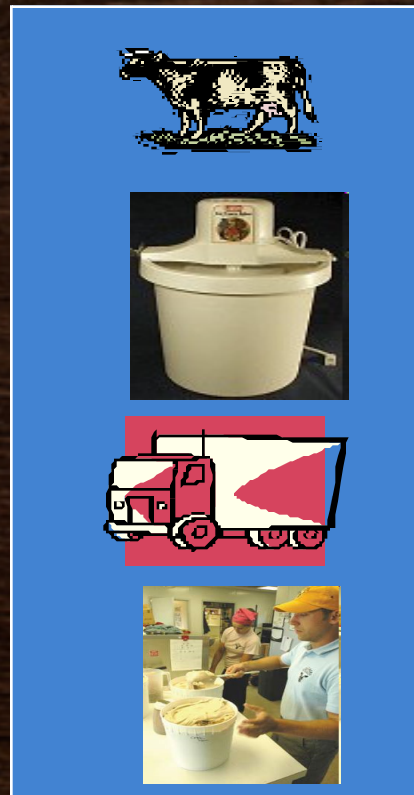
(1835–1919)

- In 1863, he began to form the Carnegie Steel Company, which would later become the largest steel mill of its time near Pittsburg, Pennsylvania.
- expanded his steel industry by buying every part of steel production
 - bought the iron mines and coalfields that sent raw materials to his company's mills.
 - ships and railroads that transported supplies and finished products.

so he could make money from the whole process.

Vertical Integration

- taking control of each step in the production and distribution of a product, from getting raw materials to manufacturing, packaging, and distribution.

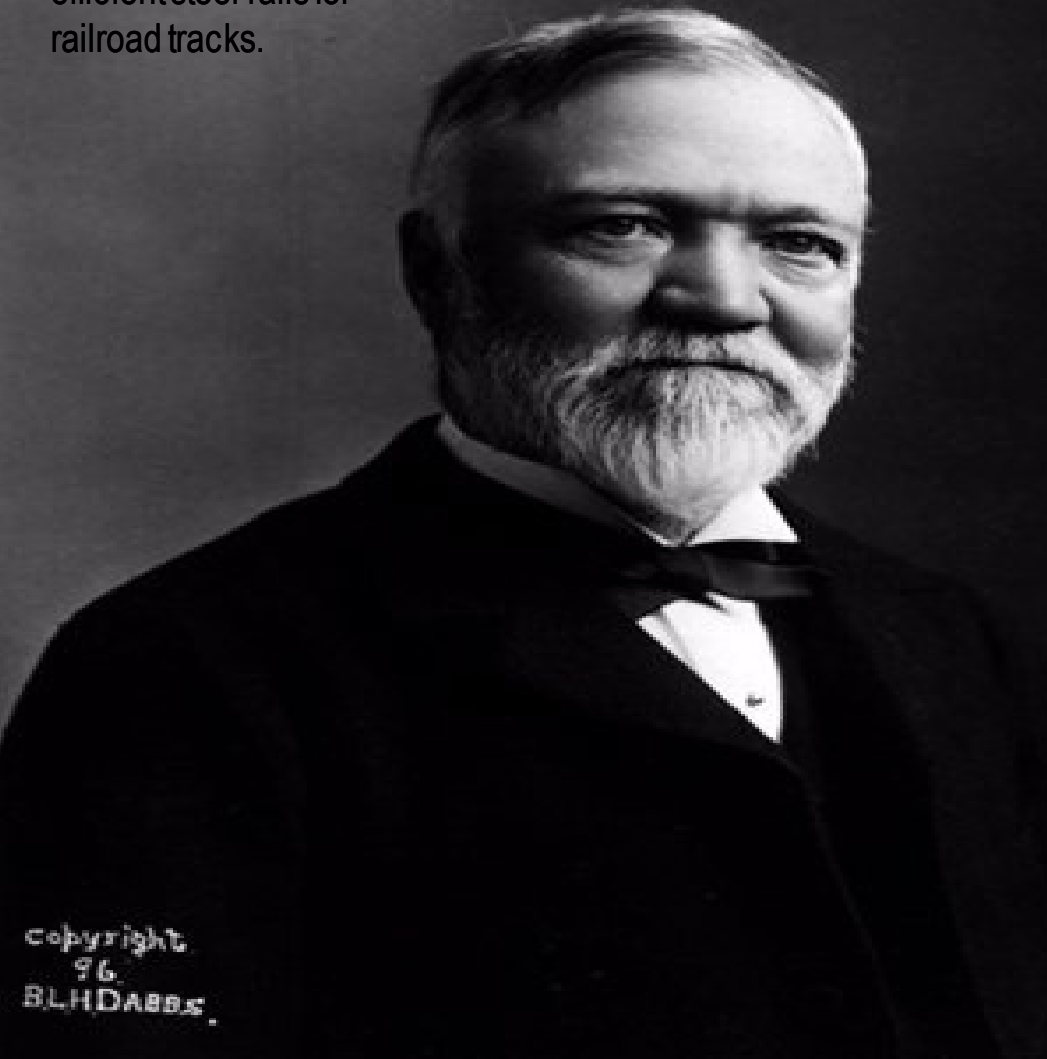


→ Higher profits → You own everything → don't have to pay anyone else.

