

## Work, Exchange, & Technology

**Directions:** Read, review, study and highlight main ideas & cues that support and address the objectives.

WXT-1-0 Explain how different labor systems developed in North America and the United States, and explain their effects on workers' lives and U.S. society.

WXT-2-0 Explain how patterns of exchange, markets, and private enterprise have developed, and analyze ways that governments have responded to economic issues.

WXT-3-0 Analyze how technological innovation has affected economic development and society.

The transformation of the United States from an agricultural to an increasingly industrialized and urbanized society brought about significant economic, political, diplomatic, social, environmental, and cultural changes. The rise of big business in the United States encouraged massive migrations and urbanization, sparked government and popular efforts to reshape the U.S. economy and environment, and renewed debates over U.S. national identity. Large-scale production — accompanied by massive technological change, expanding international communication networks, and pro-growth government policies — fueled the development of a “Gilded Age” marked by an emphasis on consumption, marketing, and business consolidation. Following the Civil War, government subsidies for transportation and communication systems opened new markets in North America, while technological innovations and redesigned financial and management structures such as monopolies sought to maximize the exploitation of natural resources and a growing labor force. Businesses and foreign policymakers increasingly looked outside U.S. borders in an effort to gain greater influence and control over markets and natural resources in the Pacific, Asia, and Latin America. Business leaders consolidated corporations into trusts and holding companies and defended their resulting status and privilege through theories such as Social Darwinism. [John D. Rockefeller, J.P. Morgan] As cities grew substantially in both size and in number, some segments of American society enjoyed lives of extravagant “conspicuous consumption,” while many others lived in relative poverty.

As leaders of big business and their allies in government aimed to create a unified industrialized nation, they were challenged in different ways by demographic issues, regional differences, and labor movements. The industrial workforce expanded through migration across national borders and internal migration, leading to a more diverse workforce, lower wages, and an increase in child labor. Labor and management battled for control over wages and working conditions, with workers organizing local and national unions and/or directly confronting corporate power. [Knights of Labor, American Federation of Labor, Mother Jones] Despite the industrialization of some segments of the southern economy, a change promoted by southern leaders who called for a “New South,” agrarian sharecropping, and tenant farming systems continued to dominate the region.

I am not blind to the shortcomings of our own people. I am not unaware that leaders betray, and sell out, and play false. But this knowledge does not outweigh the fact that my class, the working class, is exploited, driven, fought back with the weapon of starvation, with guns and with venal courts whenever they strike for conditions more human, more civilized for their children, and for their children's children. - Mother Jones

Westward migration, new systems of farming and transportation, and economic instability led to political and popular conflicts. Government agencies and conservationist organizations contended with corporate interests about the extension of public control over natural resources, including land and water. [U.S. Fish Commission, Sierra Club, Department of the Interior] Farmers adapted to the new realities of mechanized agriculture and dependence on the evolving railroad system by creating local and regional organizations that sought to resist corporate control of agricultural markets. [the Grange, Las Gorras Blancas, Colored Farmers' Alliance] The growth of corporate power in agriculture and economic instability in the farming sector inspired activists to create the People's (Populist) Party, which called for political reform and a stronger governmental role in the American economic system. Business interests battled conservationists as the latter sought to protect sections of unspoiled wilderness through the establishment of national parks and other conservationist and preservationist measures.

