

## How to lose a country in 45 years.

*Growth of a National Economy -- Chapter 8*

### The Industrial Revolution

- *Ongoing effort over several decades to increase production by using machines rather than the power of humans or animals.*
- *Began in Britain in the 1700's with advances in textile production.*
  - *Rather than spinning wool or other fibers and weaving cloth at home, workers banded together to do work in mills, using water-power to turn the tools*

### British inventions pave the way

- *The spinning jenny, water frame and power loom all helped to mechanize the textile industry.*
  - *The power loom also allowed women to work in textile mills.*
- *Textiles - Fabric, thread and other materials used to make clothing and other goods*
- *The steam engine was also an important invention. Could pump water from mines, power textile factories and more. Invented by James Watt.*

### Discussion

- *Why, do you think, textiles made in a mill would be superior to those made at home?*

### Birth of American Textile Industry

- *British guarded their textile process closely. Textile workers were not allowed to move out of Britain.*
- *British textile worker Samuel Slater managed to emigrate to the U.S. bringing knowledge with him.*
- *Set up first U.S. textile mill in 1793 in Pawtucket, RI.*
- *By 1814 U.S. had 240 textile mills.*

### Interchangeable parts

- *Eli Whitney - New England inventor.*
- *Made parts for guns exactly alike, so they could be used in any similar gun.*
- *Could assemble parts and guns rapidly, increasing production and profit.*
- *Took years to perfect the system. Other industries began to adopt this as well.*

### Whitney's Cotton Gin

- *Cotton Gin - machine that separates raw cotton from seeds. Received patent in 1794*
- *Patent - exclusive rights granted by government to an inventor for a limited period of time in exchange for a public disclosure of an invention.*
- *By hand a worker could clean 1 pound of cotton a day. The Cotton Gin could clean 1,000 pounds per day.*

### Discussion

- *What did the Cotton Gin mean for The South and for Slaves?*
  - *Cotton profits skyrocketed, cotton planting increased, becomes major crop of the south, more land was needed, new states (Alabama, Mississippi and Texas), more slaves were needed to tend to the cotton crops.*

### Transportation

- *Road construction increased. Used wood and trees to make "plank" and "corderoy" roads. Most built by private investors who wanted to make money through tolls.*
- *Rivers were also used to take goods long distances, but could only go one way.*
- *Robert Fulton developed the "steam boat" that could travel up or down river using a steam engine and paddles.*

## Canals

- *Canals were built to put water-ways in more places.*
- *Most were built in the great lakes region, including the Erie canal.*
  - *Linked the Atlantic coast with the great lakes by water.*
  - *Boats sailed up the Hudson river by New York to Albany, from Albany the boat would be towed to Lake Erie, through the canal.*

## Discussion

- *What would be the advantage of using a steam ship, versus using a raft or cart to bring your goods to market?*
- *How did canals assist this process?*

## Railroads

- *Steam engine was refined to be powerful enough to run a locomotive.*
- *Could pull more goods and passengers than steam boats. Not tied to water!*
- *By 1840, the United States had more miles of railroad track than any other nation.*
- *Railroads and steam ships helped expand the U.S. mail service, allowing for more frequent delivery and more post offices.*

## Increases in manufacturing

- ***Market Revolution** - shift from home based agricultural economy to a manufacturing and money based economy.*
- *Most American manufacturing started in New England, near mighty rivers.*
- *1813, Francis Cabot Lowell and partners built a centralized textile mill that performed all aspects of cloth production (spinning, weaving and dying).*

## Free enterprise

- *A.K.A. Capitalism: private companies compete for profits.*
- *More Americans working outside of home or family farm.*
- *Factories use specialization -- one worker doing one particular job.*
- *Increased production of goods and worker access to money led to an increase in shopping.*

## Discussion

- *What would be the advantage of a centralized mill using specialization of jobs?*

## Banking

- *Banks - state charter.*
- *Profit by loaning money to individuals and businesses for interest.*
- *loans of **investment capital** used by businesses to purchase new machines, build factories and create more profit.*

## Banking

- *No insurance on deposits made in banks. Banks made unwise loans to people who could not pay them back.*
- *Economic uncertainty could lead to banks running out of money*
- *Banks would also issue **bank notes** to their customers, which they could use to buy things.*
- *Banks printed too many of these notes, which had to be paid in specie upon demand. Value of these notes varied widely.*