empire of steel

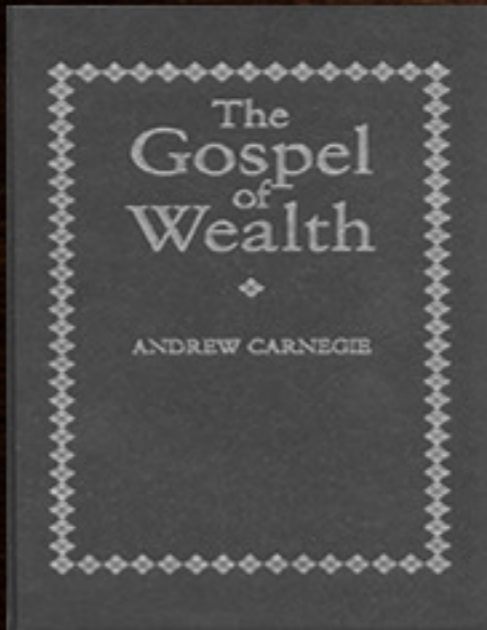


Mass produced cheap and efficient steel rails for railroad tracks.



copyright
96
BLHDABBS

In 1889, the year before his wealth would hit \$25 million, he published an article titled, "Wealth." In it, he declared that rich people had a duty to use their surplus wealth for "improvement of mankind." He added, "a man who dies rich dies disgraced."





Philanthropy

Later gave away most of his \$

\$4.5 billion to education, libraries and universities in the U.S. and Scotland

Read [Gospel of Wealth](#) and [Rockefeller and the Standard Oil Monopoly](#)



J.P. Morgan

(1837–1913)



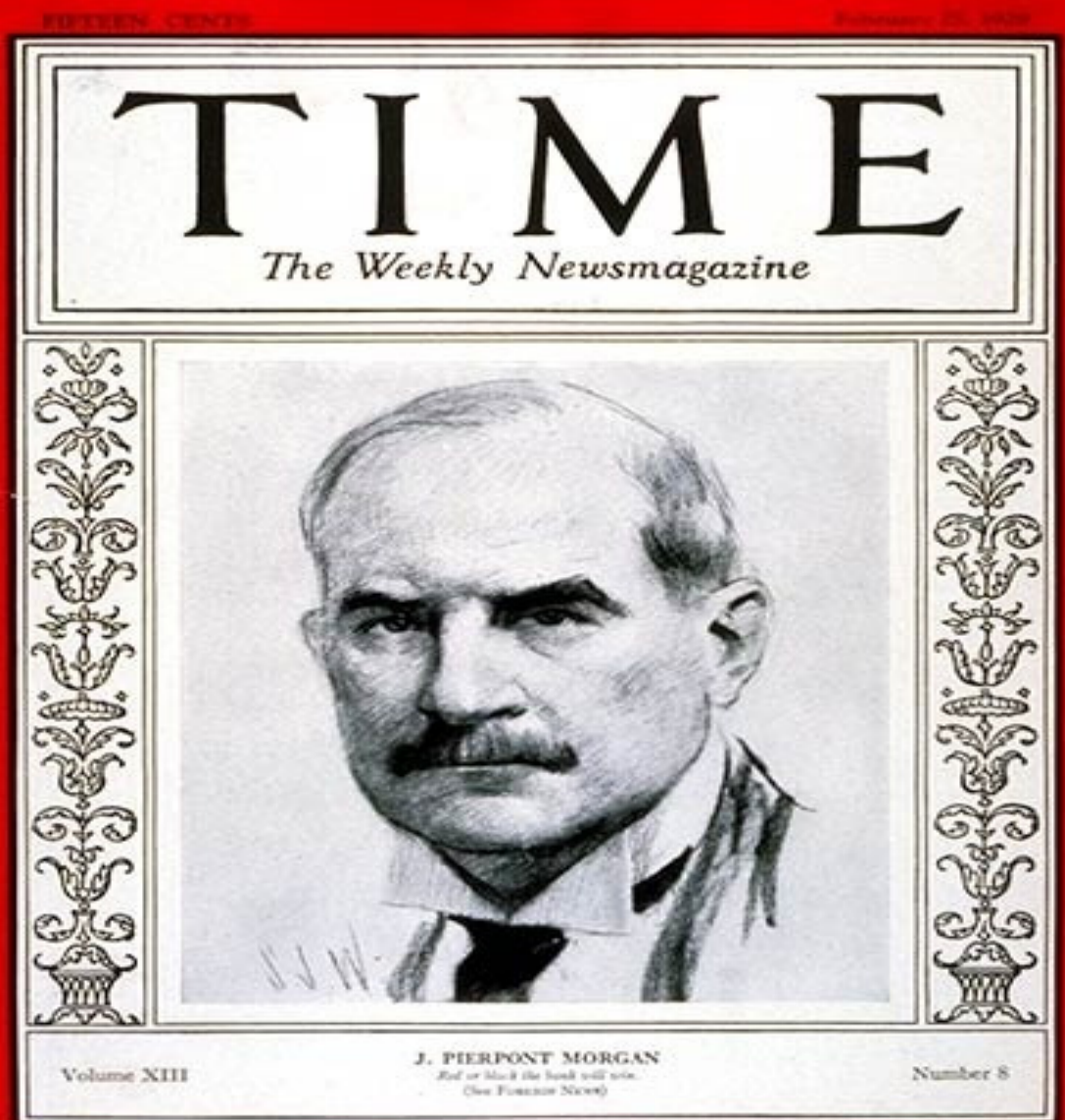
Born into wealth.