## Document Analysis Practice...

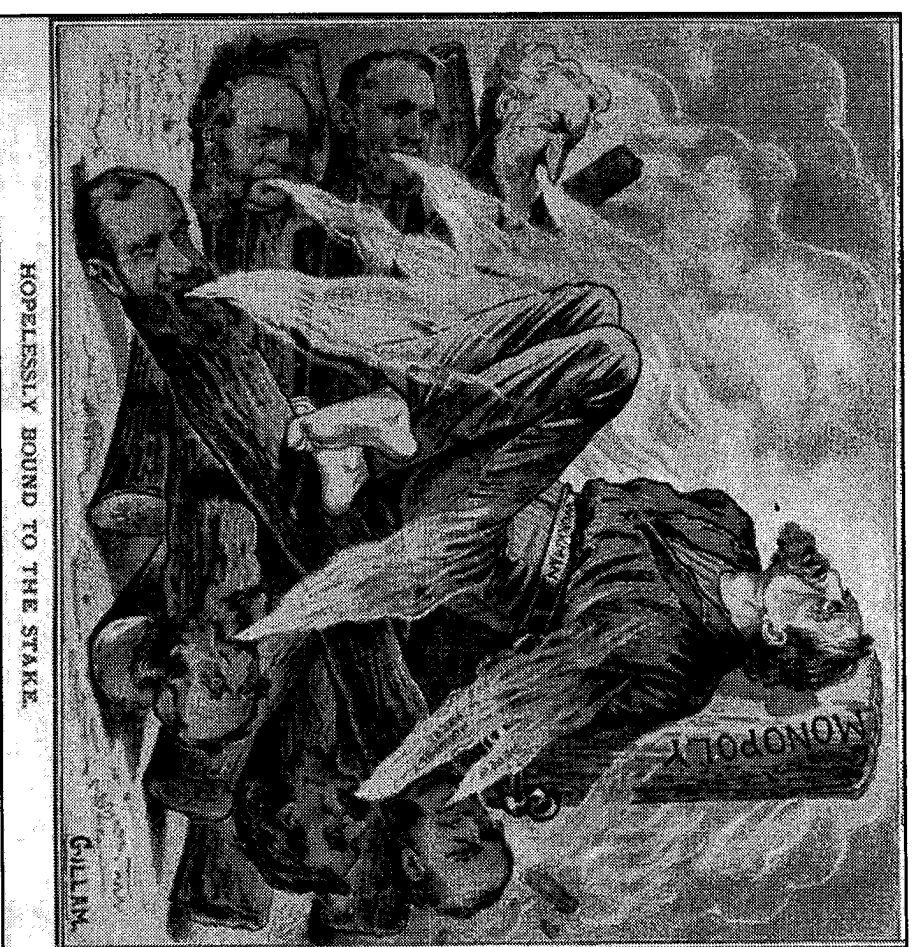
### Work, Exchange, & Technology

Source: Excerpt from the "The Omaha Platform" of the Populist Party, 1892

**FINANCE.**—We demand a national currency, safe, sound, and flexible, issued by the general government only, a full legal tender for all debts, public and private, and that without the use of banking corporations, a just, equitable, and efficient means of distribution direct to the people, at a tax not to exceed 2 per cent. per annum, to be provided as set forth in the sub-treasury plan of the Farmers' Alliance, or a better system; also by payments in discharge of its obligations for public improvements. We demand free and unlimited coinage of silver and gold at the present legal ratio of 16 to 1. We demand that the amount of circulating medium be speedily increased to not less than \$50 per capita. We demand a graduated income tax. We believe that the money of the country should be kept as much as possible in the hands of the people, and hence we demand that all State and national revenues shall be limited to the necessary expenses of the government, economically and honestly administered. We demand that postal savings banks be established by the government for the safe deposit of the earnings of the people and to facilitate exchange.

Source: Paul Johnson, *A History of the American People*, 1997

"Wilson's arrival in the White House in 1913 was a perfect instance of Victor Hugo's saying, 'Nothing is more powerful than an idea whose time has come.' Since the Civil War, the United States had become by far the world's richest country, with an industrial economy which made all others on earth seem small, and it had done so very largely through the uncoordinated efforts of thousands of individual entrepreneurs. The feeling had grown that it was time for the community as a whole, using the resources of the United States Constitution, to impose a little order on this new giant and to dress him in suitable clothes, labeled 'The Public Interest.' Theodore Roosevelt had already laid out some of these clothes, and Wilson was happy to steal them."



Source: Bernard Gillam, *Puck* magazine, August 1883

Analyze the three documents above, and address the following questions in complete sentence. Incorporate your document analysis into your answers. Remember to include ONE of the following: historical context, intended audience, purpose, or point of view. Label your answers a.-b.-c.

- a. Explain ONE way the viewpoint of the Populist Party differed from the viewpoint of the Gillam cartoon.
- b. Explain ONE way labor unions confronted big business in the late 19<sup>th</sup> century.
- c. Explain ONE way Progressive reformers successfully addressed the labor concerns.



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WXT-3.0 Analyze how technological innovation has affected economic development and society.

An increasingly pluralistic United States faced profound domestic and global challenges, debated the proper degree of government activism, and sought to define its international role. Governmental, political, and social organizations struggled to address the effects of large-scale industrialization, economic uncertainty, and related social changes such as urbanization and mass migration. The continued growth and consolidation of large corporations transformed American society and the nation's economy, promoting urbanization and economic growth, even as business cycle fluctuations became increasingly severe [Panic of 1893, Stock Market Crash of 1929]. Large corporations came to dominate the U.S. economy as it increasingly focused on the production of consumer goods, driven by new technologies and manufacturing techniques. The United States continued its transition from a rural, agricultural society to an urban, industrial one, offering new economic opportunities for women, internal migrants, and international migrants who continued to flock to the United States. Even as economic growth continued, episodes of credit and market instability, most critically the Great Depression, led to calls for the creation of a stronger financial regulatory system.

