

**Factors for Industrialization in the United States:**

<p><b>I. <u>Natural Resources:</u></b>                  A) The United States possessed fertile soil, swift-flowing streams and rivers, vast quantities of timber, and rich deposits of coal, iron ore, copper, and oil</p>
<p><b>II. <u>The Free Enterprise System:</u></b>                  A) Also called <u>Capitalism</u> or <u>Free Market</u>                  B) Capital (money, factories, equipment) is privately owned and invested                  C) The government does not intervene in the market                  D) Producers who stay in business are those who are able to compete effectively                  E) American culture stressed individualism, thrift, and hard work                  F) Americans believed individual efforts were rewarded with material success</p>
<p><b>III. <u>Laissez-faire</u></b>                  A) The 19<sup>th</sup> century American government followed a policy of laissez-faire                  B) The <u>government did not intervene in the economy</u>                  C) <u>However</u>, the government did promote industrialization in important ways                      1- Laws protected property and contracts                      2- Congress passed protective tariffs                          a. A <u>tariff</u> is a tax on foreign imports, making them more costly for U.S. consumers                          b. Tariffs encouraged Americans to buy American products at lower prices than foreign products</p>
<p><b>IV. <u>The Expansion of Railroads</u></b>                  A) The first <u>transcontinental railroad</u>, linking the east and west coasts, was completed in 1869                  B) The amount of railroad track increased fivefold in the next 25 years                  C) Railroads connected raw materials to factories and factories to consumers                  D) Also promoted the settlement of the frontier                  E) Irish and Chinese immigrants were used as cheap labor for railroad construction</p>
<p><b>V. <u>Population Increase</u></b>                  A) Between 1860 and 1900, the population of the U.S. more than doubled                  B) This increase was partly fueled by a constant stream of European <u>immigrants</u></p>
<p><b>VI. <u>Technological Progress:</u></b>                  A) New inventions and technologies fueled economic expansion in the late 19<sup>th</sup> century.                  B) The <u>Bessemer process</u> made the production of steel more economical.</p>
<p><b>VII. <u>The Corporation:</u></b>                  A) Before the Civil War, most businesses were owned by individuals or partnerships.                  B) Following the Civil War, the corporate form of business became more popular.                      1- A corporation is a company chartered by a state and recognized in law as a separate “person”                      2- A corporation issues shares to investors, making each <u>stockholder</u> one of its partial owners</p>

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| <p>1) The theory of laissez-faire economics was used during the late 1800s to</p> <ol style="list-style-type: none"> <li>justify unregulated business growth</li> <li>call for more consumer protection</li> <li>support Progressive programs</li> <li>achieve equal distribution of income</li> </ol>         | <p>3) “Prices and wages should be determined by the marketplace.” The author of this statement would most probably support</p> <ol style="list-style-type: none"> <li>government ownership of utilities</li> <li>minimum-wage laws</li> <li>wage and price controls</li> <li>laissez-faire capitalism</li> </ol> |
| <p>2) After the Civil War, one-way business leaders tried to eliminate competition was by</p> <ol style="list-style-type: none"> <li>forming monopolies or trusts</li> <li>developing overseas markets</li> <li>increasing the prices of their products</li> <li>paying high wages to their workers</li> </ol> | <p>4) Industrialists of the late 1800s contributed most to economic growth by</p> <ol style="list-style-type: none"> <li>supporting the efforts of labor unions</li> <li>establishing large corporations</li> <li>encouraging government ownership of banks</li> <li>opposing protective tariffs</li> </ol>      |

- 5) During the latter half of the 19th century, many business organizations in the United States combined into large corporations because
  - a) income levels for workers would be improved
  - b) government intervention in economic affairs would decline
  - c) efficiency in production methods could be increased
  - d) economic possibilities outside the United States could be explored
  
- 6) From 1865 to 1900, how did the growth of industry affect American society?
  - a) The United States experienced the disappearance of the traditional
  - b) Population centers shifted from the Northeast to the South
  - c) Restrictions on immigration created a more homogeneous culture.
  - d) The percentage of Americans living in urban areas increased.
  
- 7) Prior to 1880, the number of immigrants to the United States was not restricted mainly because
  - a) industry owners wanted cheap labor
  - b) the nations of Europe discouraged emigration
  - c) the United States birthrate was increasing
  - d) Congress lacked the power to limit immigration
  
- 8) In the United States during the late 19th century, much of the prejudice expressed toward immigrants was based on the belief that they would
  - a) cause overcrowding in farm areas
  - b) refuse to become citizens
  - c) support the enemies of the United States in wartime
  - d) fail to assimilate into American society
  
- 9) Industrialists of the late 1800s contributed most to economic growth by
  - a) supporting the efforts of labor unions
  - b) establishing large corporations
  - c) encouraging government ownership of banks
  - d) opposing protective tariffs
  
- 10) One factor that furthered industrialization in the United States between 1865 and 1900 was the
  - a) development of the airplane
  - b) expansion of the railroads
  - c) mass production of automobiles
  - d) widespread use of steamboats
  
- 11) Many reformers who opposed the laissez-faire attitude of the late 19th century argued that
  - a) the National Government should not interfere in the activities of big business ...big business
  - b) national wealth could best be assured by the accumulation of gold
  - c) the idea of rugged individualism is vital to the nation's economic growth
  - d) government should protect society through the regulation of business
  
- 12) Why did the United States follow a policy of unrestricted immigration for Europeans during most of the 1800's?
  - a) Business and industry depended on the foreign capital brought by immigrants.
  - b) The American economy needed many unskilled workers.
  - c) Most Americans desired a more diversified culture.
  - d) The United States wanted to help European nations by taking in their surplus population.
  
- 13) Which situation brought about the rapid growth of industry between 1865 and 1900?
  - a) high worker morale resulting from good wages and working conditions
  - b) availability of investment capital
  - c) establishment of western reservations for Native American Indians
  - d) decline in the number of people attending schools
  
- 14) In the decades after the Civil War, the major result of the shift from single proprietorship to corporate organization was that business was able to
  - a) make more efficient use of natural resources
  - b) concentrate on improving the quality of manufactured goods
  - c) provide workers with higher wages
  - d) raise large sums of money
  
- 15) Which factor most influenced the growth of the United States economy between 1865 and 1900?
  - a) development of the sharecropping system
  - b) success of organized labor
  - c) governmental policy of laissez faire
  - d) restrictions on immigration
  
- 16) During the late 1800s, industrialization in the United States led to
  - a) the growth of the middle class
  - b) an overall decline in labor union membership
  - c) the creation of affirmative action programs
  - d) a decrease in the use of natural resources