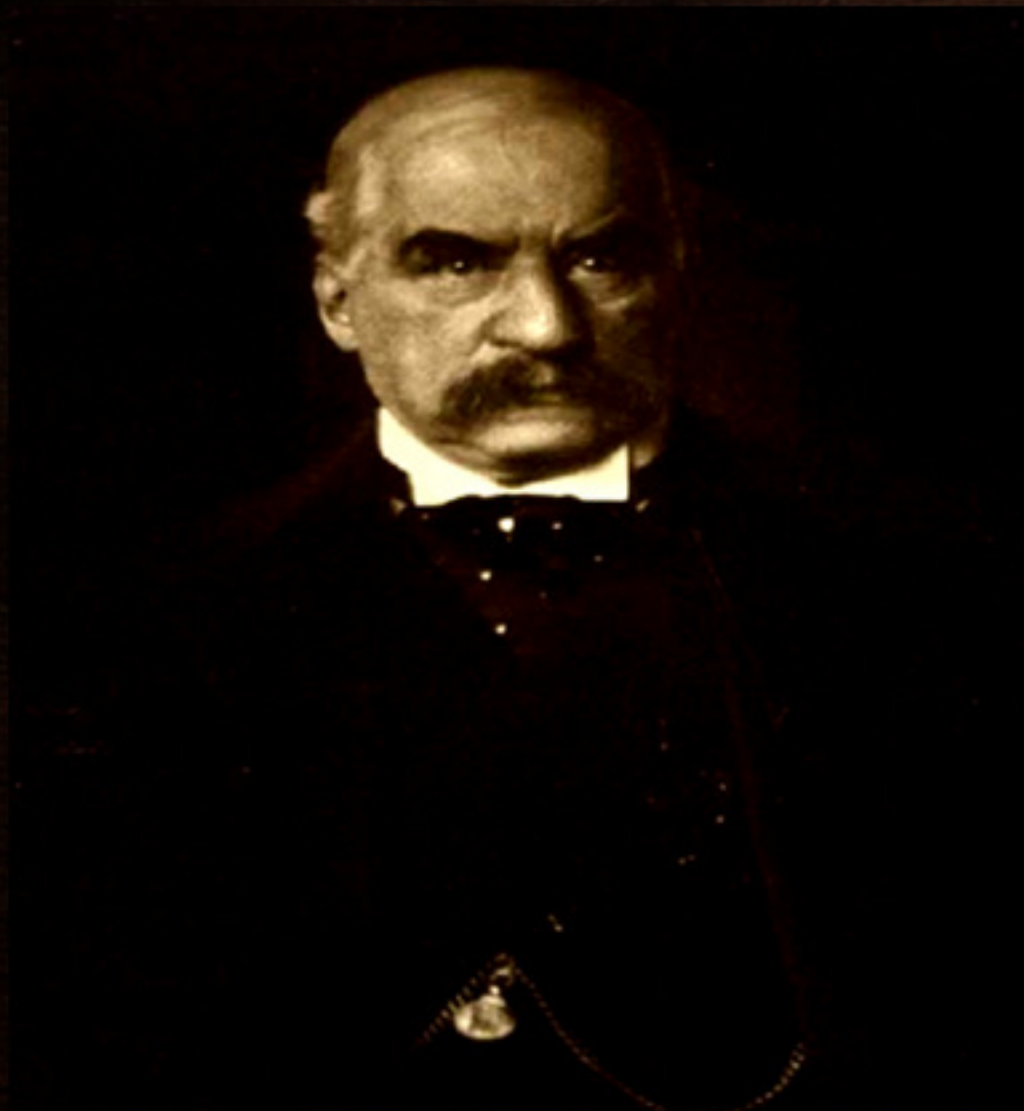
Created a banking empire.

Financed loans to Carnegie's
Steel Co. & Rockefeller's
Standard Oil.

One of the richest men in U.S.

Bought Andrew Carnegie's steel company and formed the 1st billion \$ company.

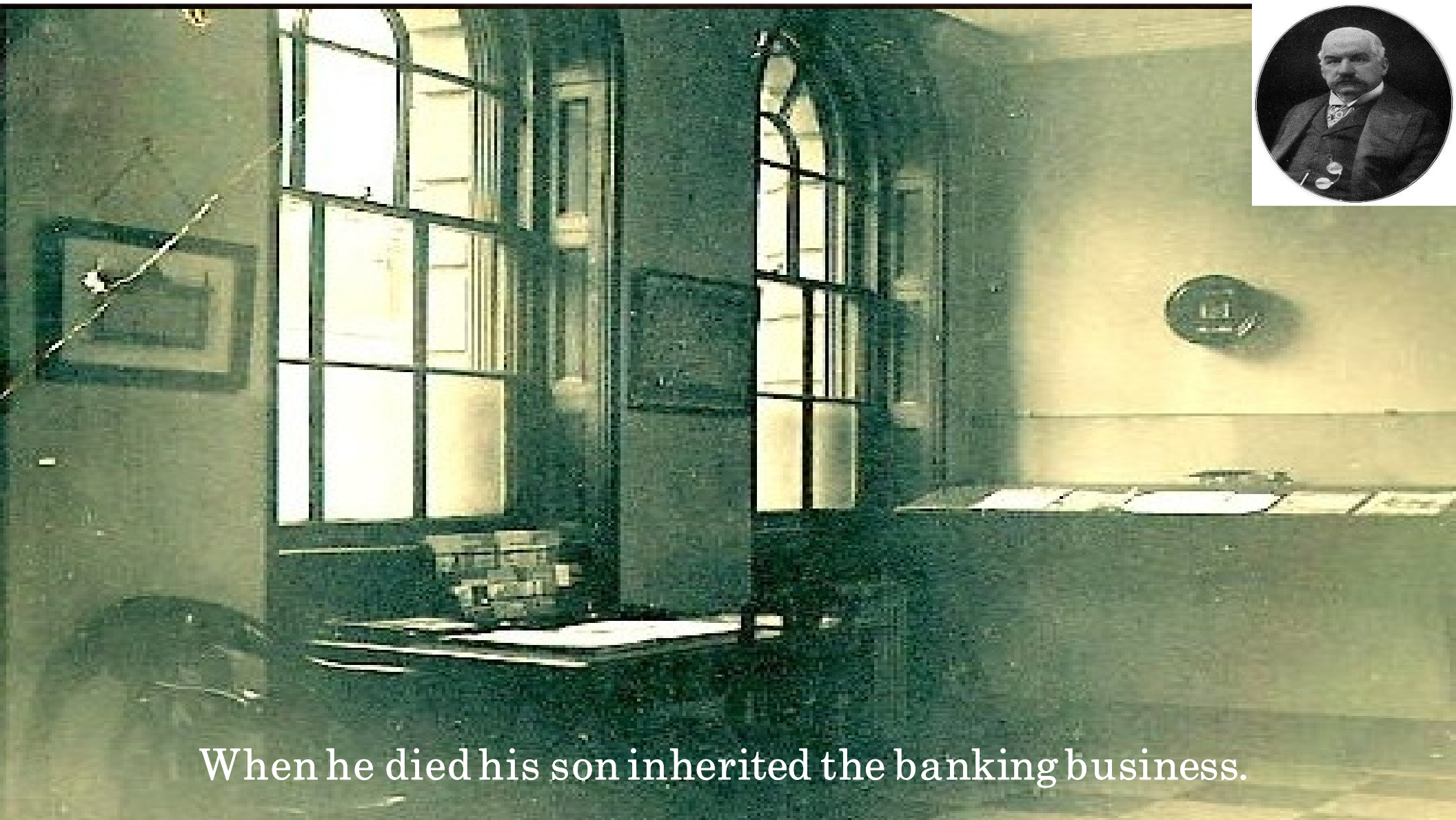
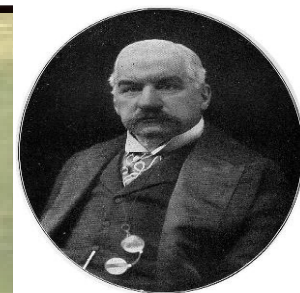