Global conflicts over resources, territories, and ideologies renewed debates over the nation's values and its role in the world, while simultaneously propelling the United States into a dominant international military, political, cultural, and economic position. Many Americans began to advocate overseas expansionism in the late 19th century, leading to new territorial ambitions and acquisitions in the Western Hemisphere and the Pacific. The perception in the 1890s that the western frontier was "closed," economic motives, competition with other European imperialist ventures of the time, and racial theories all furthered arguments that Americans were destined to expand their culture and norms to others, especially the nonwhite nations of the globe. The American victory in the Spanish-American War led to the U.S. acquisition of island territories, an expanded economic and military presence in the Caribbean and Latin America, engagement in a protracted insurrection in the Philippines, and increased involvement in Asia. Questions about America's role in the world generated considerable debate, prompting the development of a wide variety of views and arguments between imperialists and anti-imperialists and, later, interventionists and isolationists.

Progressive reformers responded to economic instability, social inequality, and political corruption by calling for government intervention in the economy, expanded democracy, greater social justice, and conservation of natural resources. In the late 1890s and the early years of the 20th century, journalists and Progressive reformers — largely urban and middle class, and often female — worked to reform existing social and political institutions at the local, state, and federal levels by creating new organizations aimed at addressing social problems associated with an industrial society. Progressives promoted federal legislation to regulate abuses of the economy [Clayton Anti-Trust Act, Federal Reserve Act] and the environment, and many sought to expand democracy [17<sup>th</sup> Amendment, 19<sup>th</sup> Amendment].

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The global ramifications of World War I and wartime patriotism and xenophobia, combined with social tensions created by increased international migration, resulted in legislation restricting immigration from Asia and from southern and eastern Europe. World War I created a repressive atmosphere for civil liberties, resulting in official restrictions on freedom of speech [Espionage Act, *Schenck* case]. As labor strikes and racial strife disrupted society, the immediate postwar period witnessed the first “Red Scare,” which legitimized attacks on radicals and immigrants. Several acts of Congress established highly restrictive immigration quotas, while national policies continued to permit unrestricted immigration from nations in the Western Hemisphere, especially Mexico, in order to guarantee an inexpensive supply of labor. Global conflicts over resources, territories, and ideologies renewed debates over the nation’s values and its role in the world, while simultaneously propelling the United States into a dominant international military, political, cultural, and economic position.

A revolution in communications and transportation technology helped to create a new mass culture and spread “modern” values and ideas, even as cultural conflicts between groups increased under the pressure of migration, world wars, and economic distress. New technologies led to social transformations that improved the standard of living for many, while contributing to increased political and cultural conflicts. New technologies contributed to improved standards of living, greater personal mobility, and better communications systems. [radio, motion pictures, automobiles]. Technological change, modernization, and changing demographics led to increased political and cultural conflict on several fronts: tradition versus innovation, urban versus rural, fundamentalist Christianity versus scientific modernism, management versus labor, native-born versus new immigrants, white versus black, and idealism versus disillusionment.

The rise of an urban, industrial society encouraged the development of a variety of cultural expressions for migrant, regional, and African American artists (expressed most notably in the Harlem Renaissance movement); it also contributed to national culture by making shared experiences more possible through art, cinema, and the mass media.

National, state, and local reformers responded to economic upheavals, laissez-faire capitalism, and the Great Depression by transforming the U.S. into a limited welfare state. The liberalism of President Franklin Roosevelt’s New Deal drew on earlier progressive ideas and represented a multifaceted approach to both the causes and effects of the Great Depression, using government power to provide relief to the poor, stimulate recovery, and reform the American economy. [National Recovery Administration, Tennessee Valley Authority, Federal Writers’ Project] Radical, union, and populist movements pushed Roosevelt toward more extensive reforms, even as conservatives in Congress and the Supreme Court sought to limit the New Deal’s scope. [Huey Long, Supreme Court fight] Although the New Deal did not completely overcome the Depression, it left a legacy of reforms and agencies that endeavored to make society and individuals more secure, and it helped foster a long-term political realignment in which many ethnic groups, African Americans, and working-class communities identified with the Democratic Party. [Social Security Act, Federal Deposit Insurance Corporation (FDIC)].

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Economic dislocations, social pressures, and the economic growth spurred by World Wars I and II led to a greater degree of migration within the United States, as well as migration to the United States from elsewhere in the Western Hemisphere. Although most African Americans remained in the South despite legalized segregation and racial violence, some began a "Great Migration" out of the South to pursue new economic opportunities offered by World War I. Many Americans migrated during the Great Depression, often driven by economic difficulties, and during World Wars I and II, as a result of the need for wartime production labor. Many Mexicans, drawn to the U.S. by economic opportunities, faced ambivalent government policies in the 1930s and 1940s. [Great Depression—era deportations, Bracero program]. The mass mobilization of American society to supply troops for the war effort and a workforce on the home front ended the Great Depression and provided opportunities for women and minorities to improve their socioeconomic positions.

