

Systems of Industrialization

Pre-Industrialization

- Workshop and Guild System
 - Products made by hand
 - Low Productivity
 - Varied Quality
 - Guild system created monopoly
 - Set standards for quality and price
 - Established training for new members

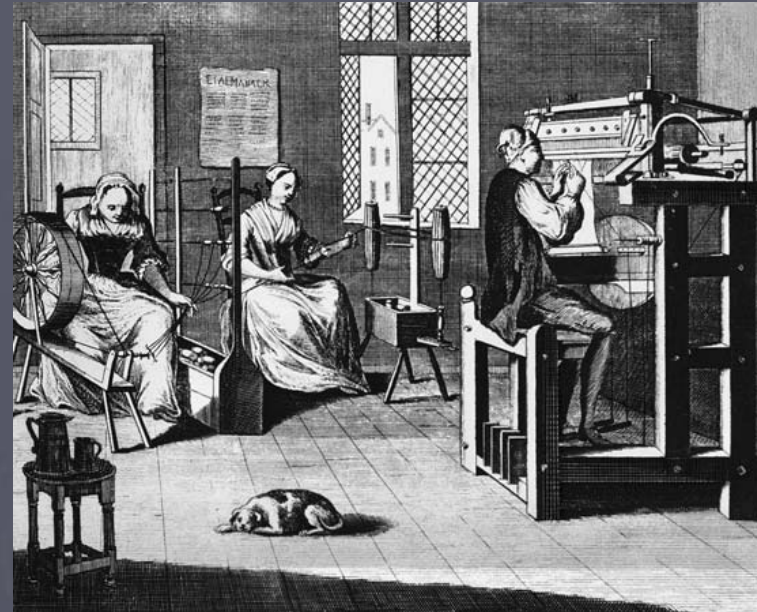


Resources needed for Industrialization

- Semi-Reliable Market
- Effective Central Bank
- Easy sources of Transportation
 - Rivers
 - Roads
 - Development of Railroads
- Cheap Labor
- Natural Resources
 - Coking Coal
 - Iron Ore
- Means of Shipping products to foreign Markets
 - Interlinked Rail Systems
 - Merchant Marine

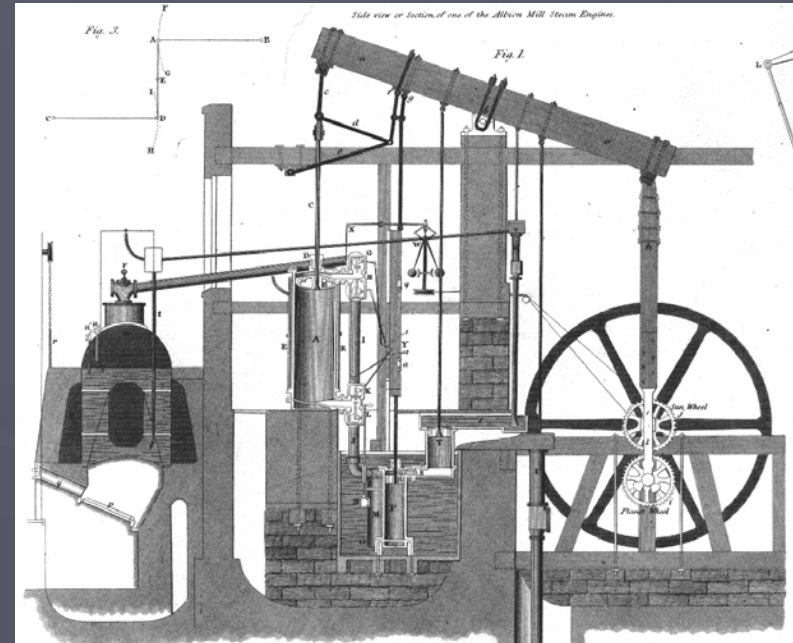
Pre-Industrialization

- Cottage Industry
 - Goods made at home
 - Sold locally
 - Workers paid by the piece
 - Responsible for production, marketing, and sale of products
 - Dispersed industry
 - Varied availability of goods



