Primary Sources Mr Oberholtzer K-212

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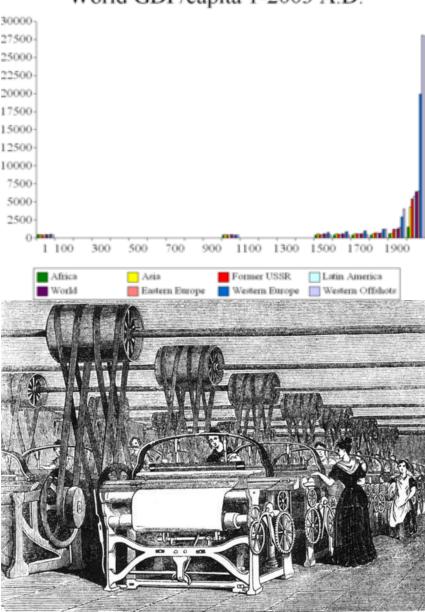
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The Industrial Revolution 1760-1990 World GDP/capita 1-2003 A.D.

- The Industrial Revolution combined science, technology, capitalism to transform the production and consumption of goods forever!
- The Industrial Revolution was urban centered and machine oriented.
- The Industrial Revolution created the bourgeoisie and proletariat, two great antagonistic classes of the era.
- The Industrial Revolution raised the standard of living for most and led to leisure, a strong middle class and the empowerment of the individual
- The Industrial Revolution was a product of <u>Western Civilization</u>!



Sec 1 Early Industrialization

- 1. Apart from natural resources, according to Edward Baines, England had geographic advantages (seaports, location astride trade routes by sea to the world, temperate climate), political and moral advantages (stable government, liberty, property rights encourage productivity) and a technology advantage (use of machines for production, division of labor, hierarchical industrial management, the factory system) that made England the workshop of the world in the 19th century and the wealthiest, most successful trading nation on earth.
- 2. The factory system's advantage over cottage labor is in the division of labor, use of machines and the ability to mass produce goods reliably at low cost.
- 3. Adam Smith attributed the vast increase in productivity to: (1) increase in worker dexterity (skill, (2) <u>division of labor</u> <u>that eliminates time lost in setting up for each task</u> <u>involved in production</u> and (3) use of machinery to facilitate labor so that the entire process is sped up. Dividing the process of production into discrete tasks increases productivity by itself. When machines are introduced to the production line, the productivity is exponentially enhanced.



Section 2 The New Science of Political Economy

- Political Economy developed in the 18th century—forerunner of <u>Economics</u>
- <u>Adam Smith-</u>wrote_"Wealth of Nations"advocated for laissez-faire capitalism. Self interest would govern the market as though guided by an invisible hand. Smith was an optimist; he believed everything would work out as long as the government stayed out of things
- <u>Thomas Malthus</u> wrote "An Essay on the Principle of Population"-pessimist; believed that human populations always increase faster than resources. He said human populations were only controlled by war, pestilence, famine and disease, hence the future for mankind was not going to be a positive one.





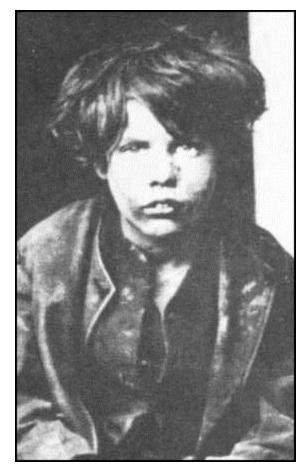
FREE FOREX Trading Training

Sec 2 Questions

- (1) The result of laissez-faire economic policy is that each individual will work in his own self interest to his own advantage. In pursuing his own interests he frequently and unwittingly promotes that of society as a whole. Through competition and the productive energies of all, society as a whole benefits greatly in a system of natural liberty.
- (2) According to Adam Smith, the duties of the sovereign (government) are threefold: (1) protecting society from violence and invasion (national defense), (2) protecting each citizen from injustice and oppression (law enforcement, protection of individual liberty) and (3) erecting and maintaining various public works and institutions vital to the population, but too expensive for any one person to pay for (courts, armies, hospitals, roads, bridges, waterworks, etc) that enhance the ability of individuals to exercise their liberty, especially economic.
- (3) The Fixed Laws of human nature according to Malthus are: (1) food is necessary for the existence of man and (2) human beings always reproduce; "the power of population is indefinitely greater than the power in the Earth to provide subsistence for man." (.133, LHC, 3rd paragraph)
- (4) According to Malthus, preventive checks represented conscious voluntary efforts employed by man based on reason to control the human population and conserve resources in order to enhance the quality of life. Positive checks represent the various natural conditions that shorten human life and reduce population such as famine, disease, pestilence, war.
- (5) Malthus is considered a pessimist because he believes that there is nothing mankind can do to stop the poverty and starvation that is in the future. Human beings can't control their population over time and nature will have to intervene to kill off the surplus population so humanity can survive in the future. Malthus believes helping the poor, providing relief, it is actually counterproductive and hastens the disaster humanity faces in terms of food.
- (6) The human population on Earth has exponentially increased since the Industrial Revolution and although many people have been lifted out of poverty, the majority of humans on Earth struggle to survive in a world of scarce resources, limited opportunities and perpetual food crisis in a world where food stocks are dwindling. What Malthus predicted has come to pass.