### Causes of the Great Depression

Uneven distribution of income and purchasing power  
Overexpansion/overproduction of agricultural production  
Overproduction of industry  
Unregulated banking practices  
American tariff policies  
Impact of European and world economies  
Monopolistic pricing  
Philosophy and policies of Hoover's administration  
Overexpansion of credit  
Stock speculation and market crash  
Tight money policy of the FED and gold standard

Address the following prompts in complete sentences. Consider the list of causes at left as well as your understanding of history.

- Explain ONE way Franklin's Roosevelt's New Deal sought to provide relief to the unemployed during the Great Depression.
- Explain ONE way Franklin's Roosevelt's New Deal sought to facilitate economic recovery during the Great Depression.
- Explain ONE way Franklin Roosevelt's New Deal sought to reform the economic system [and the role of the government in it] in order to prevent another such catastrophe from occurring in the future.
- Explain ONE reason why Franklin Roosevelt's New Deal was criticized by those on the left.
- Explain ONE reason why Franklin Roosevelt's New Deal was criticized by those on the right.

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As many liberal principles came to dominate postwar politics and court decisions, liberalism came under attack from the left as well as from resurgent conservative movements. Liberalism reached its zenith with Lyndon Johnson's Great Society efforts to use federal power to end racial discrimination, eliminate poverty, and address other social issues while attacking communism abroad. Liberal ideals were realized in Supreme Court decisions that expanded democracy and individual freedoms, Great Society social programs and policies, and the power of the federal government, yet these unintentionally helped energize a new conservative movement that mobilized to defend traditional visions of morality and the proper role of state authority. Postwar economic, demographic, and technological changes had a far-reaching impact on American society, politics, and the environment.

Rapid economic and social changes in American society fostered a sense of optimism in the postwar years, as well as underlying concerns about how these changes were affecting American values. A burgeoning private sector, continued federal spending, the baby boom, and technological developments helped spur economic growth, middle-class suburbanization, social mobility, a rapid expansion of higher education, and the rise of the "Sun Belt" as a political and economic force. These economic and social changes, in addition to the anxiety engendered by the Cold War, led to an increasingly homogeneous mass culture, as well as challenges to conformity by artists, intellectuals, and rebellious youth.

Conservatives, fearing juvenile delinquency, urban unrest, and challenges to the traditional family, increasingly promoted their own values and ideology. As federal programs expanded and economic growth reshaped American society, many sought greater access to prosperity even as critics began to question the burgeoning use of natural resources. Internal migrants as well as migrants from around the world sought access to the economic boom and other benefits of the United States, especially after the passage of new immigration laws in 1965. Responding to the abuse of natural resources and the alarming environmental problems, activists and legislators began to call for conservation measures and a fight against pollution.

As the United States transitioned to a new century filled with challenges and possibilities, it experienced renewed ideological and cultural debates, sought to redefine its foreign policy, and adapted to economic globalization and revolutionary changes in science and technology. A new conservatism grew to prominence in U.S. culture and politics, defending traditional social values and rejecting liberal views about the role of government. Reduced public faith in the government's ability to solve social and economic problems, the growth of religious fundamentalism, and the dissemination of neoconservative thought all combined to invigorate conservatism. Public confidence and trust in government declined in the 1970s in the wake of economic challenges, political scandals [Watergate], foreign policy "failures," and a sense of social and moral decay.

The rapid and substantial growth of evangelical and fundamentalist Christian churches and organizations, as well as increased political participation by some of those groups, encouraged significant opposition to liberal social and political trends. [Moral Majority, Focus on the Family]. Conservatives achieved some of their political and policy goals, but their success was limited by the enduring popularity and institutional strength of some government programs and public support for cultural trends of recent decades. Conservatives enjoyed significant victories related to taxation and deregulation of many industries, but many conservative efforts to advance moral ideals through politics met inertia and opposition. [tax cuts passed under Ronald Reagan and George W. Bush, Contract with America, *Planned Parenthood v. Casey*]. Although Republicans continued to denounce "big government," the size and scope of the federal government continued to grow after 1980, as many programs remained popular with voters and difficult to reform or eliminate. [expansion of Medicare and Medicaid, growth of the budget deficit].

Historical Analysis Activity written by Rebecca Richardson, Allen High School using the 2012 & 2015 Revised College Board APUSH Framework, released exams, and other sources as cited in document. Many images are public domain.