The First Industrial Revolution

- James Watt's Steam Engine
 - Changes industrial landscape
 - Industry no longer needs to be located next to water
 - Wood now main power source
 - Used to pump water out of coal mines initially



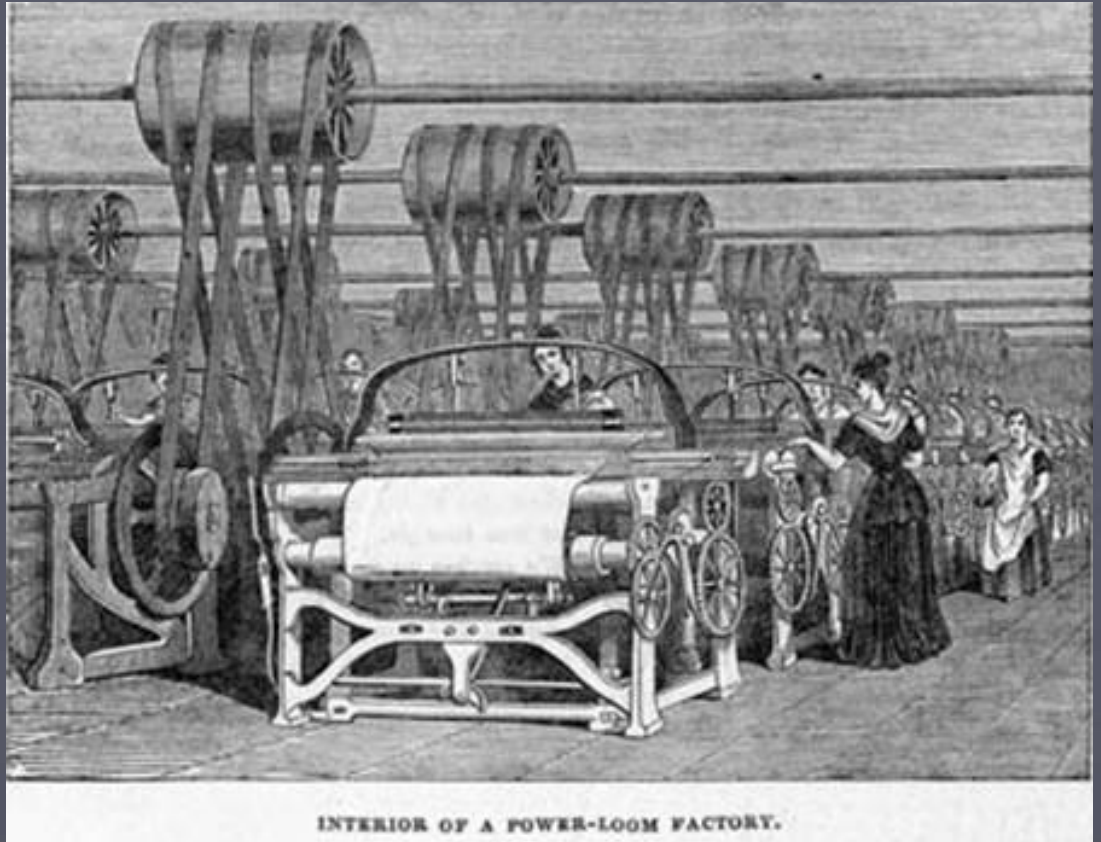
Adaptations of Steam Engine

- Iron Industry
 - Steam Engine used to supply steady supply of air to blast furnace
 - Allowed for easier smelting of iron into “pig iron”
 - Basic ingredient for all industry