United Steel Co. controlled
60% of U.S. steel production.



Morgan gave millions to support art, universities and medicine.



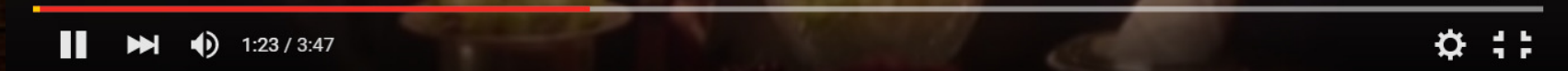
When he died his son inherited the banking business.

<https://www.youtube.com/watch?v=gR7oHh-fXUw>

The Men Who Built America: Traits of a Titan

A group of men in formal suits are gathered in a room, clapping and looking upwards with expressions of admiration. In the foreground, there are bowls of fruit, including lemons and grapes. The scene is dimly lit, with a lamp visible in the background.

1:23 / 3:47

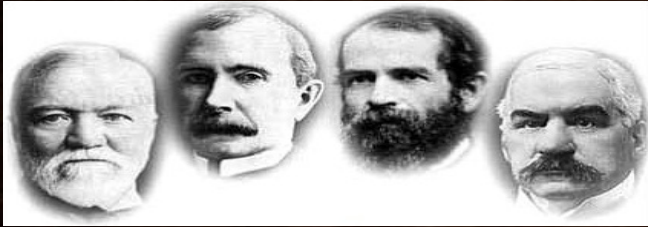
The video player interface includes a progress bar, a play/pause button, a volume icon, a settings gear, and a full-screen icon. The History logo is also visible in the bottom right corner.

**Captain of
Industry**

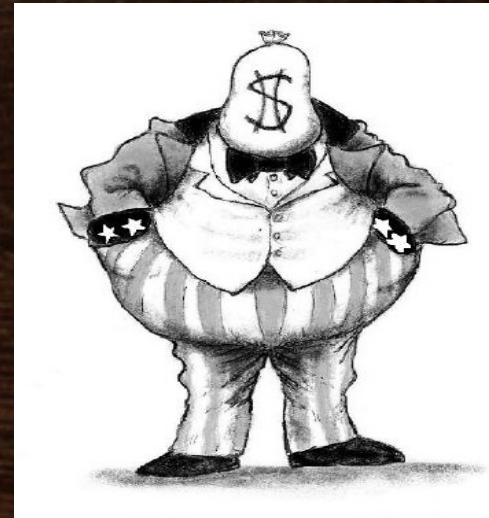
Robber Baron

- A business leader who achieved huge success by contributing positively to the country in some way. This may have been through increased productivity, expansion of markets, providing more jobs, or acts of charity.
- A business leader who achieved huge success by exploiting workers or using unfair business practices.