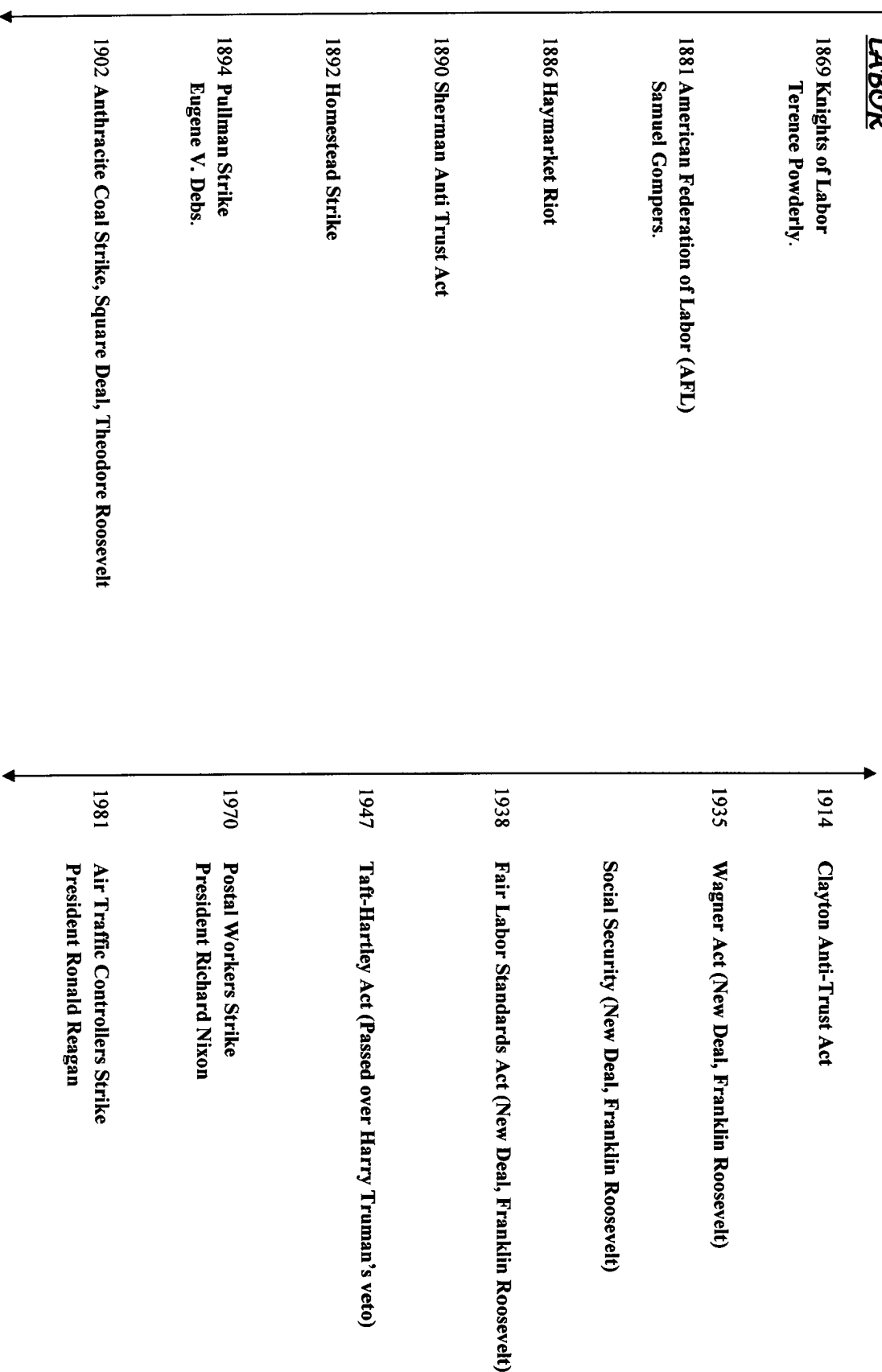


# **Chronological Reasoning ... *Economics.. Work, Exchange, & Technology***

On The next three pages, create a thematic and chronological review by adding notes to each timeline. Focus on the *changing role of government policy* regarding *labor, agriculture, and business enterprise*. Consider goals, actions, reactions, and impact of each item as you analyze *change over time*.



