The Market Revolution: 1790-1860

The "Market Revolution" in antebellum America encompassed several areas:

- Industrial Revolution (and its impact on American society)
- Transportation Revolution: roads, canals, steamboat, railroad
- Change from subsistence farming to large-scale cash-crop farming.
- Creation of a national market economy
- Regional specialization: East, West and South
- Immigration: Irish and German (U.S. need for labor)
- Westward movement
- Growth of cities

Memory Aids -- know the difference between periods of industrialism in the 19th century

- 1st Industrial Revolution (1814-1860): TRIC -- Textiles, Railroads, Iron, Coal
- 2nd Industrial Revolution (post-Civil War): ROSE -- Railroads (transcontinental), Oil, Steel, Electricity

I. Demographic changes
A. Population
   1. By 1860, 33 states were in the Union.
   2. U.S. population was still doubling every 25 years
      a. Natural birthrate accounted for most of the population increase.
      b. Immigration added hundreds of thousands more per year.
         • In 1820, less than 1% of U.S. population was foreign born.
         • By 1860, about 13% of U.S. population was foreign born.
      c. U.S. was the fourth most populous western country behind Russia, France, and the Austrian Empire.
   3. By 1860, 43 U.S. cities had above 20,000; in 1790, only two
      • Urbanization resulted in slums, crime, filthy living conditions

B. Irish Immigration (considered part of the “Old Immigration”)
   1. The Irish potato famine of the mid-1840s left two million people dead in Ireland.
   2. Largest group of immigrants to the U.S. between 1830 and 1860.
      a. Two million arrived between 1830 and 1860; more Irish people lived in the U.S. than in Ireland!
b. Came to larger cities: couldn't afford to move out west
   - Boston and New York (contained more Irish than anywhere else in the world)
3. Irish were targets for discrimination as they were Catholic and often poor
   a. They were often hated by native Protestants as the Irish took over jobs for very low wages.
   b. Violence and poverty were rampant in Irish slums.
4. The Irish, in turn, hated African Americans against whom they competed for low-wage jobs.
   a. Race riots between black and Irish dock workers occurred in certain port cities.
   b. The Irish did not support abolitionism.
5. The Irish began to climb up the social ladder by buying property.
   - Rather than going to school, children often worked to help their family buy a home.
6. The Irish were politically involved; came to control political machines in cities.
   a. New York City’s Tammany Hall dominated NY politics.
   b. Machines dominated police departments in many big cities.
   c. Politicians courted the Irish vote by criticizing Britain, whom the Irish hated.
   d. Became a major force in the Democratic Party in the North.

C. German immigration (also part of the “Old Immigration”)
1. Over 1.5 million came to America between 1830-1860.
2. Became the largest group of immigrants by 1900.
   - Today over 20% of all Americans have German ancestry.
3. Most were uprooted farmers; many were displaced by crop failures.
4. Most moved to the Midwest, e.g. Wisconsin, where they built successful farms.
   a. Formed an influential body of voters (like the Irish).
   b. Germans were less politically influential as they were scattered demographically.
5. Better educated than frontier Americans; supported public schools including Kindergarten (“children's garden”).
6. Strongly supported abolitionism prior to the Civil War.
7. Protestants were concerned that German culture might alter American culture
   - Germans often lived in their own towns and remained separate from other towns.
8. Beer was important to German culture; hurt the temperance movement
D. English immigration (continuation of the “Old Immigration”)
1. After 1820, thousands of English immigrants arrived; accounted for almost 20% of total immigrants between 1820-1860
2. Many were leaving tough agricultural conditions behind
   - Like many German immigrants, many English immigrants remained in agriculture
3. Those with skills in textiles tended to settle in Massachusetts.
5. English immigrants tended to face far less discrimination than Irish and German immigrants.