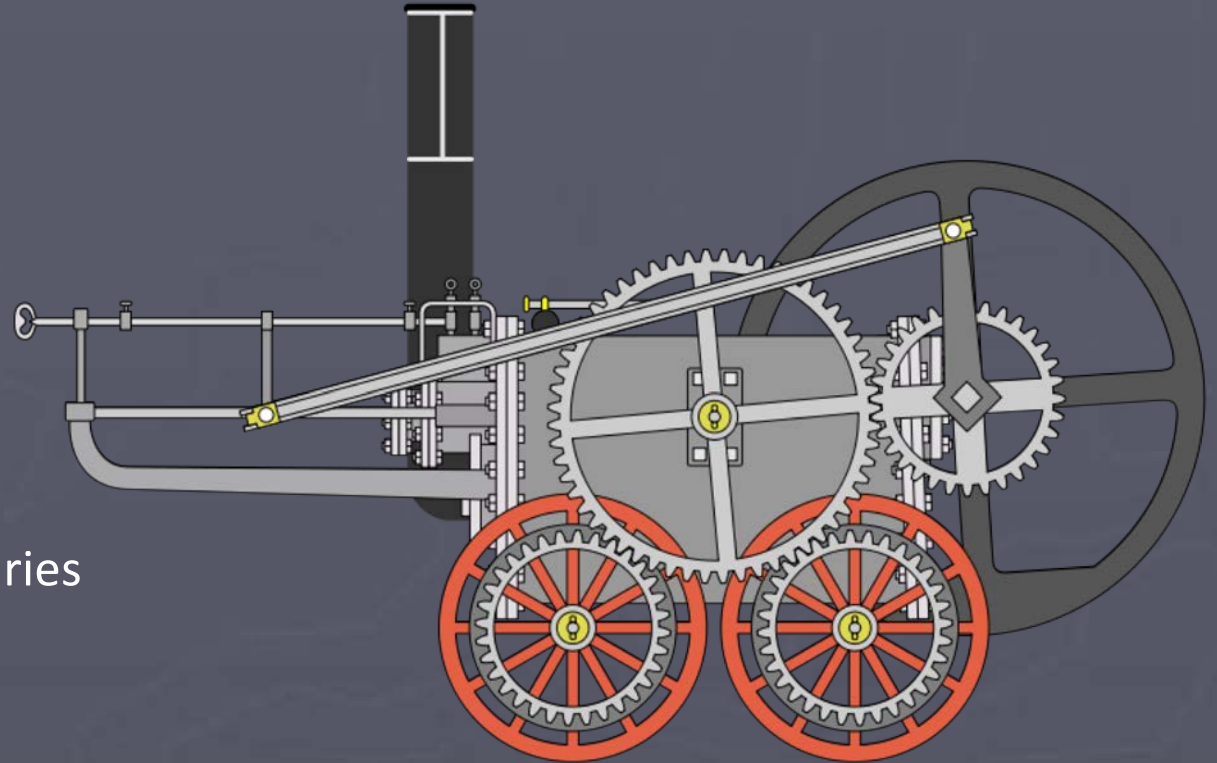
Adaptations of Steam Engine

- Textile Industry
 - Power loom 1785
 - Steam Engine powered spinning of cotton into thread
 - Cotton Gin invented in 1794
 - More efficient refinement of cotton
 - Causes Britain to more heavily pursue imperialism
 - Egypt and India



Adaptations of the Steam Engine

- Transportation
 - Steam Locomotive
 - Wide-scale use begins 1804
 - Increased demand for coal
 - Took lots of modifying
 - Steam Ship
 - Developed in late 18th-Early 19th Centuries
 - Drastically decreased travel times
 - Trans-Atlantic Voyages began 1838



