

Industrialization came to the United State after 1790 as North American entrepreneurs increased productivity by reorganizing work and building factories.

These innovations in manufacturing boosted output and living standards to an unprecedented extent; the average per capita wealth increased by nearly 1 percent per year – 30 percent over the course of a generation.

Goods that had once been luxury items became part of everyday life.

The impressive gain in output stemmed primarily from the way in which workers made goods, since the 1790's, North American entrepreneurs – even without technological improvements – had broadened the scope of the outwork system that mace manufacturing more efficient by distributing materials to a succession of workers who each performed a single step of the production process.

For example, during the 1820's and 1830's the shoe industry greatly expanded the scale and extend of me outwork system.

Tens of thousands of rural women, paid according to the amount they produced, fabricated the "uppers" of shoes, which were bound to the soles by wage-earning journeymen shoemakers in dozens of Massachusetts towns, whereas previously journeymen would have made the enduring shoe.

This system of production made the employer a powerful "shoe boss" and eroded workers' control over the pace and conditions of labor.

However, it also dramatically increased the output of shoes while cutting their price.

For tasks that were not suited to the outwork system, entrepreneurs created an even more important new organization, the modern factory, which used power-driven machines and assembly-line techniques to turn out large quantities of well-made goods.

As early as 1782 the prolific Delaware inventor Oliver Evans had built a highly automated, labor-saving flour mill driven by water power.

His machinery lifted the grain to the top of the mill, cleaned it as it fell into containers known as hoppers, ground the grain into flour, and then conveyed the flour back to the top of the mill to allow it to cool as it descended into barrels.

Subsequently, manufacturers made use of new improved stationary steam engines to power their mills.

This new technology enabled them to build factories in the nation's largest cities, taking advantage of urban concentrations of inexpensive labor, good transportation networks, and eager customers.