Industrialization, Urbanization, and Immigration

Overview

Demographic Expansion

In 1840, where we began our studies, the US population stood at 17.1 million and by 1920 it was 106 million.

![Growth in the US Population from 1840 to 1920](image)

Chart made in Google Docs Spreadsheet from US Census figures.

Railroads

You learned about the rapid expansion of railroads. Look below at this simplistic video (less than 3 minutes) that reviews railroad expansion from the 1830s through the 20th century. Pay close
attention to the transcontinental lines that you learned about before and see again in the map below.

To view the video of the map, please click here.

Map from United States Pacific Railway Commission, Report to the Congress of the United States Senate Executive Document No. 51 (50th Congress, 1st Session) and digitized by User: Centpacrrr in 2009 and licensed under Creative Commons Attribution-Share Alike 3.0 Unported license. (CC BY-SA 3.0) (http://commons.wikimedia.org/wiki/File:US_Transcontinental_Railroads_1887.jpg).

Industrialization
The American economy thrived in the second half of the nineteenth century. Unlike the South, where the economy was devastated by the Civil War, the North’s productivity increased during the war and compounded its growth rate after it. Part of the reason for the North’s robust economy was the contribution of western regions. In the Pacific Northwest, natural-resource production grew in the late nineteenth century when the region’s fish, ore, wheat, and timber reached distant markets by rail after the completion of the Northern Pacific transcontinental rail line in 1883. Although rail transportation enabled industries to move west such as flour milling to Minneapolis and Kansas City and agricultural equipment manufacture from central New York to Illinois and Wisconsin, the Northeast continued to be the leading industrial region in the United States. In 1890, it produced 85 percent of manufactured goods. Between 1860 and 1894, the United States moved from the fourth largest manufacturing nation to the world’s leader. By the early 20th century, the American industry manufactured one-third of the world's goods.

Urbanization

From the chart above, you saw the tremendous population growth in the United States. From 1860 until 1900, the population of rural areas doubled, but the urban population grew sevenfold. By the turn of the century, Chicago and Philadelphia housed over one million people and New York over three million. Urbanization proceeded at such a rapid pace that by 1920 the United States had 50 percent or more of its citizens living in towns or cities and thus by definition of the US Census was an urban nation. (Urban is defined as communities with 2,500 or more residents.) Coupled with movement of people into cities was the continued migration to the west. Western territories quickly became states (for example, North Dakota, South Dakota, Wyoming, Montana,
Idaho, and Washington became states during 1889 and 1890).

PBS American Experience offers an excellent Website to accompany its program about Chicago at the turn of the 20th century Chicago: The City of the Century. You can see recreated video of the 1871 Great Chicago Fire as well as take trivia quizzes and learn more about the people and events including the Haymarket Square incident.
www.pbs.org/wgbh/amex/chicago/index.html

**Immigration**

**Who lived in the cities?** Many moved from the countryside into the cities especially young men and women looking for industrial jobs. African Americans in the late 19th century moved in greater numbers (7,000/yr) out of the South into northern cities. But immigrants increasingly dominated city populations as the 19th century ended. By 1900, 80 percent of the population of New York City and Chicago, 67 percent of Boston's, and 50 percent of Philadelphia's was foreign born or of foreign-born parentage.

The immigration numbers are staggering. Between 1877 and 1890, more than 6.3 million people entered the United States and in 1882 alone more than 789,000. You can refer to the US Census report Historical Census Statistics on the Foreign-born Population of the United States: 1850-1990 that you have used before to see that in 1890, about 15 percent of the people in the United States had been born elsewhere:
www.census.gov/population/www/documentation/twps0029/twps0029.html

OR you can take advantage of the link to this **outstanding** interactive map provided by the New York Times called the "Immigration Explorer." You can move the timeline slider at the
top of the screen back to the 19th century and can also select a specific immigrant group. Move your cursor over the map to see the foreign-born population in a specific county:  

**Labor and Wagework**

Coupled with the demographic expansion accelerated by immigration was the transition in work life in the United States. The 1870 Census revealed that transition from farmers and the self-employed to wageworkers as the number of wage earners totaled almost 5 million of the 13 million employed persons. Though farmers still counted for about 3 million and agricultural laborers for nearly 4 million, the nation was becoming one of wageworkers who toiled by the clock and not the sun and seasons. By 1900, two-thirds of all Americans worked for wages.

In the countryside, the seasons determined the working day and people were task-oriented not committed to a set number of hours of work because they were not paid by the hour. Cash was rare as most people bartered for goods (e.g., eggs for cloth) and often exchanged labor such as threshing wheat during harvest for fence building at another time. But in the industrial economy, workers labored alongside steel furnaces for 10 hours a day and 6 days a week. The average industrial worker earned $400 to $500 per year when a family of four needed $600 to live comfortably.
Credit: Cleaning and repairing ladle, showing method of lining, Steel Works, Pittsburgh, Pa. Photographic print on stereo card, 1905. Library of Congress Prints and Photographs Division, LC-USZ62-52074, Digital ID cph.3b00060
Gilded Age

The American economy thrived in the second half of the nineteenth century. Throughout the country, people's standard of living rose but not evenly. The result was an increasingly skewed distribution of wealth in which an elite 10 percent controlled 90 percent of the nation's wealth. This was what Mark Twain called the **Gilded Age**—an era in which “robber barons” like Andrew Carnegie and John Rockefeller amassed huge fortunes and many people celebrated material progress rather than humankind’s moral improvement.

Those who labored in the new industries, many of them immigrants, struggled to feed their families. Economic panics punctuated each decade of the late nineteenth century. After the panic of 1873, workers saw first their wages reduced, then their jobs eliminated, until the unemployment rate soared over 15 percent. A catastrophic financial collapse in 1893 was followed by jobless rates of 20 to 25 percent. To provide some security, such as unemployment compensation to the jobless, would be to violate the tenets of **laissez-faire capitalism**, the ruling dogma of the Gilded Age.

Laissez faire means “hands off” and referred to the government's role in the economy. When financial panics cost thousands of workers their jobs, neither the state nor federal governments had mechanisms for aiding the unemployed. Borrowing from the theory of evolution, **Social Darwinists** believed that the rich accumulated their wealth because they were the most fit, and that if the jobless starved it was a result of their being less fit. These same Social Darwinists who chanted “laissez faire” were curiously silent about the high government tariffs that increased the price of foreign goods, and thus aided domestic industries, or
about the government giveaways of millions of acres of land and cash subsidies to railroads (131 million acres that included 39 million to the Pacific Northwest's first transcontinental railroad the Northern Pacific).

In coming weeks, we will look at reactions to the effects of industrialization and urbanization.

© 2009 Susan Vetter, rev. 2011