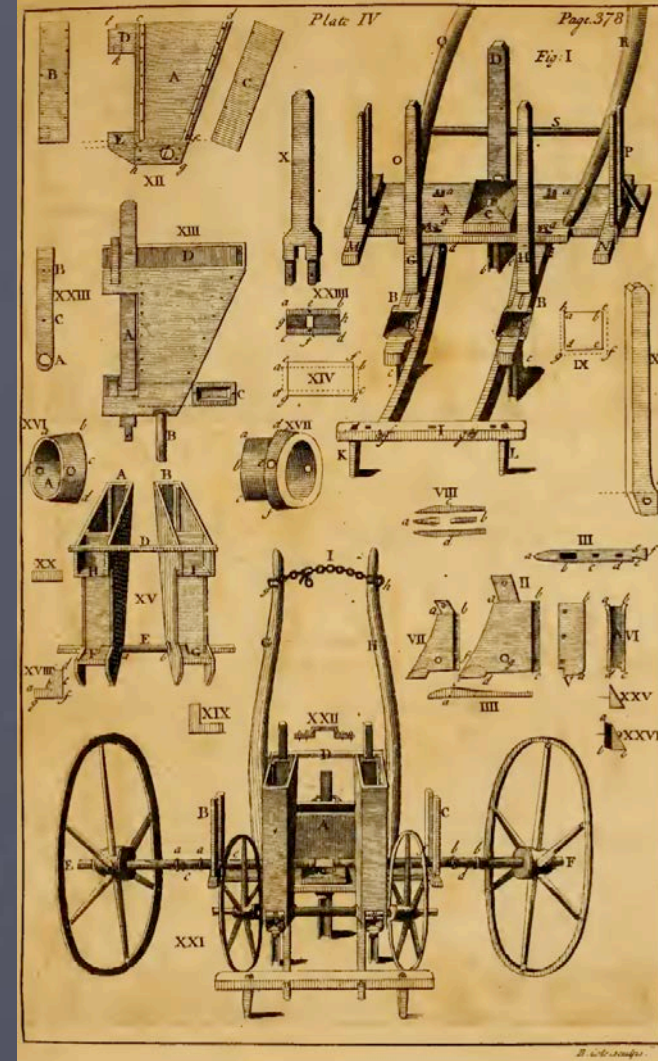
Origins of Industrialism: Britain

1. Capitalist System

- Entrepreneurship
 - Heritage of people taking risks for economic gain
- Middle-Class
 - Growing through guilds and trading systems
- Patent System
 - Projection for ideas

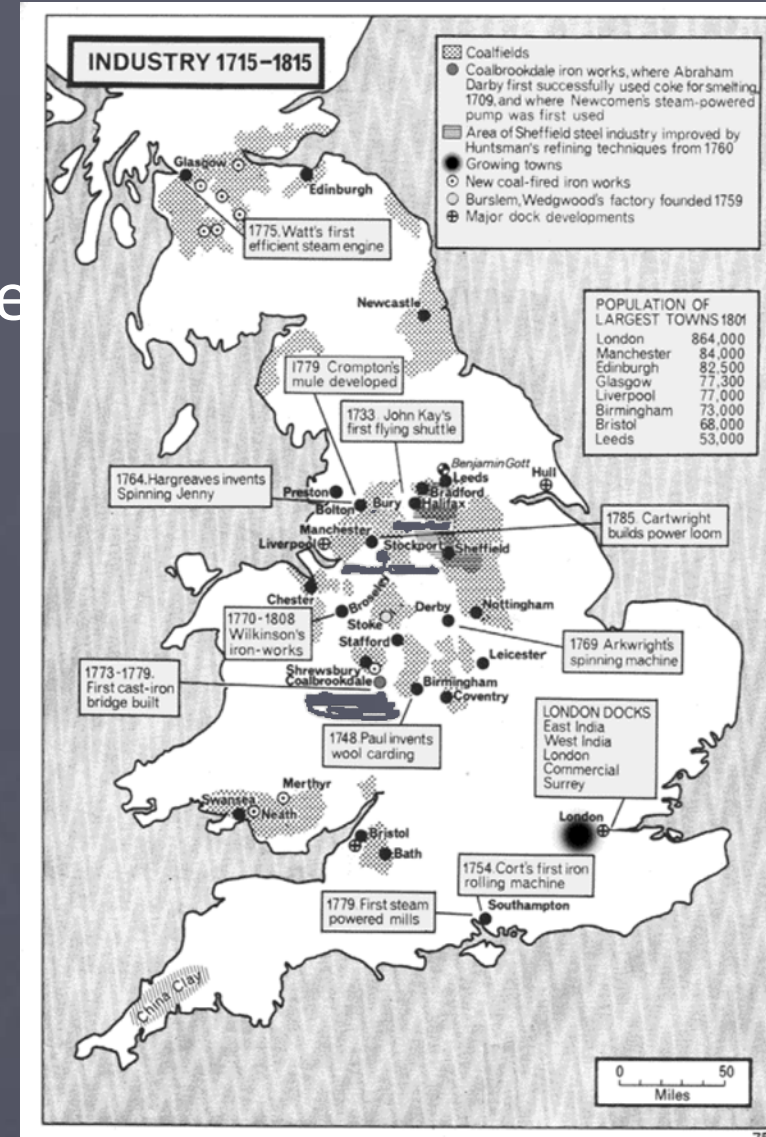
2. Labor

- Jethro Tull's seed drill and enclosure movement forced people to cities to look for jobs