Captains of industry

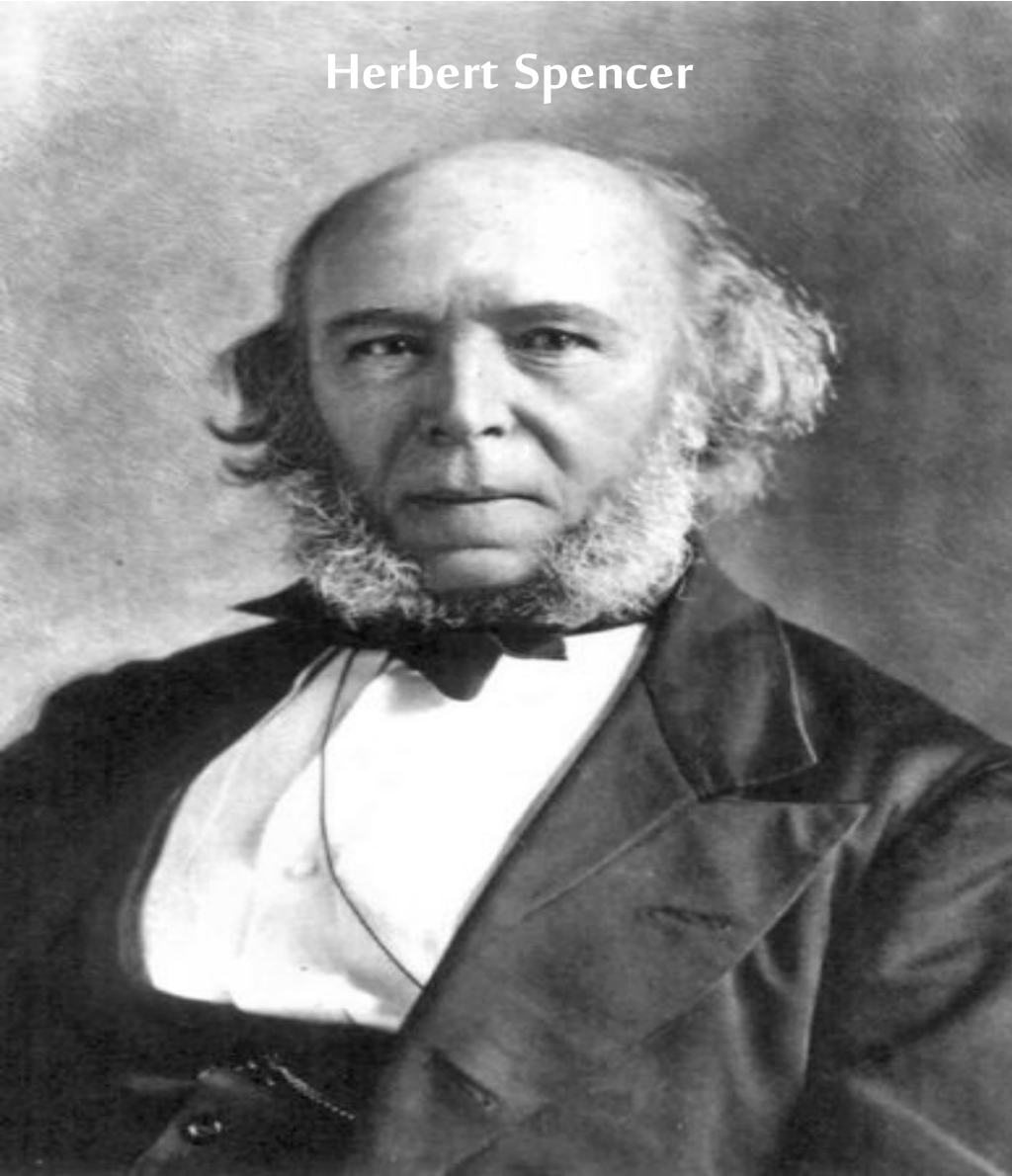


or robber barons?



How do the capitalists justify this enormous accumulation of wealth?

Herbert Spencer



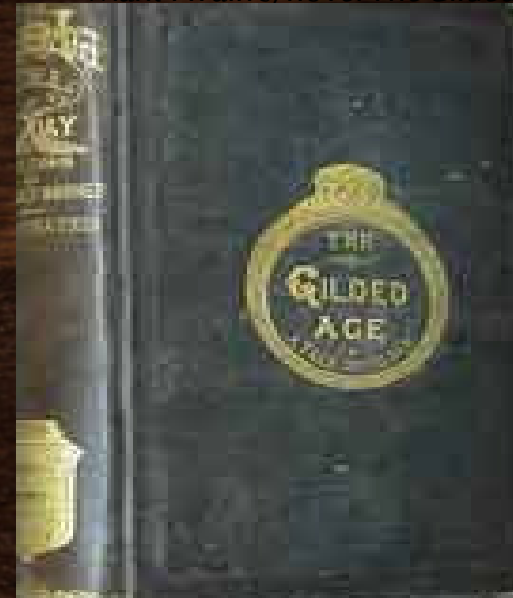
Social Darwinism

- “survival of the fittest”
- Based on Charles Darwin’s theory of evolution
- held that the best-run business led by the most capable people would survive and succeed.
- Social Darwinism paralleled the economic doctrine of laissez-faire that opposed any government programs that interfered with business.

Not everyone admired the growth of corporate America . . .



Mark Twain's novel *The Gilded Age*



In 1873, Mark Twain wrote *The Gilded Age: A Tale of Today*, which satirized an era with serious social problems masked by a thin gold leaf/paint.