Section 3 The Dark Side of Industrialization

- Problems of Industrialization include overcrowded cities, industrial pollution, alienation of individuals and the breakdown of the family, moral degradation and child labor
- Child Labor was used extensively. In the cotton industry the proportion of laborers under 18 was around 40-45%
- Child labor took children from parents, destroyed families and deprived children of an education, as well as destroyed their health.



Section 3 Questions

- According to the Sadler Commission, children as young as 8 worked in the mills from 12 to 16 hours a day, with 1 hour for dinner.
- (2) Children were easier to train on the machines, were more compliant than the adults and could be disciplined (beaten) more easily.
- (3) Children were beaten severely, closely supervised by bosses; pace of work was fast and no slack time or rest was permitted
- (4) According to Engels, the quality of life in the industrialized cities was poor; impersonal, overcrowding, isolation, degradation, individual alienation, loss of community, disintegration of society. Adam Smith's laissez-faire libertarian vision of a perfect state would be a vision of hell to Frederich Engels!



Section 4 Factory Discipline

- Workers needed to adopt a rigorous discipline to work in the factories, the production regime.
- The problem of adapting large numbers of workers was common to all industrializing societies
- The workday was driven by the clock in a relentless production schedule.
- The industrial system of production was completely different and alien to the first factory workers.



Section 4

- (1) Preindustrial labor was agricultural, autonomous, varied, required skills, performed to the rhythm of nature, flexible and geared to human endurance. There was a great deal of independence and individualism expresses on the farm.
- Industrial labor was monotonous, boring, with low skill level and geared to the speed of the machine, with no accounting for human endurance. The farm life was family oriented and communal. Factory life was impersonal and exploitative of families.
- (2) Factory discipline would have replaced parental discipline for children. Authority of the father would have been diminished, family members would be considered economic units rather than individual human beings. The family as a unit was weakened and its members dehumanized by the relentless pace of the factory.

Section 5 The Capitalist Ethic

- The advance in industry and material prosperity was due to the triumph of bourgeoisie who worked for it.
- The spirit of enterprise and entrepreneurship in a competitive marketplace, the Capitalist Ethic, fueled the transformation of productive enterprise in Europe and America.



Samuel Smiles (1812-1904)

- Self made man who promoted the Capitalist Ethic and started the modern self-help industry
- "Heaven helps those who help themselves" stated that the root of all genuine growth is internal, with the individual. Aid that comes from external sources actuated by others is always wasted and many times detrimental
- Character matters in the success of an individual in life! Hard work is essential both for prosperity and for good moral character. Productive enterprise is key to a life well lived. Echoes the Protestant Work Ethic.
- Echoed Adam Smith in calling for no government interference in the market and people's lives.
- "National Progress is the sum of individual industry, energy and uprightness, as national decay is of individual idleness, selfishness and vice."
- According to Samuel Smiles, the greatest slave is not he who is ruled by a despot, but he who is in the thrall of his own moral ignorance, selfishness and vice"
- "Of all wretched men, surely the idle are the most so---those whose life is barren of utility, who have nothing to do except to gratify their senses."



Section 5 Questions

- (1)Intelligence, Ambition, Industriousness, Thrift, Temperance, Moral and Ethical Character, Motivated
- (2)Success in life is improving one's condition, economic, social, moral and personal.



- (3) Idleness, thoughtlessness, vanity, vice, intemperance.
 (p.143 LHC). Those who are Spendthrifts and who squander their income rather than saving wreck not only their personal wealth but also that of the nation.
- (4) Yes. His ideas on self improvement have been recycled endlessly and have been shown to be a bedrock of individual success.



Samuel Smiles and Self Help: Intersection of Eras

Samuel Smiles book "Self Help" echoes the Protestant Work Ethic laid down by the Calvinists during the Protestant Reformation.

The filtering of the **Protestant Work Ethic** through the paradigm of **Industrialization** is what created the modern **Self-Help Industry** and ongoing adult education that is a hallmark of our era.

"There is no work, however vile or sordid, that does not glisten before God." John Calvin

"All that is great in man comes from labor . . . Genius is but a capability of laboring intensely: it is the power of making great and sustained efforts." Samuel Smiles

The belief in hard work, in the purifying power of labor to provide materially and spiritually for a satisfying life, was prevalent during the Industrial Revolution

Smiles wrote many books about achievers who made good, a theme picked up by the American author Horatio Alger, who wrote more than 100 books about poor individuals of good character who worked hard, had a bit of luck, and went from "rags to riches."

- Chautauqua—adult education self- help movement popular in the late 19th and early 20th centuries
- <u>Dale Carnegie</u> (1888-1955) developed the most popular set of courses for self improvement.
- Taught his courses in public speaking, presentation and social networking at YMCA
- Very popular, especially during the Great Depression
- Dale Carnegie courses are still taught today, with four locations in the Philadelphia area alone!
- Carnegie represents the uniquely American strain of virtuous self-improvement that mirrors the egalitarianism extant in our society and the optimism of our people, that there is always hope and possibility of improvement for everyone. It is literally a part of the American cultural DNA.