#### SETTING: 1700

#### THE PRE-INDUSTRIAL WEST

- -There are few cities, and the vast majority of people are farmers who work at home with their families, as they had done for centuries before.
- -"Manufactured Goods" are made by hand and by artisans; they are very expensive.
- -Textiles are manufactured by "cottage industry" / "the putting out system."

### THE IR STARTS IN BRITAIN (1700s)

- -Inventors and investors create the "factory system" of textile manufacturing:
  - -Water power: cheaper, faster
- -Coal powered steam engine: factories can be moved away from rivers
- -The factory system is quickly applied to all manufactured goods, and Britain becomes the world's manufacturing leader.

### RESULTS OF IR (1800s)

- -Industrialization spreads to Western Europe and the U.S.
- -The price of goods falls, and a new middle class arises: some get very rich!
- -Workers move to be near factories, and industrial cities arise, with dense populations and unsanitary conditions.
- -Factory work is dangerous, poorly paid, and exploits child labor.

# RESPONSES (Late 1700s, Mid-1800s)

- -Adam Smith; "laissez-faire" capitalists, (Right-Liberal)
- -Karl Marx argues for an entirely new type of society ("communism") in which the workers would control the factories and there would be no private property, thus ending workers' exploitation. (Radical)
- -Liberal reformers call for government regulation and labor unions. (Left-Liberal)

# REFORMS (Mid-Late 1800s)

- -Workers form labor unions to press for higher wages and better conditions
- -The British Government passes a series of laws to improve working conditions, public health, and sanitation.
  - -Factory Acts, etc.
  - -Unions legalized
- -Germany and other European governments create government programs to redistribute wealth downward, very modestly.
  - -Social Security, Insurance

### OUTCOME: 1890

### THE INDUSTRIALIZED WEST

- -The West is urban and industrial: many people live in cities, and work in factories.
- -The factory system of mass production and modern transportation make everything cheaper, creating a consumer culture.
- -Conditions for workers are poor, and deep class divisions exist.
- -Lightly regulated capitalism dominates, but communism exists as a radical ideal.

