

The Growth of Industry

Background: By 1900, the United States was fast becoming the greatest industrial nation in the world. Why? How did businesses go from small factories to giant mills? With the **mechanization** of production, large industries grew. Production in America went from skilled hand laborers to laborers tending large machines.

Key Terms:

- **Industry:** Business involved in manufacturing, transportation, and communications.
- **Mechanization:** Replacement of manual labor with machines.
- **Corporations:** A business that sells stock to shareholders and uses the money to invest in the business.
- **Stock:** Shares in a corporation. One share equals one vote on company issues.
- **Monopoly:** A complete control of one business.
- **Horizontal Integration:** The consolidation of companies into one business. (Ex: Buying out businesses that are like yours).
- **Trust:** A combination of corporations to reduce competition and control prices.
- **Vertical Integration:** The consolidation of related businesses to lower prices of manufacturing. (Ex: You would buy a railroad company so it would cost less to ship your goods or a shipping company so you wouldn't have to pay someone to ship your goods).