E. Nativism: hatred and fear of foreigners
1. Irish and German immigration offended many Protestant nativists
   a. Nativists feared immigrants would overpopulate and unduly influence politics.
   b. Irish and a large minority of Germans were Catholic; viewed as a "foreign" church controlled by the pope.
      - Catholics constructed a separate parochial educational system.
2. By 1850, Catholics became the largest religious group in America; outnumbered Baptists, Methodists, Presbyterians, and Congregationalists.
3. In 1849, extreme American nativists formed the "Know-Nothing" party.
   a. Sought restrictions on immigration and naturalization and wanted laws to deport poor aliens.
   b. Episodes of mass violence occurred in some larger cities.
   c. The "Know-Nothings" became extremely influential in the early-mid 1850s; were on the verge of replacing the Whigs as the second major party.

III. The Industrial Revolution
A. Inventions and innovations stimulated economic growth.
1. Samuel Slater "Father of the Factory System"
   a. 1791, built first efficient cotton-spinning machine in America: the spinning jenny.
   b. Pawtucket Mill in Rhode Island was the first textile mill in U.S.
   c. Yet, much cloth was still produced by contractors or women at home.
2. Eli Whitney
   a. Cotton gin, 1793: 50x more effective than picking cotton by hand
      - Before, handpicking 1lb of cotton took a slave an entire day
      - Cotton production became highly profitable; "King Cotton" emerged in the South
Slavery, which had been dying out, saw a dramatic increase. Westward expansion into Alabama and Mississippi occurred due to increased demand for land. Stimulated U.S. Industrial Revolution by supplying cotton to New England textile mills (before, most U.S. cotton was exported to English textile factories).

b. **Interchangeable parts** introduced in 1798 (widely adopted by the 1850s)
   - Basis of modern mass-production, assembly line methods
   - Whitney mass-produced muskets for the U.S. Army.

3. **Sewing Machine**
   a. Invented by **Elias Howe** in 1846
   b. **Isaac Singer** in 1851 significantly improved the machine.

4. **Telegraph -- Samuel F. B. Morse**
   a. 1844, Morse built a 40-mile line from Washington, DC to Baltimore
   b. U.S. gov't didn't control the telegraph; felt it would not pay!
   c. Eventually provided instant communication across large distances.
      - Significantly influenced business in the following decades

5. Charles Goodyear: vulcanization of rubber created a new industry.

6. 28,000 patents were given by the gov’t in the 1850s compared to 306 in the 1790s.

**B. The Lowell System: the textile industry sparked the Industrial Revolution in the U.S. (during the War of 1812 era).**

1. President Jefferson’s Embargo Act (1807) and subsequent War of 1812 (1812-1815) dramatically decreased U.S. imports.

2. 1814, **Francis Cabot Lowell** built first dual-purpose textile plant in Waltham, Massachusetts.
   a. Before Lowell, factories mostly spun thread.
   b. Lowell's factory spun the fiber and wove the finished cloth.
      - Also included bleaching, dying, and printing cloth

3. **Significance:** work moved from the home to the factory

4. In 1823, Lowell’s partners, the **Boston Associates**, built a new plant in **Lowell, Massachusetts**.
   a. Textile factories sprang up all over New England and mid-Atlantic states in the 1830’s and 1840’s.
   b. Eventually, the Boston Associates dominated textile, railroad, insurance, and banking businesses throughout Massachusetts.

5. **Lowell Girls:** Local farmers’ daughters were hired to work in the factories.
   a. Jobs provided the lure of more independence for young women.
   b. Lowell promised strict moral supervision and mandatory church attendance for the Lowell Girls.
c. In 1836, the girls organized one of the first strikes in U.S. history.
6. Water power and steam power gradually replaced female labor.
7. Irish and German immigrants eventually replaced the Lowell Girls; less troublesome and worked for very low wages.

C. Why was New England the center of the U.S. Industrial Revolution?
1. Rocky soil discouraged cash-crop farming; manufacturing was therefore more attractive.
2. Large amount of labor available
3. Shipping brought in capital while seaports made for easy imports and exports.
4. Rapid rivers provided water power for running factory machines.