## **LABOR**



# Chronological Reasoning ... *Economics.. Work, Exchange, & Technology*

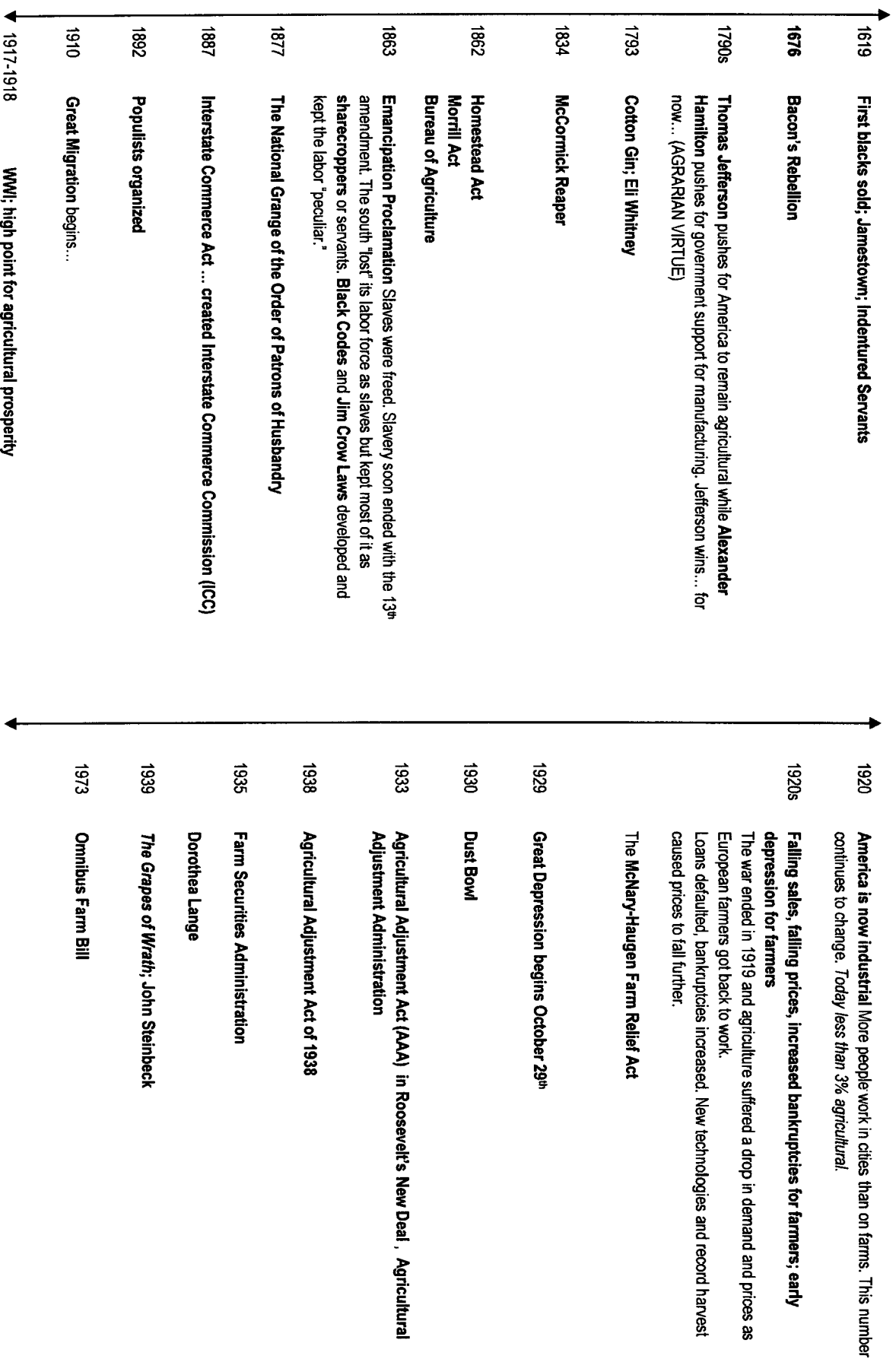
## \* BUSINESS

1791	First BUS (Hamilton's Plan)	1886	<i>Wabash v Illinois</i>
1816	Clay's American System Second BUS First protective tariff (Dallas Tariff); Tariff of 1816	1877	Interstate Commerce Act Interstate Commerce Commission (ICC)
1828	Tariff of Abominations Nullification Crisis	1890	Sherman Silver Purchase Act McKinley Tariff Sherman Antitrust Act
1829-1834	Bank War; Nicholas Biddle, Andrew Jackson	1902	Theodore Roosevelt's intervention in anthracite coal strike
1837	Specie Circular (Coinage Act); Panic of 1837	1903	Elkins Act & 1906 Hepburn Act Pure Food and Drug Act
1861-1865	Lincoln's pro-business platform implemented by Congress Homestead Act in 1862 Morrill Land-Grant Colleges Act Pacific Railway Acts of 1862 and 1864 Morrill Tariff (third one) Revenue Act of 1861 Revenue Act of 1862 National Banking Act & national currency Department of Agriculture	1913	Federal Reserve Act (the FED) Underwood – Simmons Tariff Sixteenth Amendment
1877	<i>Munn v Illinois</i>	1914	Clayton Anti-Trust Act Federal Trade Commission
1878	Bland-Allison Act	1930	Hawley-Smoot Tariff
		1939	Fair Labor Standards Act
		1993	North American Free Trade Agreement or NAFTA



