**Chapter 24: Industry Comes of Age**

**Overview:**

Aided by government subsidies and loans, the first transcontinental rail line was completed in 1869, soon followed by others. This rail network opened vast new markets and prompted industrial growth. The power and corruption of the railroads led to public demands for regulation, which was only minimally begun.

New technology and forms of business organization led to the growth of huge corporate trusts. Andrew Carnegie and John D. Rockefeller led the way in the steel and oil industries. Initially, the oil industry supplied kerosene for lamps; it eventually expanded by providing gasoline to fuel automobiles. Cheap steel transformed industries from construction to rail building, and the powerful railroads dominated the economy and reshaped American society.

The benefits of industrialization were unevenly distributed. The South remained in underdeveloped dependence, while the industrial working class struggled at the bottom of the growing class divisions of American society. Increasingly transformed from independent producers and farmers to dependent wage earners, America’s workers became vulnerable to illness, industrial accidents, and unemployment.

Workers’ attempts at labor organization were generally ineffective. The Knights of Labor disappeared after the Haymarket bombing. Gompers founded the AF of L to organize skilled craft laborers but ignored most industrial workers, women, and blacks

**Vocabulary Terms:**

*Wabash, St. Louis & Pacific Railroad Company v. Illinois*

Interstate Commerce Act

Vertical integration

Horizontal iintegration

Trust

interlocking directorates

Standard Oil Company

Social Darwinists

Sherman Anti-Trust Act

National Labor Union

Knights of Labor

Haymarket Square

American Federation of Labor

Closed shop

**Reading Questions**

1. What were the main reasons for the increase in railroad construction? What were some of the positives and negatives of this revolution?
2. What were the main principles of the Gospel of Wealth and Social Darwinism? In what ways did they attempt to deal with (and justify) the concentration of wealth?
3. What were some of the main ways in which the government tried to deal with the trusts? How did the Interstate Commerce Act and the Sherman Anti-Trust Act deal with monopolies? Were they successful?
4. What were some of the biggest challenges facing labor in the second half of the nineteenth century?

**Reading Notes**

**(Vocabulary terms should be highlighted throughout outline AND you should write AT LEAST 5 important facts for EACH topic listed in the left.)**

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| The Iron Colt Becomes an Iron Horse |  |
| Spanning the Continent with Rails |  |
| Binding the Country with Railroad Ties |  |
| Railroad Consolidation and Mechanization |  |
| Revolution by Railways |  |
| Wrongdoing in Railroading |  |
| Government Bridles the Iron Horse |  |
| Miracles of Mechanization |  |
| The Trust Titan Emerges |  |
| The Supremacy of Steel |  |
| Carnegie and Other Sultans of Steel |  |
| Rockefeller Grows an American Beauty Rose |  |
| The Gospel of Wealth |  |
| Government Tackles the Trust Evil |  |
| The South in the Age of Industry |  |
| The Impact of the New Industrial Revolution on America |  |
| In Unions There is Strength |  |
| Labor Limps Along |  |
| Unhorsing the Knights of Labor |  |
| The AF of L to the Fore |  |