The GILDED AGE



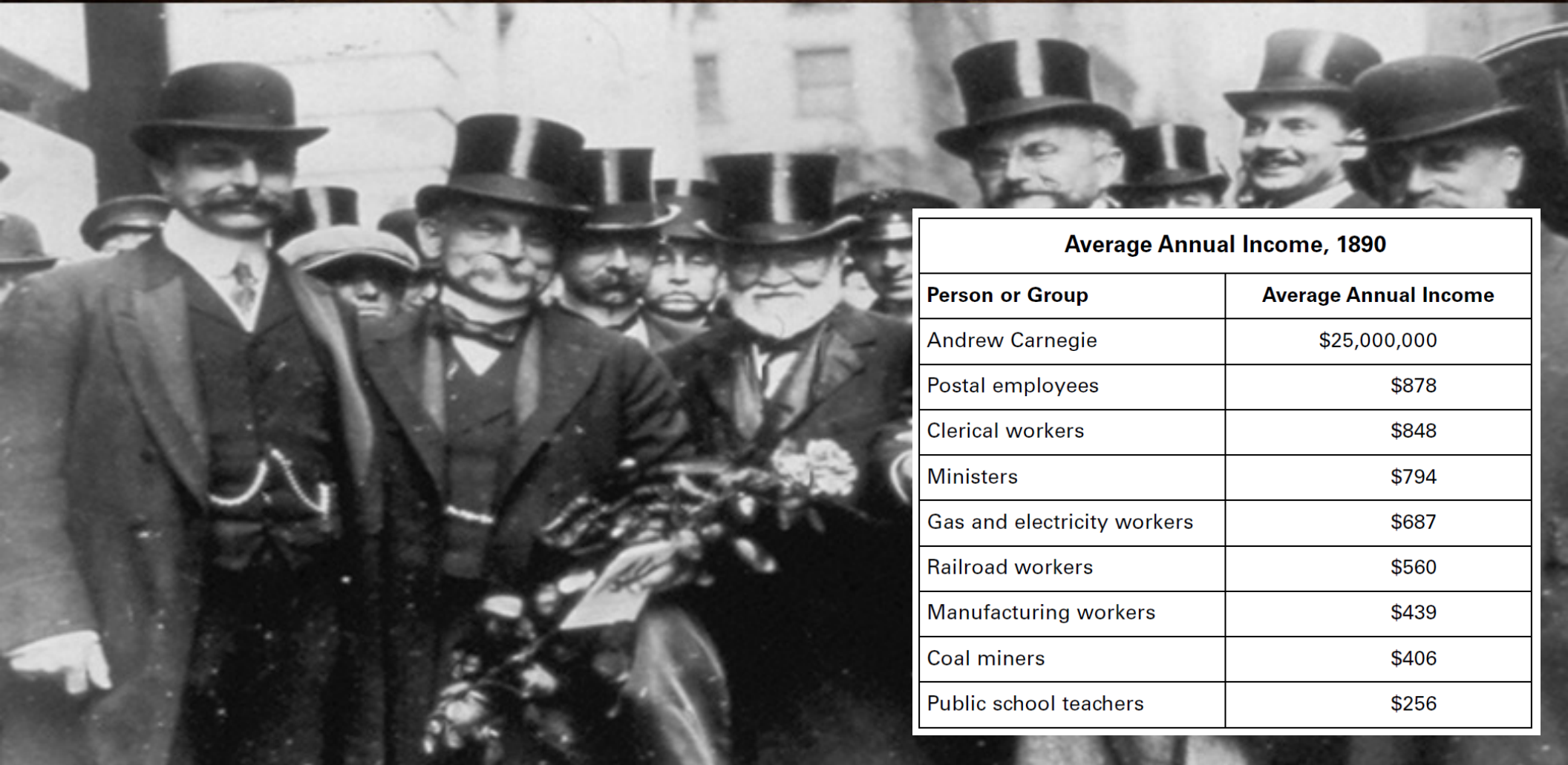
How does industrialism
affect society?

Wealth Increases For Many

- Middle and Upper classes benefit
 - telephones, automobiles, appliances
 - ready-made clothing, fresh food
 - department stores
 - consumerism
- “White-collar” jobs
 - Big Business management
 - clerks, lawyers, accountants, secretaries

Average Annual Income, 1890	
Person or Group	Average Annual Income
Andrew Carnegie	
Postal employees	\$878
Clerical workers	\$848
Ministers	\$794
Gas and electricity workers	\$687
Railroad workers	\$560
Manufacturing workers	\$439
Coal miners	\$406
Public school teachers	\$256

