**Unit Three: The Industrialization of the United States: The Rise of Big Business**

**SSUSH11 The student will describe the growth of big business and technological innovations after Reconstruction.**

a. Explain the impact of the railroads on other industries, such as steel, and on the organization of big business.

c. Identify John D. Rockefeller and the Standard Oil Company and the rise of trusts and monopolies

**SSUSH12 The student will analyze important consequences of American industrial growth.**

b. Identify the American Federation of Labor and Samuel Gompers.

d. Describe the 1894 Pullman strike as an example of industrial unrest.

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| Name, Event or Concept | Leading Questions |
| **Vanderbilt Consolidates the Railroads** | 1. What entrepreneur would amass a railroad “empire” that would stretch from New York west to the Mississippi River?   |  |  | | --- | --- | | This empire of railroads would allow Vanderbilt to… | | | Control…. | Therefore also controlling… | |
| **The Rise of Big Business**  (1870s-1910s) | 1. Describe the impact of Vanderbilt’s railroads on the organization of big business.  2. Define “corporation”.  3. What effect did technology (physical and communicative) have on the growth of corporations?  4. Define “monopoly”:  5. What steps did corporations take to establish monopolies?   |  |  | | --- | --- | | **Describe how and why the formation of monopolies negatively impacted consumers.** | | | HOW? | WHY? | |  |  |   6. What is a trust?  7. Why would different companies come together and form a trust? |
| **Standard Oil and the Rise of Trusts and Monopolies**  Social Darwinism – *refers to the idea that the value of a person is determined by how much money one had; only the strong will/should survive*  *This idea would dominate American industry AND government in the late 1800s.* | 1. Who was John D. Rockefeller?  2. How would Vanderbilt’s railroads impact Rockefeller?   |  |  | | --- | --- | | Why was Rockefeller called a  “Robber Barron”? | Why was Rockefeller called a  “Captain of Industry”? | |  |  |   3. What steps did Congress take to oppose the unfair business practices of trusts and monopolies?  4. What did the Sherman Antitrust Act (1890) and the Clayton Antitrust Act (1914) do?  5. Why is President Teddy Roosevelt (1901-1909) remembered as a “trust buster”?  6. In 1911, what actions would the Supreme Court take against Standard Oil? |
| **The Organized Labor Movement**  *Skilled labor involved training of some sort (electrician, mechanic, etc.)*  *Unskilled labor involved no formal training.* | |  |  |  | | --- | --- | --- | | **Explain three methods factories and other companies used to maximize profits and reduce costs** | | | | 1. | 2. | 3. |   1. What did many workers do to combat the unfair practices of many employers during this time?  2. What is collective bargaining?  3. What is a labor strike?  4. What was the name of the earliest national labor union?  5. What types of workers were accepted into the Knights of Labor?  6. What internal dispute would cause the Knights of Labor gradually lose its power? |
| **Samuel Gompers and the American Federation of Labor** | 1. In 1886, what organization was founded by Samuel Gompers?  2. What specifically was the American Federation of Labor (AFL)?  3. What is a “craft union”? |
| **The 1894 Pullman Strike**  Note: Workers at the Pullman Company were forced to live in on-site housing complexes and buy basic goods from on-site stores.  Pullman charged very high rates for rent and very high prices for goods.  The American Railway Union was led by Eugene V. Debs, who we will cover in Unit 4. | 1. What items did the factory owned by George Pullman manufacture?  2. Why were the workers at Pullman’s factory on strike?  3. How did the American Railway Union (ARU) attempt to help the striking workers at the Pullman Factory?  4. How did the Pullman Strike affect railroads and railway workers throughout the country?  5. How did the strikers react to Pullman’s hiring of the (mostly African American) “strikebreakers”?  6. The Pullman Strike was not the only instance of **industrial unrest** in the late 19th century. What does “unrest” mean?  7. What rationale did President Grover Cleveland have for stopping the Pullman Strike?  8. What action did Cleveland take to force the workers to end the strike?  9. In the end, what toll (in lives and dollars) did the strike have?  10. What effect did the Pullman Strike have on the relationship between/amongst the government, big business and labor unions throughout the United States?  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ CONTROLS \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ CONTROLS \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| **Comparison of Early Labor Unions** | | |
|  | Knights of Labor | American Federation of Labor |
| Year Founded | 1869 | 1886 |
| Founder | Uriah Stephens | Samuel Gompers |
| Workers Included | Skilled and Unskilled  Women, Immigrants and African Americans could join. | Skilled workers (harder to replace)  White only |
| Goals | * progressive income tax (the more you make, the more you pay) * an end to child labor * temperance in the workplace * an 8 hour work day | * individual craft unions made individual demands to their union. * collective bargaining * an 8 hour work day |
| Tactics to Protest | * Voting for people who supported unions (women, immigrants and most blacks forbidden right to vote) * Arbitration (disputes settled by third parties) * Strikes as a last resort (because unskilled labor could be easily replaced) | * Voting for people who supported unions * Gompers himself really avoided politics (which made him more liked by business owners) * Strikes as first resort (workers less likely to be fired because they were skilled) |

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| Other Notable Instances of Industrial Unrest in the Late 1800s. | |
| **Haymarket Riot (1886)** | **Homestead Strike (1892)** |
| The Haymarket affair was the aftermath of a bombing that took place at a labor demonstration on May 4, 1886, at Haymarket Square in Chicago. It began as a peaceful rally in support of workers striking for an eight-hour day and in reaction to the killing of several workers the previous day by the police.  An unknown person threw a dynamite bomb at police as they acted to disperse the public meeting. The bomb blast and ensuing gunfire resulted in the deaths of seven police officers and at least four civilians; scores of others were wounded.  In the publicized legal proceedings that followed, eight anarchists were convicted of conspiracy. Seven were sentenced to death and one to a term of 15 years in prison. The death sentences of two of the defendants were commuted by Illinois’ governor to terms of life in prison, and another committed suicide in jail rather than face the gallows. The other four were hanged. | On June 29, 1892, workers belonging to the Amalgamated Association of Iron and Steel Workers struck the Carnegie Steel Company at Homestead, Pa. to protest a proposed wage cut.  Henry C. Frick, the company's general manager, determined to break the union. He hired 300 Pinkerton detectives to protect the plant and strikebreakers.  After an armed battle between the workers and the detectives on July 6, in which several men were killed or wounded, the governor called out the state militia.  The plant opened, nonunion workers stayed on the job, and the strike, which was officially called off on Nov. 20, was broken. The Homestead strike led to a serious weakening of unionism in the steel industry until the 1930s. |

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