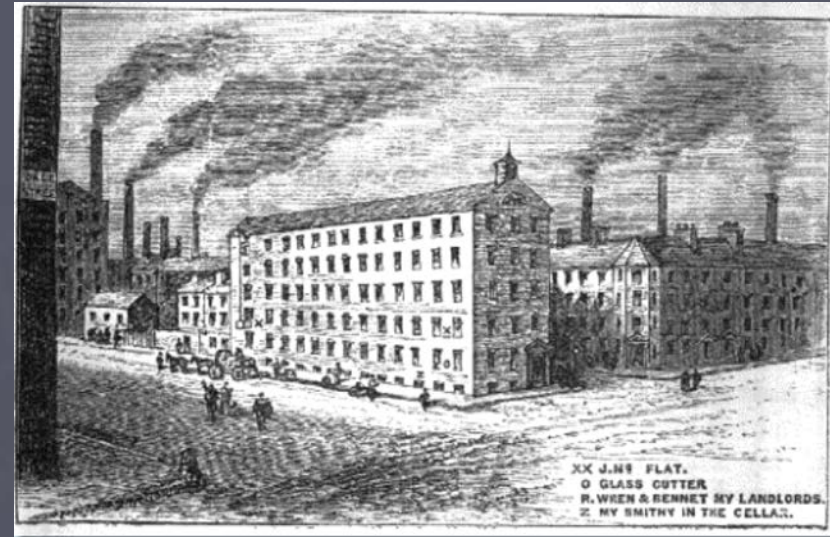
Origins of Industrialism: Britain

3. Easy access to resources
 - Iron and Coal
4. Transportation infrastructure
 - Ports, Roads, Canals
5. Location of resources
 - Close to rivers
6. Mature banking system
7. Stable political system
8. Colonies
 - Sources of raw materials



Effects of Industrialization

- Economic: Supply and Demand
 - More goods available at cheaper price
- Social: Urbanization
 - Labor clustering in cities
- Political: Ideology
 - Socialism/Communism
 - Capitalism
 - Liberalism



Effects of Industrialization

- Environment: Industrial Waste
 - Increased pollution
- Technological: Mechanization
 - Transportation
 - Manufacturing
- Economic: Agricultural
 - Second Agricultural Revolution
 - Mechanization of Agriculture
- Social: Demographics
 - Transition to second level of Demographic Transition Model



Types of Industries

- Primary Industries
 - Responsible for the mining and harvesting of natural resources
- Secondary Industries
 - Takes natural resources and uses them to manufacture consumer goods
- Tertiary Industries
 - Provide services to the Primary and Secondary services as well as the community and individuals