D. Why didn’t the South industrialize?
1. Capital resources were tied up in slaves.
2. Local consumers were mostly poor and could not afford most finished products.

E. By 1850, industrial output exceeded agricultural output
1. Embargo Act of 1807, non-intercourse, and War of 1812 meant Americans had to produce their own goods.
   • U.S. factories were crippled by British goods that were sold at ruinously low prices.
3. Tariffs of 1816, 1828, and 1832 provided some relief to northern manufacturers.

F. Advances in business organization
1. Limited liability
   a. Permitted individual investors, in cases of legal claims or bankruptcy, to protect their own assets, separate from the company.
   b. Result: More people willing to risk capital = capital accumulated more rapidly
2. General incorporation laws: first passed in NY in 1848.
   a. Businesspeople no longer needed to apply for charters from state legislature
   b. Creating a corporation became much easier.
   c. "Free incorporation" statutes widely adopted in other states; (Jacksonian in character)
3. Charles River Bridge decision (Charles River Bridge v. Warren Bridge, 1837)
   a. Chief Justice Roger B. Taney: The Constitution reserved to the states "power over their own improvement, which is so
necessary to their well-being and prosperity."

b. Significance: Encouraged economic development in transportation and other public facilities by ending monopolies.

IV. Northern Workers

A. The Industrial Revolution transformed manufacturing working conditions.
   1. Skilled workers and craftspeople were displaced by factory work.
   2. Working conditions were often oppressive: long hours, low wages, few breaks, poor ventilation, lighting, and heating.
   3. Workers were forbidden by law to form unions; only 24 recorded strikes occurred before 1835.

B. Women and Children typically worked 6 days a week for extremely low wages.
   1. Lowell farm girls were supervised on and off the job.
   2. 1820, 1/2 the nation's industrial workers were under the age of 10; many suffered devastating effects from abuse.

C. Gains for workers
   1. During the "Age of Jackson," many states granted voting rights to workingmen.
      • Through workingmen's parties, laborers sought a 10-hour work day, higher wages, tolerable working conditions, public education for their kids, and end to imprisonment for debt.
   2. 1840, President Van Buren established a 10-hour work day for federal employees on public works.
      • Several states followed suit by reducing work hours.
   3. Strikes increased in the 1830s and 1840s (most failed due to importation of "scabs"; many were new immigrants)
      a. Decision: labor unions were legal, so long as they were not violent or subversive
      b. More symbolic than immediately significant.

V. Western Farmers

A. Trans-Allegheny region—especially the Ohio-Indiana-Illinois territories—became the breadbasket of the U.S. and would later become a breadbasket to the world.
   1. Most produce was sent down Mississippi River to feed the southern slave states.
   2. Corn was used to make liquor and pig feed.

B. Inventions
   1. John Deere: steel plow broke the thickly matted soil of the West.
   2. Cyrus McCormick (1830s) introduced the mechanical mower-
reaper.
   a. Could do the work of five men
   b. Became most significant technology on the frontier

C. Farming changed from subsistence to large-scale, specialized, cash-crop agriculture
   1. Debt ensued as farmers bought more land and more machinery.
   2. They produced more than their markets could consume.
   3. They began looking for new markets further away.

VI. Transportation Revolution
A. Prime motive: desire of the East to tap the resources of the West

B. Significance:
   1. Created a national market economy.
   2. Created regional specialization: west = grain; east = industry; south = cotton
   3. Facilitated movement of America’s population westward

C. Transportation conditions prior to the transportation revolution were very poor
   1. Roads were bad much of the year: dusty in summer; muddy during the rainy season
      • It cost more to haul a ton of goods 9 miles inland from the ocean than to transport it from Europe.
   2. Rivers ran mostly north and south; east-west travel was often impossible for freight.
      • Dry season reduced rivers to small streams.