## Discussion

- *How did Banks help and hurt the American economy?*

## Sections Emerge

- *As the 1800's progressed, there were increasing signs of division in America*
- *Two distinct regions emerged*
  - *North*
  - *South*

## Northern Section

- *The north contained two major parts:*
  - *Northeast - New England, New Jersey, Pennsylvania & New York.*
  - *Northwest - aka Old Northwest - The former Northwest territories. What is now Ohio, Indiana, Illinois, Michigan, Wisconsin, and part of Minnesota*

## Inventions aid in farming

- *In the Northwest, farming was king.*
- *corn, wheat and other grains were major crops.*
- *John Deere developed a steel plow in the 1830's to help till heavy soil.*
- *Cyrus McCormick developed a "mechanical reaper" to help harvest grains.*

## Farming

- *Farmers sold and used their grains for a variety of purposes. They spoiled quickly.*
  - *Corn ==> pig feed, which in turn were used for meat and soap.*
  - *Other grains fed to cattle.*
  - *Also sold grains to brewers and distillers.*

## Distribution

- *Before rail and canals farmers sent their goods to market down the Mississippi River to New Orleans*
- *With canals and rail, they could send their goods to the Northeast where they were sold by merchants.*
- *These goods included flour, meal, pork, whiskey and more.*

## The Northeast

- *In the Northeast, farming was waning. People buying food instead of producing it.*
- *More and more people left rural areas (country) for jobs in mills and factories in urban areas, cities.*
- *Urban population booming: rural population began to decline in the 1800s.*

## Industrialization

- *Industrialization - The development of industry (like factories, mills, etc..).*
- *Other factories began to spring up in NorthEast, producing furniture, clocks, glass, tinware, & guns (Whitney Musket Factory).*
- *By 1850 more people in Connecticut worked in factories than in farming.*

## Other Industrial States

- *Pennsylvania produced coal. Also produced ships, lumber, iron, leather, textiles and glass. 40 glass factories in Pittsburgh*
- *Massachusetts - carpet, bricks, shoes, and textiles.*
- *Female mill workers in Lowell, Mass, made \$3.25/week. averaging \$2.00/week take-home pay. Women were willing to work for half of the wages of men.*

## Growth of cities

- *Cities such as Manhattan, New York ; Boston, Mass; and Philadelphia, Pennsylvania; increased dramatically as more people came to work in factories and left farms behind.*

- *Hospitals and other institutions began to be formed to meet human needs.*
- *The urban poor lived in run-down housing known as tenements. These were crowded apartments with poor conditions of sanitation, safety and comfort.*

#### Not-so-good old days

- *Cities lacked the capacity for these increases in population.*
- *Most did not have sewer systems or supplies of fresh water.*
- *1832-1833: an outbreak of cholera in many cities due to contaminated drinking water.*

#### Labor Disputes

- *Industries wanted to make profit, even if that meant workers suffered.*
- *strike - a work stoppage designed to extract concessions for workers from factory owners*
- *sailors, dockworkers, shoemakers and others went on strike throughout the late 1700s and early 1800s.*
- *1834-1836 : 150 strikes in the United States.*

#### Unions

- *labor union - organization of workers formed to protect the interests of its members, negotiating to solve issues in hiring, wages, and working conditions.*
- *1834 - National Trades Union formed. 300,000 joined unions at this time.*
- *Court rulings outlawed unions, and recessions made workers leery of pushing demands.*

#### The Northern Section

- *The north had:*
  - *A larger population than the south*
  - *large agricultural production of food crops*
  - *almost all of America's industrial capacity.*
  - *Most of the financial strength of the nation.*

#### The South

##### "Cotton is King"

- *1793 - Whitney invents the cotton gin. By 1815, cotton production has increased 6,000%*
- *1820 - 160 million pounds produced*
- *1830 - 320 million pounds*
- *1850 - over 1 billion pounds*
- *Demand for cotton kept slavery alive in the south.*

#### Economy of the South

- *The south included: Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Kentucky, Tennessee, Alabama, Mississippi, & Louisiana.*
- *By 1850, Arkansas and Texas would also join the union.*
- **Cotton Belt** - *states from South Carolina to Texas whose economies relied almost entirely on cotton production.*