gap between the rich and poor

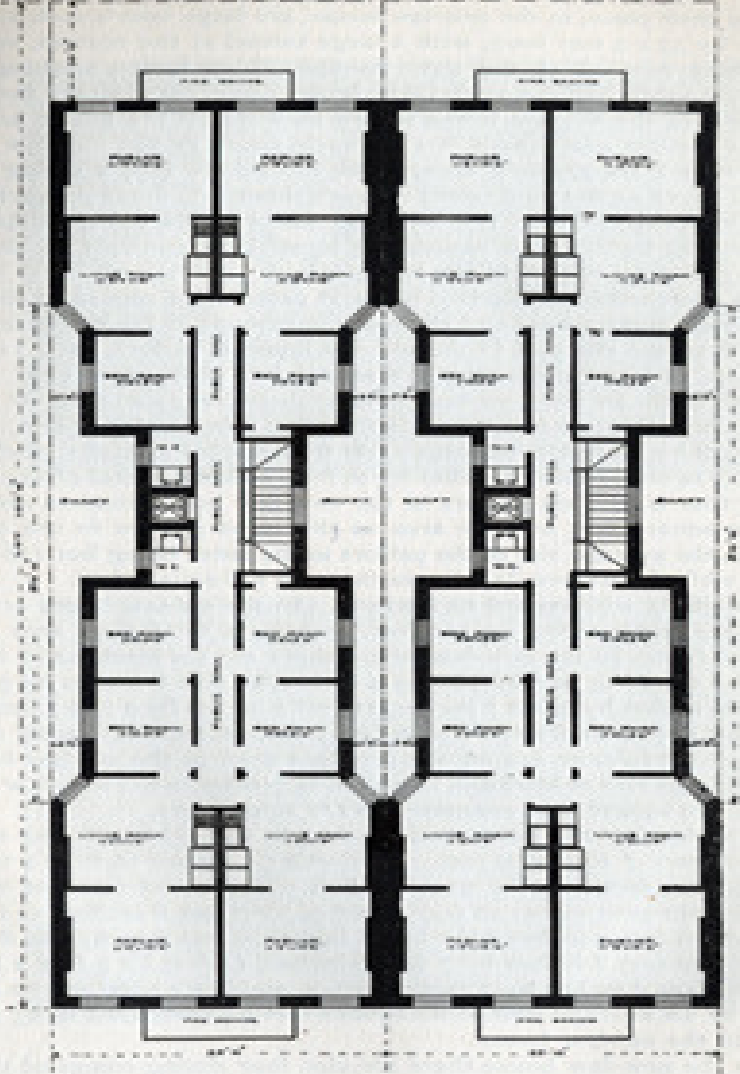
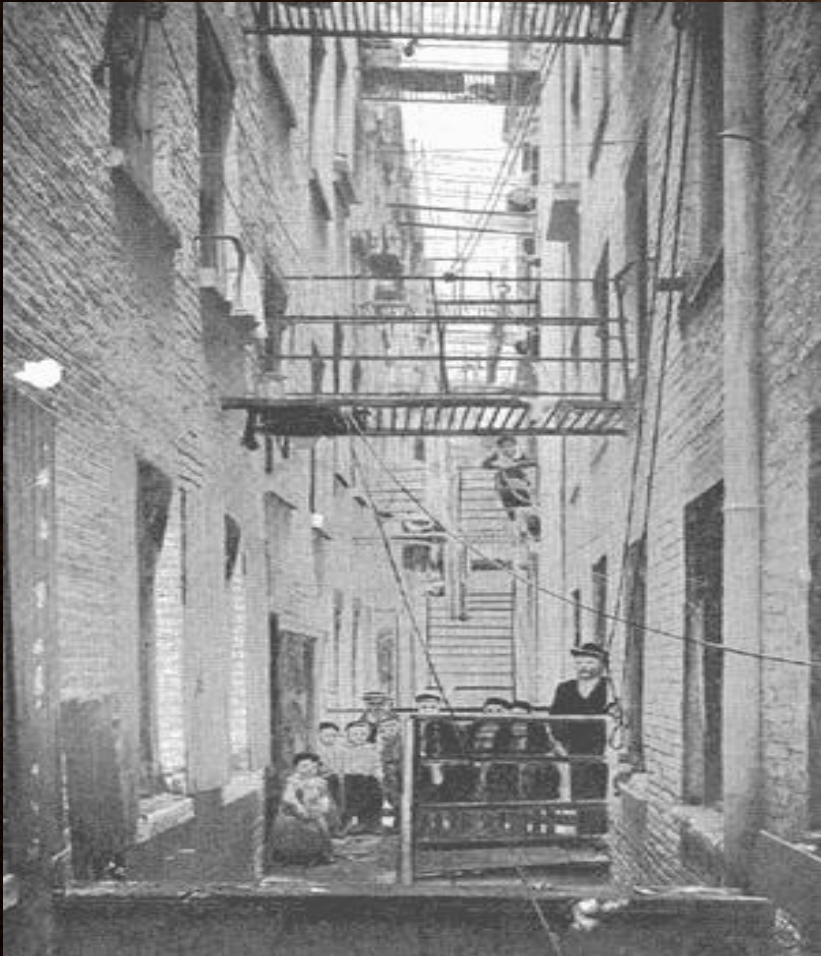


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Railroad workers	\$560
Manufacturing workers	\$439
Coal miners	\$406
Public school teachers	\$256

But not for all

- Less than 10 % high school graduates
- Only 1 in 4 own property
- Urban dwellers
 - inadequate sanitation, waste disposal
 - limited access to fresh water
 - overcrowding
 - unsafe building practices

Tenements



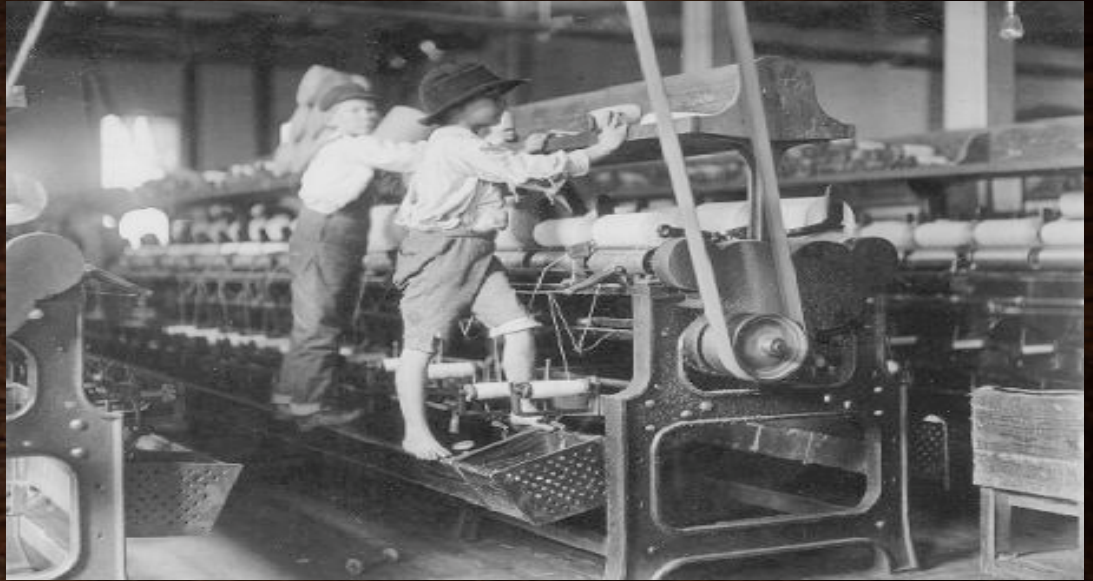
TWO "DUMB-BELL" TENEMENTS—TYPES BUILT ON A 30-FOOT LOT UNDER THE OLD LAW.