D. Turnpikes
   1. 1790, first turnpike: Lancaster Turnpike in PA was built by a private company and became highly profitable
         • Traversed the Allegheny Mountains leading into western Pennsylvania
      b. Tolls were collected; a barrier of sharp pikes was not lifted until a toll was paid.
      c. Significance: touched off a turnpike-building boom.
         • By 1832, the U.S. had nearly 2,400 miles of road connecting most major cities.
   2. Opposition to turnpikes
      a. States' rights advocates opposed federal aid to local internal improvements.
      b. Eastern states were concerned over population growth and new political power in the West.
3. 1811, beginning of the **Cumberland Road (National Road)**
   a. By 1852, it linked Cumberland in western Maryland to Vandalia in Illinois
   b. The 591-mile road was supported by state and federal funds.
   c. Became a vital highway to the west.
      - Freight carrying became cheaper
      - Many European immigrants moved west; western cities grew dramatically
      - Land values increased

4. **Conestogas** (covered wagons) were a major mode of transportation westward.
   a. 20 feet long, four feet deep, uncomfortable but durable.
   b. 1797, a traveler in NY counted 500 wagons a day rolling west

E. **Steamboats**

1. Initially, nearly all river travel was done by flatboats on the Ohio and Mississippi Rivers
   a. Exception -- keelboats pushed upstream with poles; less than 1 mile/hour; very costly
   b. Problem: rivers dried up in certain areas during the hot season.

2. 1807, **Robert Fulton** employed a **steam engine** on the **Clermont**.
   a. Left NYC and went 500 miles up the Hudson River to Albany in only 32 hours.
   b. Significance:
      - Changed all of America's navigable streams into two-way arteries.
      - The carrying capacity of rivers doubled.
      - Populations of people clustered along banks of rivers.
      - Profitability of manufactured products soared as a vibrant Western market emerged.

F. **Canals**

1. **Erie Canal** was completed in 1825 in upstate New York.
   a. 363-mile canal linked the Great Lakes with the Hudson River.
      - States' rights advocates prevented federal aid and thus the state of New York paid the entire cost of the project.
      - The project was supported by NY Governor DeWitt Clinton.

2. Impact of the Erie Canal
   a. The cost of shipping a ton of grain from Buffalo to NYC fell from $100 to $5.
   b. Shipping time was reduced from 20 days to 6.
   c. Land values skyrocketed; new cities emerged (Rochester, Syracuse)
      - New York City became the fastest-growing and wealthiest city on the Atlantic coast.
   d. The Old Northwest provided great farming opportunities as
thousands of European immigrants poured across the Alleghenies to the West.
e. Great Lakes towns exploded including Cleveland, Detroit and Chicago.
f. New England farmers were adversely impacted by competition from the West.

3. Other canals were built connecting the Great Lakes with major rivers and cities.

G. Railroads
1. Most significant aspect of the Transportation Revolution.
   - Fast, reliable, cheaper than canals to construct; all-weather transportation through nearly all terrain.
2. First important line: Baltimore & Ohio Co. (B&O Railroad), 1828
3. Baldwin Locomotive Works became the largest U.S. manufacturer of locomotives.
4. By 1860, 30,000 miles of railroad track laid; 3/4 in industrialized North.
5. Opposition: canal builders, turnpike investors (and tavern keepers), and certain farmers who made money transporting goods.
6. Horse-drawn railroads also used for mass-transit in major cities.

H. By the Civil War, a national market economy emerged.
1. The East, West and South specialized in certain economic activities.
2. The transportation system integrated the three regions of America.
3. Self-contained local economies gave way to a national market.