#### Rural South

- *The south did not experience the rapid city growth of the north.*
- *The rural south, in addition to cotton, produced cattle, grain, rice, sugar cane, & tobacco. There was some production & industry.*
- *The warmer climate was more conducive to growing crops. From 200-290 frost free days.*

#### Plantations

- *15,000 families owned plantations and owned large numbers of slaves*

- *Smaller farmers (hundreds of thousands of family farms) owned no or very few slaves.*
- *As cotton's profitability increased, wealthy families bought up poorer family farms, and others bought land in the western territories.*
- *More land in fewer hands*

#### Southern cities

- *Some cities did begin to slowly develop in the south:*
  - *New Orleans, LA; Charleston, SC; & Richmond, VA.*
- *Fewer than 8% of southerners lived in cities or towns of over 4,000 people.*
- *Many freed African Americans made their homes in southern cities. 12% of African Americans were free by 1850.*

#### Slavery

- *By 1804, northern states had given up slavery, or were phasing it out.*
- *1808, Congressional law banned importation of new slaves.*
- *Population growth of already imported slaves was rapid. 1820 & 1850- slave population doubled to 3 million.*
- *Slaves comprised over 1/2 population of South Carolina & Mississippi.*
- *In other states, slaves made-up up-to two-fifths of the population.*

#### Slavery

- *Some slaves on small farms were treated better than those on large plantations. Most slaves lived on these plantations.*
- *Female slaves had to look after their own families needs and also serve their masters by cooking, cleaning and also laboring in the fields. Women were also more abused physically and sexually*

#### Property

- *The price of slaves increased over time,*
  - *a "prime field worker" age 18-25 going for \$500 in 1832 might go for \$1,300 in 1837.*
- *Most small farmers could not afford to buy slaves, but after purchase each slave only cost \$15-60/year to support*

#### Revolts

- **Vesey's Plan-** *Denmark Vesey bought himself out of slavery for \$600 which he won in a street lottery in 1800.*
  - *Vesey became a carpenter and preacher, spoke out against slavery.*
  - *In 1822, Vesey planned a rebellion against slavery involving thousands of rebels. Rebels would sieze Charleston, raid armory, kill all whites and burn the city while freeing the slaves there.*
  - *One of Vesey's followers turned him in and he was hung, along with 35 others.*

#### Revolts

- **Nat Turner's Rebellion-** *Turner was also a preacher.*
- *Acting because he felt he had the blessing of god, Turner led revolt that killed 50 whites. 70 raids in southeast Virginia. Attacked 4 plantations.*
- *Turner and 20 followers were caught and hung. Angry and frightened whites led riots that killed about 100 african americans who were not part of the rebellion.*

#### Population fears

- *African Americans outnumbered whites in many counties.*

- *Laws were passed in many states that outlawed teaching slaves to read, and prevented slaves and free blacks from meeting or moving freely.*
- *Whites feared slave revolts.*

### Nationalism

- *By the 1820's, a sense of national identity was forming in the country.*
- *Presidency of James Monroe (1817-1825) was known as "The Era of Good Feelings".*
  - *Federalist party was fading away. Jeffersonian Republicans were the only party left.*
- *To solve sectional issues, government began to adopt nationalist policies.*

### Supreme Court

- *The court, under Chief Justice John Marshall, strengthened the government's role in the economy:*
  - *Dartmouth College v. Woodward - States cannot interfere in private business contracts. Encouraged growth of private industry.*
  - *McCulloch v. Maryland - Reinforced implied powers of federal government, and federal power over states. No state had power to tax Bank of the United States. Reinforced Necessary and Proper Clause.*

### Supreme Court

- *Gibbons v. Ogden - Only congress could regulate interstate commerce. States could not sell charters to steamboat companies to go between states. Only federal government could do that.*
- *All three decisions reenforced federal power*

### Foreign Affairs

- *Monroe and J. Q. Adams others hoped to strengthen the country's foreign policy.*
- *1817 - U.S. and Britain sign Rush-Bagot Agreement: limiting number of ships in Great Lakes area.*
- *1818 - U.S. and Britain agree to northern border between U.S. and Canada from Minnesota to the Rocky Mountains. (49° North Latitude)*