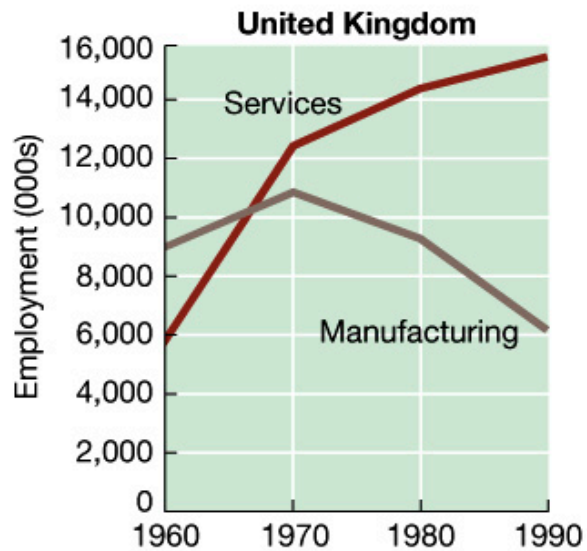


Decline of Secondary Industries in MDCs

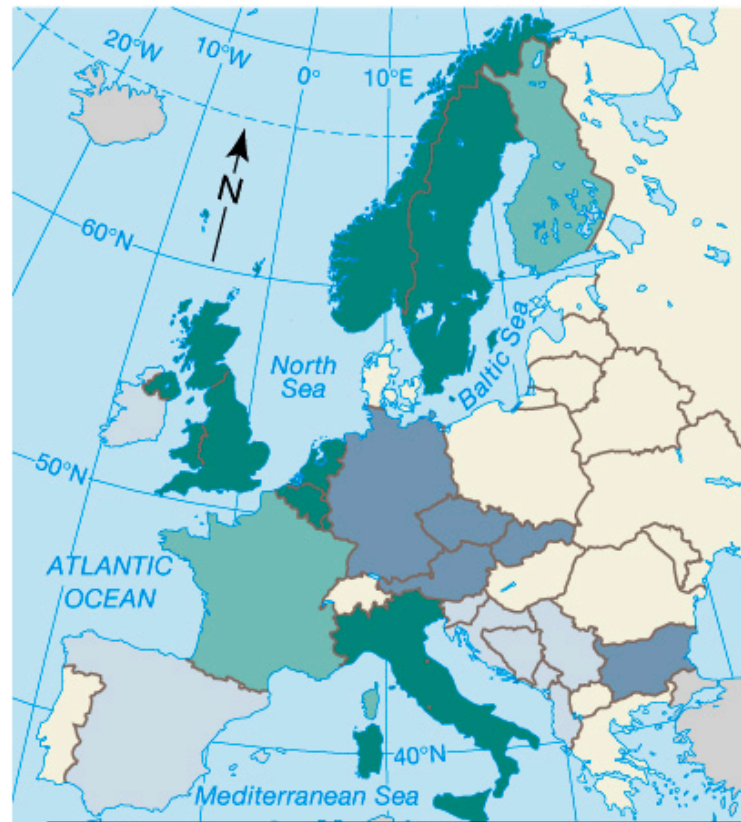
- Deindustrialization
 - Transition of primary economic activity of a country to shift from Secondary to Tertiary industries
 - Especially in MDCs since 1950s
 - Otherwise known as the post-industrial era
 - Changes in manufacturing in MDCs
 - Increased automation
 - High-Technology production



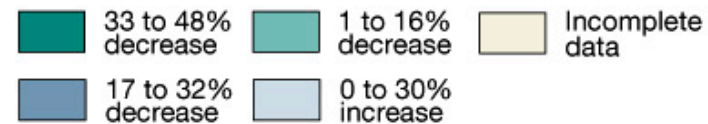
Case Study: Deindustrialization in Europe