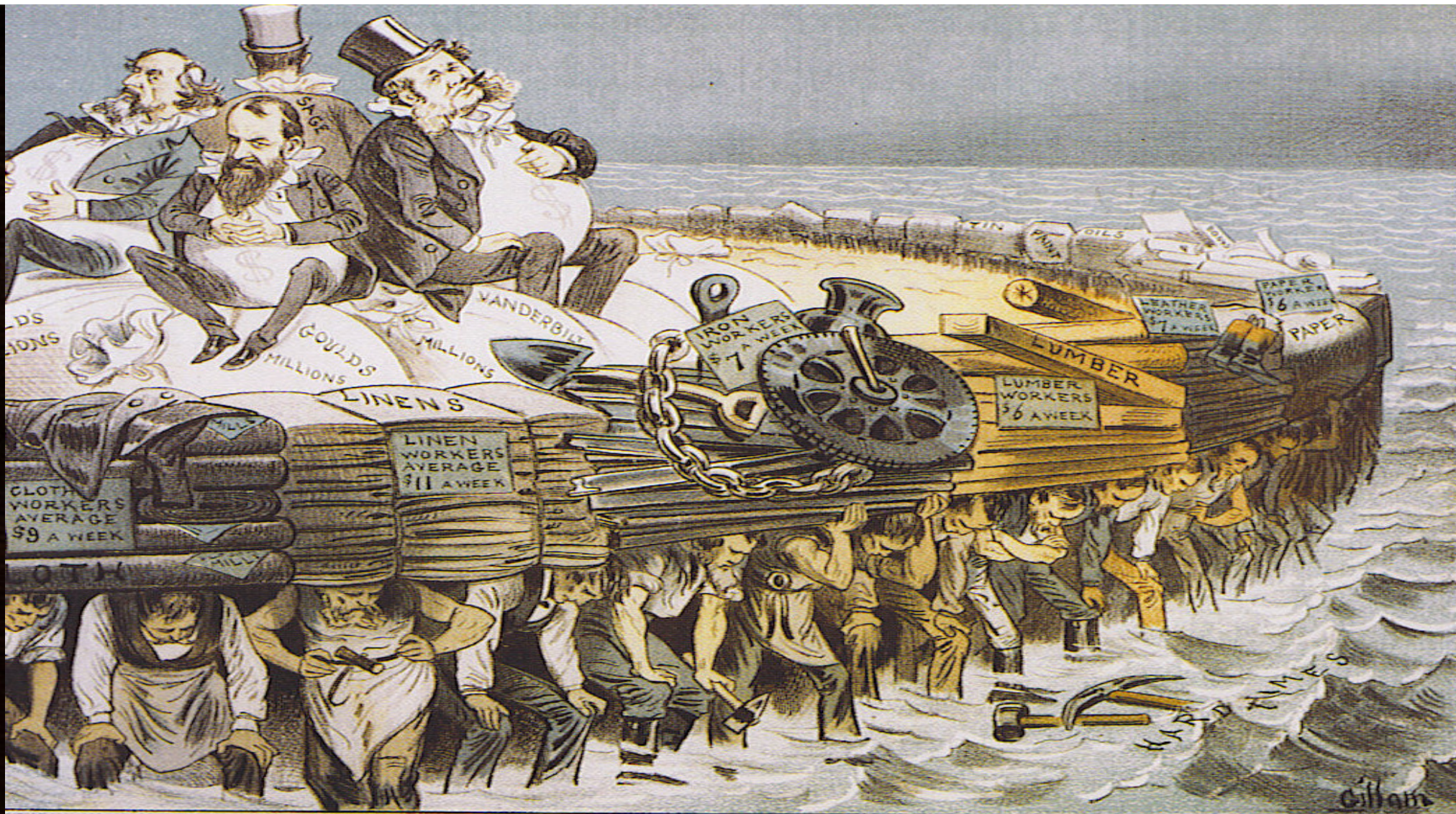
Two officials of the New York City Tenement House Department inspect a cluttered basement living room, ca. 1900.



Child Labor

- Children had to work to support poor families
- No education
- Special health problems
Over 1.5 million





THE PROTECTORS OF OUR INDUSTRIES.

Forbes The World's Billionaires

2015 RANKING | REAL TIME RANKING

The List

2015 Ranking Real Time

SEE FULL LIST >

48.2k

Share

13.7k

Tweet

2.6k

Share

65

reddit

2.1k

G+


182

Submit

Filter list by: Youngest Oldest Women Industries Countries



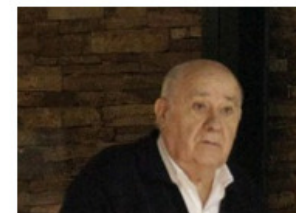
#1 Bill Gates
\$79.2 B




#2 Carlos Slim Helu
\$77.1 B



#3 Warren Buffett
\$72.7 B



#4 Amancio Ortega
\$64.5 B




#5 Larry Ellison
\$54.3 B




#6 Charles Koch
\$42.9 B




#6 David Koch
\$42.9 B



#8 Christy Walton
\$41.7 B



#9 Jim Walton
\$40.6 B



#10 Liliane Bettencourt
\$40.1 B

Next 10 >

Richest People in the World

- <http://www.forbes.com/billionaires/>

Gates Foundation

- <http://www.businessinsider.com/bill-gates-infographic-2012-1>

Should the wealthy give back society?
Why or why not?