# Chronological Reasoning ... Economics.. Work, Exchange, & Technology

## \* AGRICULTURE



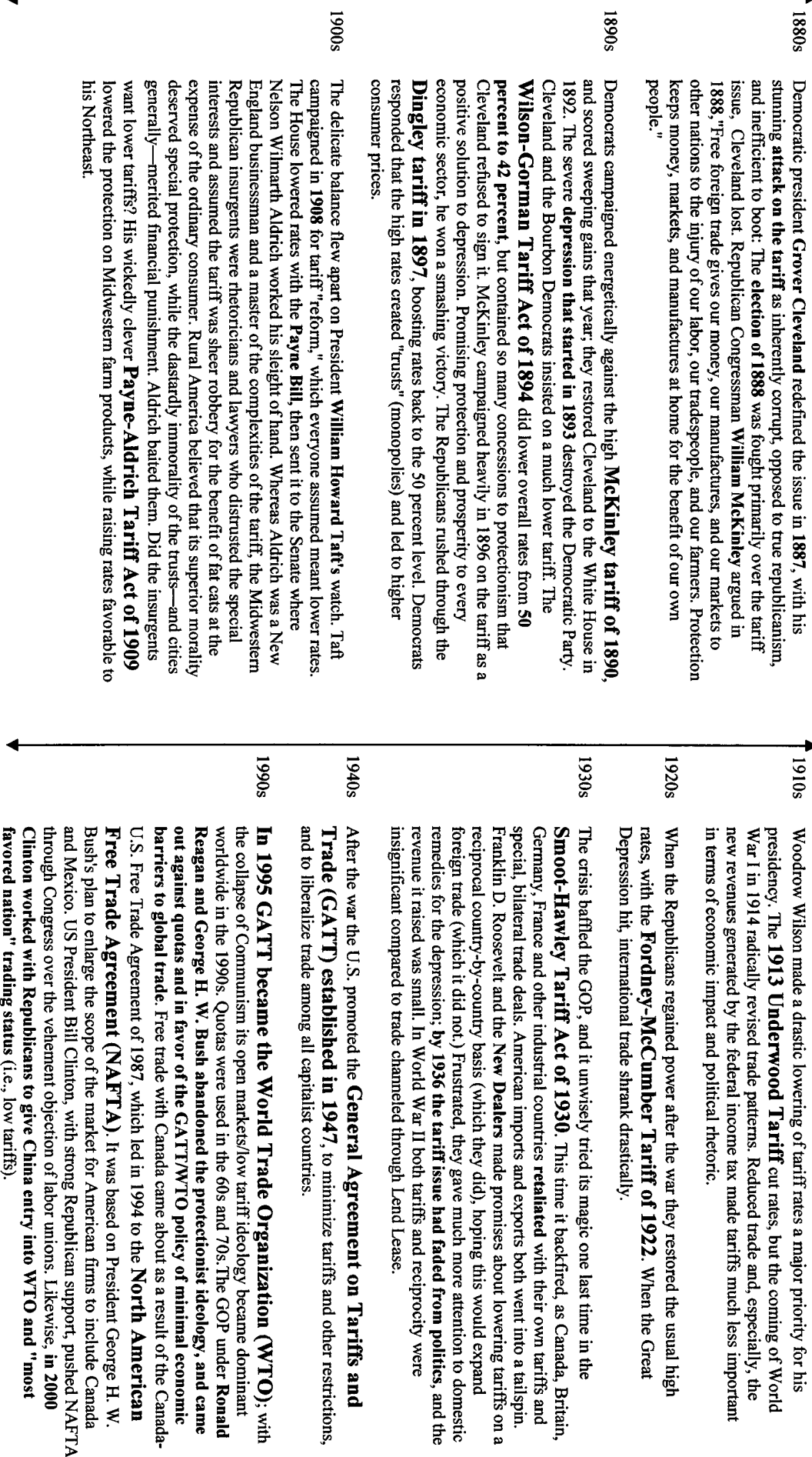
# Chronological Reasoning... Economics.. Work, Exchange, & Technology