### Monroe Doctrine

- *Written by Secretary of State John Quincy Adams*
  - *1. U.S. would not become involved in European issues and would not take sides in European wars.*
  - *2. U.S. recognized existing colonies and states in Western hemisphere and would not interfere with them.*
  - *3. U.S. would not permit further colonization of Western Hemisphere.*
  - *4. Any attempt by Europe to take control over any nation in the Western Hemisphere would be viewed as a hostile act on the U.S.*

### Discussion

- *If you were a European monarch/head of government, how would you react to the Monroe Doctrine?*

### Election of 1824

- *Monroe had served 2 terms.*
- *For the first time, none of the candidates were revolutionary leaders.*
- *John Adams and Thomas Jefferson would die two years later.*
- *Election marked the end of the Era of Good Feelings.*

### The Candidates

- *Sec. of State John Quincy Adams (Massachusetts)*
- *House Speaker Henry Clay (Kentucky)*

- *Sec. of War John C. Calhoun (South Carolina)*

- *General Andrew Jackson (Tennessee)*

#### Adams

- *Adams had been a diplomat and Senator before becoming Secretary of State.*

- *Began his diplomatic career assisting his father in France and The Netherlands before becoming an assistant to the U.S. Minister to Prussia.*

- *As Sec. of State, Adams had written the Monroe doctrine, helped to acquire Florida and extended the U.S./Canadian border.*

#### Clay

- *Henry Clay was one of the new generation of American leadership represented by the War Hawks that helped begin the war of 1812.*

- *Great public speaker.*

- *Talked about **The American System** - with government backed economic development and protective tariffs to encourage U.S. Business.*

- *Had an uneasiness with slavery, and freed his slaves in his will.*

#### Calhoun

- *Another "War Hawk" from 1812, Calhoun was Monroe's Secretary of War, after having been a congressman.*

- *Helped to create the 2nd Bank of the U.S., a national road system, a modern navy, and protective tariffs.*

- *Staunch defender of slavery and southern interests.*

#### Jackson

- *The hero of the Battle of New Orleans, Jackson was a career military-man.*

- *"Old Hickory" had served in congress in the 1790's, before rejoining the military.*

- *Jackson avoided personal attacks. He felt his name recognition and status as a national hero would propel him to victory.*

- *Owned a plantation and slaves in Tennessee.*

#### Discussion

- *Adams, Clay, Calhoun or Jackson: Who would you have voted for in the election of 1824? Why?*

#### Corrupt Bargain

- *Calhoun dropped out of the race and ran for Vice President.*

- *None of the three remaining candidates received enough votes to become president.*

- *House of Representatives had to decide the election.*

- *Clay could not win. He dropped out and used his influence to secure the victory for Adams.*

- *Adams made Clay his Secretary of State.*

#### Adams Administration

- *Adams & Clay wanted to use federal power to strengthen the economy.*

- *Called for new construction of roads, schools, universities, canals, bridges, lighthouses, and more.*

- *Adams' plans never got off the ground as they were blocked by Jackson's supporters in congress.*

#### Two new parties

- *Adams/Clay - Supporters became known as National Republicans (Would later become Whig Party)*

- *Felt they carried Jefferson's legacy of self-improvement.*

- *Jackson - Jacksonian Republicans or Democratic Republicans or Jacksonian Democrats.*

- *Felt they carried Jefferson's mantle of limited government.*

## Election of 1828

- *Adams vs. Jackson. Two sharply contrasting candidates and parties.*
- *Three times as many men voted in 1828 as had in 1824, a combination of outrage over Adam's election and laws allowing non-property-owning white males to vote.*
- *Jackson soundly defeated Adams in the electoral college and popular vote.*

## The Age of Jackson

- *Jackson was sworn in in March 1829.*
- *So popular that crowds rushed the White House just to see him after the inauguration.*
- *Jackson was the first President from west of the Appalachian Mountains.*
- *States began allowing any free white male over 21 to vote, and also let voters choose state's electors in the electoral college.*

## The Spoils System

- **Patronage** - a president giving government jobs to friends and supporters.
- *Jackson dismissed federal workers and replaced them with party loyalists and his personal friends. This affected 1/5 of federal office-holders.*
- **spoils system** - taking something from a conquered enemy and giving it to a friend. This contrasts with a merit-based system.