Change in manufacturing employment in Europe, 1960–1990



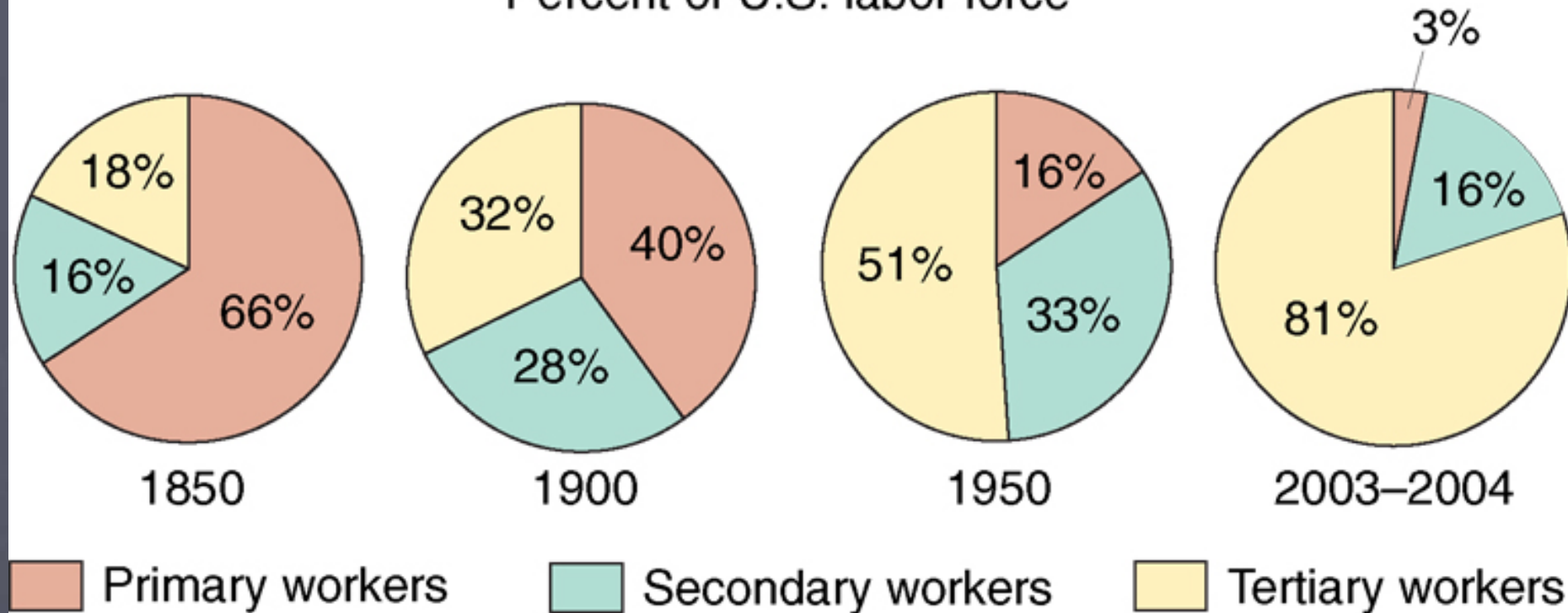
Percent change in manufacturing employment, 1960 to 1990



Case Study: The United States

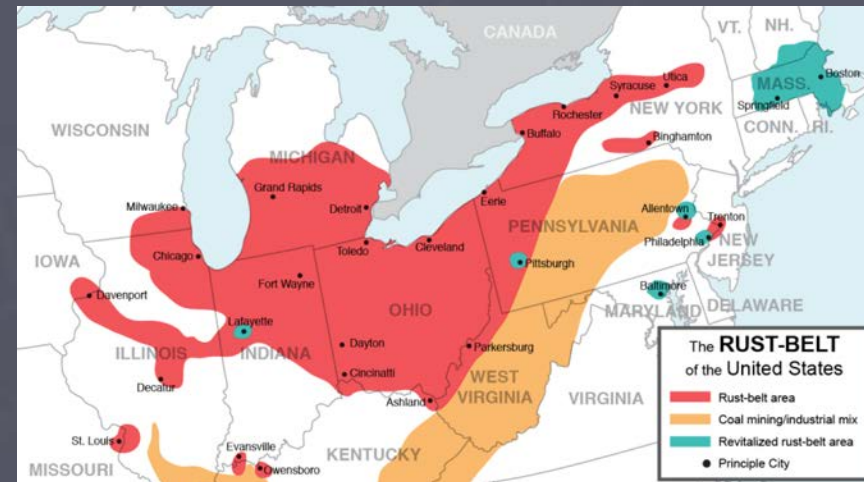
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Percent of U.S. labor force



Impacts of Deindustrialization

- Transnational Corporations
 - Increasing trend of corporations having entities in different countries
 - Offshoring and Outsourcing used to maximize profits
- Industrial Decay
 - Decline of traditional manufacturing centers
 - The Ex. Rust Belt