**TARIFFS AND TRADE**... let me do this one for you... read, review, highlight... and consider change over time!

1789	The <b>Tariff Act of 1789</b> - first national source of revenue. The new Constitution allowed only the federal government to levy tariffs, so the old system of state rates disappeared. The new law <b>taxed all imports</b> at rates from <b>5 to 15 percent</b> . These rates were primarily designed to generate revenue to pay the national debt and annual expenses of the federal government. In his <b>Report on Manufactures</b> Treasury Secretary <b>Alexander Hamilton</b> proposed a far-reaching plan to use protective tariffs as a lever for rapid industrialization. His tariff proposals were adopted (but not his schemes to subsidize factories.)	1840s	When the Whigs won victories in the 1840 and 1842 elections, taking control of Congress, they re-instituted higher tariffs with the <b>Tariff of 1842</b> . The Democrats won in 1844, electing <b>James K. Polk</b> as president. Polk succeeded in passing the <b>Walker tariff of 1846</b> by uniting the rural and agricultural factions of the country for lower taxes. They sought minimal levels of a "tariff for revenue only" that would pay the cost of government but not show favoritism to one section or 1857 economic sector at the expense of another. The Walker Tariff remained in place until 1857, when a nonpartisan coalition lowered them again with the <b>Tariff of 1857 to 18%</b> . <b>1857 rates were the lowest in history</b> . The South had no complaints but the low rates angered Northern industrialists and factory workers, especially in Pennsylvania, who demanded protection for their growing iron industry. The <b>Republican Party replaced the Whigs in 1854</b> and also favored high tariffs to stimulate industrial growth; it was part of the <b>1860 Republican platform</b> . Pennsylvania iron mills and New England woolen mills mobilized businessmen and workers to call for high tariffs, but Republican merchants wanted low tariffs. The high tariff advocates lost in 1857, but stepped up their campaign by blaming the economic recession of 1857 on the lower rates. Economist Henry Carey of Philadelphia was the most outspoken advocate, along with <b>Horace Greeley</b> and his influential newspaper, the New York Tribune. Increases were finally enacted in <b>February 1861</b> after Southerners resigned their seats in Congress.
1816	<b>Tariff of 1816</b> was the first tariff that was strictly protectionist. After the War of 1812, the U.S. economy was suffering from years of embargo and Britain had dumped cheap goods onto American markets. This tariff helped protect recovering and growing business in the wake of those events. (part of the <b>American System</b> ) Once industrialization started, the demand for higher and higher tariffs came from manufacturers and factory workers. They believed that Americans should be protected from the low wages of Europe. Every Congressman was eager to logroll a higher rate for his local industry. Senator Daniel Webster, formerly a spokesperson for Boston's merchants who imported goods (and wanted low tariffs), switched dramatically to represent the manufacturing interests in the <b>Tariff of 1824</b> . Rates were especially high for bolts of cloth and for bar iron, of which Britain was a low-cost producer. The culmination came in the <b>Tariff of 1828</b> , ridiculed by free traders as the " <b>Tariff of Abominations</b> ", with duties averaging over <b>50 percent</b> . Intense political reaction came from South Carolinians, who concluded that they would pay more for imports and sell less cotton abroad, so their economic interest was being unfairly injured.	1850s	The <b>Panic of 1857</b> was blamed by many former Whigs and industrialists on the free trade policy of the 1857 law. Legislators such as Justin Morrill and economist Henry Carey began to push for a restoration of the <b>Whig American System</b> program of protective tariffs. War was at hand and the Union urgently needed revenues. With the Southern senators gone, Congress passed the <b>Morrill Tariff</b> in March 1861; it took effect a few weeks before the war began, and was not collected in the South. The Confederate States of America (CSA) passed its own tariff of 15% on most items, including all items that previously were duty-free from the North.
1820s	They attempted to "nullify" the federal tariff and spoke of secession (see the <b>Nullification Crisis</b> ). The compromise that ended the crisis included a lowering of the tariff in <b>1932</b> (not accepted by the South) then again in <b>1933</b> which set up a ten year plan to lower tariffs to a uniform <b>20%</b> by 1842. <b>Henry Clay</b> and his <b>Whig Party</b> , envisioning a rapid modernization based on highly productive factories, sought a high tariff. Their key argument was that startup factories, or "infant industries," would at first be less efficient than European (British) producers. Furthermore, American factory workers would be paid higher wages than their European competitors. The arguments proved highly persuasive in industrial districts. Clay's position was adopted in the <b>1828 and 1832 Tariff Acts</b> . The <b>Nullification Crisis</b> forced an abandonment of the Whig position of higher tariffs over ten years until 1842.	1860s	As the American Civil War became a major conflict, Washington needed vast revenues. The <b>Morrill Tariff</b> was revised <b>upward twice more between 1861 and 1862</b> . With the low-tariff southerners gone, the Republican-controlled Congress doubled and tripled the rates on European goods, which <b>topped out at 49 percent in 1868</b> .
1830s			

# Chronological Reasoning ... Economics.. Work, Exchange, & Technology

## TARIFFS AND TRADE... *continued...* read, review, highlight... and consider change over time!



**Main idea:** In the beginning, the government raised money and protected young businesses with tariffs. With the 16<sup>th</sup> Amendment and a gradual lowering of tariffs along with increase global trade, the trend reversed. Today, as a member of a global economy, lowering trade barriers means lower prices, more goods, and more markets. It also means certain jobs, such as manufacturing, are moving overseas.