## Limited Government

- *Jackson believed in less government.*
- *He vetoed more congressional acts than all previous presidents combined.*
- *Ironically, his obstructionism helped to increase the power of the presidency.*

## Tariff Crisis

- *Before Jackson took office, Congress had passed and Adams had signed the Tariff of 1828. Put high taxes on imports to spur American manufacturing.*
- *This hurt the south who had to pay more for manufactured goods.*
- *South Carolina advanced the opinion that they had the right to "nullify" the law.*
- *Argument based on a strict constitutional interpretation and a belief in "states rights".*

## State Sovereignty

- *Theory: States created the federal government, thus states have the right to nullify federal acts, and withdraw from the union if they so choose.*
- *As a southerner, Jackson sympathized, but he believed in the strong union of the states.*
- *After another tariff bill and another South Carolina nullification, Jackson and congress passed "The Force Bill" to allow collection of the tariff. Jackson threatened to send 50,000 federal troops to enforce the law.*

## Compromise

- *Senator Henry Clay proposed a compromise to ease the tension.*
  - *Congress reduced some import duties*
  - *South Carolina cancelled its nullification act.*
- *Before accepting this, however, South Carolina voted to nullify the Force Bill.*

## Native American Issues

- *Most tribes had been moved west of the Mississippi River.*
- *In the south, the "Five Civilized Tribes" remained:*
  - *Cherokee, Creek, Choctaw, Chickasaw, and Seminole.*

- *These tribes lived on about 100 million acres of good land.*

- *1830 - Jackson and congress passed the "Indian Removal Act". Tribes were to be given land West of the Mississippi river in exchange for their lands in the east.*

#### Removal by force

- *The five tribes resisted. Jackson sent the army to move them by force.*

- *The government was proposing to swap their fertile cultivated land for Oklahoma prairie land.*

- *The Cherokees sued the government of Georgia, who seized their land, and the case ended up in the Supreme Court.*

#### Worcester v. Georgia

- *The Cherokee, through Worcester, argued that the state had no right to seize the land.*

- *Supreme Court agreed, saying Georgia had no authority over Cherokee land.*

- *Jackson said "John Marshall has made his decision, now let him enforce it."*

- *Army forced Cherokees to the West.*

#### The Trail of Tears

- *116 day forced march of 15,000 Cherokee to Oklahoma.*

- *March was 1000 miles.*

- *1 of every 4 people died on the march, troops refused to allow them to stop and rest.*

#### Black Hawk War

- *Fox & Sauk Tribes driven off land by 1831.*

- *Black Hawk led a peaceful group to reclaim their land.*

- *Illness and hunger forced Black Hawk's troops back into Wisconsin, where they were chased down and killed.*

- *In Florida, the Seminole people were largely forced out after the 2nd Seminole War. Only a few remained hidden in the Everglades.*

#### Bank War

- *2nd Bank of the United States was due to expire in 1836 unless rechartered.*

- *Henry Clay and Daniel Webster, along with the Bank President, Nicholas Biddle, attempted to recharter the bank early.*

- *The National Republicans hoped to use a Jackson veto against him in the upcoming elections of 1832.*

#### Veto

- *Jackson did veto the bank recharter, dooming the 2nd Bank of the United States.*

- *Felt the bank was a threat to freedom, and a tool to make the rich richer.*

- *Jackson won re-election by a huge margin. The National Republicans would never recover, they joined several other anti-Jackson groups and formed the Whig Party.*

#### Result of the Bank Veto

- *Jackson had begun withdrawing federal money from the bank even before the veto, and depositing it in other banks across the country.*

- *These banks printed and lent paper money unwisely. Jackson had to declare that the government would only accept specie for payment of federal lands.*

- *Specie circular caused the Panic of 1837, when Van Buren became President.*

#### Depression

- *Panics and recessions became economic depressions into 1840, as urban poverty expanded.*

- *In 1836, Van Buren had been elected after serving as Jackson's V.P.*

- ✿ *In 1840, the Whigs nominated war hero William Henry Harrison. Despite his age, Harrison won with catchy slogans such as "Tippecanoe, and Tyler too".*

#### Death and a new President

- ✿ *Harrison died one month after taking office*
- ✿ *John Tyler, Harrison's V.P., became President. Tyler had been a Jacksonian before denouncing Jackson.*
- ✿ *Tyler was meant to draw southern votes from Van Buren.*
- ✿ *As president he blocked Whig programs, and was eventually abandoned by the Whigs.*