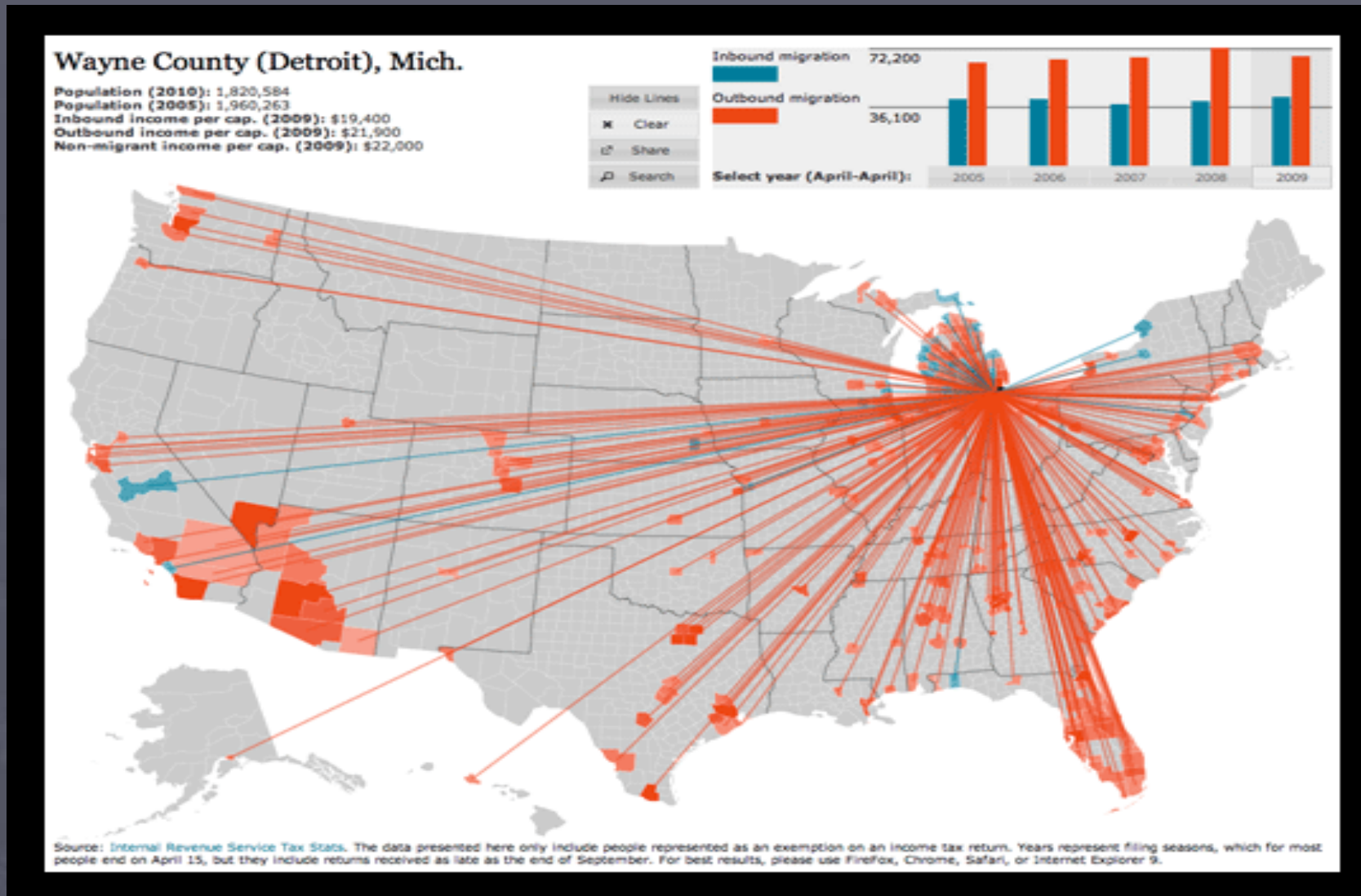


Impacts of Deindustrialization

- Industrialization of LDCs
 - Corporations moving production centers to LDCs in favor of lower land and Labor costs
 - Leading to unemployment in MDCs
 - Development of Trading Blocs to increase trade between neighboring countries
 - Ex. NAFTA



Case Study: Detroit, Michigan



Case Study: Maquiladoras