VII. Regional Specialization
A. East
1. Industrial; made machines and textiles for the other two regions
2. By 1861, owned 81% of U.S. industrial capacity
3. Most populous region; 70% of manufacturing workers

B. South:
1. Cotton for export to New England and Britain; slavery
2. Resisted change to its economy and culture
3. Some industrial growth but output never exceeded 2% value of cotton crop
   - Tredegar Iron Works in Virginia used slave labor

C. West:
1. Became the nation’s breadbasket: grain and livestock production
2. Fastest growing population

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D. Political implications
1. The two northern sections (East and West) became closely interconnected economically.
2. During Civil War, the South would be isolated.

VIII. Social Results of Industrialization
A. Division of labor: work was more specialized; work at home was less significant.
   1. Women's work no longer viewed as valuable.
   2. The home was no longer the center of economic production; grew into a refuge from the world of work that became the separate sphere of women.
   • Led to the "cult of domesticity"

B. Growth of cities
   1. 1790: 5% of population lived in cities of 2,500 or more
   2. 1860: 25%
   3. Rapid urbanization created many problems

C. Increased social stratification: rich vs. poor
   1. Major gap in wealth existed: unskilled workers were worst off.
   • The poor accounted at times for 1/2 of the urban population
   2. Yet, U.S. still provided more opportunities than Europe did for its masses.
      a. Wages for unskilled workers rose about 1% per year from 1820 to 1860.
      b. General prosperity resulted in relatively few class conflicts.

D. Immigration accounted for largest % of population increase: Irish and German

IX. Foreign commerce accounted for about 7% of the U.S economy.
A. Cotton: Over 50% of all U.S. exports

B. After 1846, U.S. agriculture played a larger role in trade with Britain.

C. Americans generally imported more than they exported.
   • Imported manufactured goods; exported agricultural goods.
Terms to Know

<table>
<thead>
<tr>
<th>Market Revolution</th>
<th>Lowell System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irish Immigration</td>
<td>Lowell, Massachusetts</td>
</tr>
<tr>
<td>Irish Potato Famine</td>
<td>Boston Associates</td>
</tr>
<tr>
<td>Tammany Hall</td>
<td>&quot;Lowell girls&quot;</td>
</tr>
<tr>
<td>German immigration</td>
<td>general incorporation laws</td>
</tr>
<tr>
<td>Kindergarten</td>
<td>limited liability</td>
</tr>
<tr>
<td>beer</td>
<td>Charles River Bridge case</td>
</tr>
<tr>
<td>nativism</td>
<td>steel plow, John Deere</td>
</tr>
<tr>
<td>“Know-Nothing” Party</td>
<td>mechanical mower reaper,</td>
</tr>
<tr>
<td>Industrial Revolution</td>
<td>Cyrus McCormick</td>
</tr>
<tr>
<td>Samuel Slater</td>
<td>Transportation Revolution</td>
</tr>
<tr>
<td>spinning jenny</td>
<td>turnpikes</td>
</tr>
<tr>
<td>Eli Whitney</td>
<td>National Road</td>
</tr>
<tr>
<td>cotton gin</td>
<td>conestogas</td>
</tr>
<tr>
<td>interchangeable parts</td>
<td>steamboat, Robert Fulton</td>
</tr>
<tr>
<td>sewing machine, Elias Howe &amp;</td>
<td>Erie Canal</td>
</tr>
<tr>
<td>Isaac Singer</td>
<td>railroad</td>
</tr>
<tr>
<td>telegraph, Samuel F.B. Morse</td>
<td>regional specialization</td>
</tr>
</tbody>
</table>

Essay Questions

Note: This sub-unit is a high probability area for the AP exam. In the past 10 years, 3 questions have come wholly or in part from the material in this chapter. Below are some questions that will help you study the topics that have appeared on previous exams.

1. Analyze the impact of Immigration between 1820 and 1860 on American society and the reaction of nativists toward immigrants.

2. Analyze several factors that led to the Industrial Revolution in America during the first half of the nineteenth century.

3. Analyze the impact of the transportation revolution on the American economy between 1790 and 1860.

4. Analyze the ways that economic developments in Antebellum America resulted in regional specialization.
Bibliography: