Free argumentative essay on the importance of business and government in industri...

Business, Company



The coming of industrialization made for a brand new era in America, and the world - new things were created faster and more efficiently, creating prosperity the likes of which was never before experienced in world history. This came as a result of a tenuous and often conflicting cooperation and interaction between corporations and the government that ruled the country. The industrial age was spurred along by the intervention and cooperation of the world of business and American government, with many changes being made over our country's long history.

After the Civil War, Reconstruction was an agonizing time for America; a nation was rebuilding, and the South was in shambles both emotionally and economically. Slaves were no longer a viable source of labor, and so the Southern economy had to restructure itself. The planter aristocracy was highly opposed by the federal government, particularly under Andrew Johnson, and so they were opposed at every turn in having a say in reunification1. Reconstruction Amendments included the ability for black men and women to be free and enfranchised, thus allowing them to gain agency in the coming industrial world. This move provided both a motivated and free work force to fuel innovation, and necessitated the invention of automation and mass production in order to make up for the loss in free workforce2.

A new labor system was required to replace slavery; the idea of 'forty acres and a mule' was introduced, but it did not work as well as needed; instead, the sharecropping system came to prominence. This allowed African-Americans to work for a fixed share of the crop, ostensibly paying them for

the first time for their work3. While it was a far cry from what came before, it was still an improvement, one created by government and begrudgingly employed by the business world of the South.

Later on, as the Old West was settled, the government began to establish the railroad system, which traveled further and further west. The Timber Culture Act of 1873 and the Timber and Stone Act of 1878 began the process of allowing businesses and homesteaders to involve themselves in the collecting of resources and revenue through the acquisition of unclaimed land in the west4. Mining came to prominence, and farming these unclaimed areas became more and more prevalent. By the late 1800s, America had been an independent nation for a century; the 1876 Centennial Exposition showcased the first large-scale fair to demonstrate new inventions and machines. At this time, the industrial era truly began5.

The cooperation between business and government in these early stages of the industrial era relied greatly upon the acquiring of natural resources, like timber, stone, coal and iron6. These resources were freely given in this early era by the American government, both state and federal, to companies and manufacturers who promised they would do something with them. American manufacturers had a great advantage over the incoming European investment market for several reasons - there were closer social and legal ties to government, and they faced little opposition from the weakened South as a result of the Civil War7. This allowed industrialization to happen quickly, creating a steady growth in gross national product from 1865 to 1914.

New technological developments, including the railroad and the steamship, permitted quicker communication throughout the nation; this was subsidized and taken advantage of by both industry and government. The railroad ended up being 'the nation's first big business,' as it permitted a large-scale company to have a significant hold over economic and social lives, facilitating transportation of news, people and goods throughout the nation8. This meant it had a much greater sway over the fortunes of the people than any company had had before. Federal land grants were permitted to the railroad companies, laying down nearly 20, 000 miles of track9. They wished to use the railroad to further expansion and create greater productivity in the nation's economy, which it did in spades.

After the railroad, the next big development was steel; the Bessemer process allowed steel production to be improved substantially, and the steel district became a fixture in most cities and towns10. These companies grew just like the railroad corporations, consolidating as much as possible. Andrew Carnegie built up a substantial steel empire, which was then sold to JP Morgan to create the United States Steel Corporation in 190111. The first billion dollar company meant an increased lack of accountability within the government toward these corporations; these companies grew more powerful, and so there was little regulation levied against them. The government eventually became just another customer, as it relied upon the railroads, steel, petroleum and other resources that were being provided to it by these large corporations.

possession and utilization of these resources and services meant the continued growth and expansion of these titans of industry.

Given the diminished regulation of the government toward the treatment of workers in industry, labor unions were formed. As factories grew and the workforces worked harder, the demand rose for improved conditions and better wages. When their demands were not met, workers went on strike; the Supreme Court picked its battles when dealing with workers, with Holden v. Hardy (1898) supporting the workers' request for fewer work hours, but striking down a request for bakers to limit their work in Lochner v. New York (1905)13. The government was torn between its established relationship with (and dependence on) industry and big business, and the welfare of its citizens, who were being worked to the bone with long hours and too-little pay.

In conclusion, the industrialization of America came from a combination of Reconstruction-era mandates from the government and Industrialization-era advancement and autonomy from corporations. Eventually, as technology grew and companies provided more and more needed resources, the government had to side with business, lest it be dropped as a customer and be deprived of the transporation and resources that business provided. The company became mother and father of American citizens just as much as the government was, and led to a change in culture toward materialism which left American government being forced to do the same.

Works Cited

Divine, Robert A. America, past and present. 9th ed. Glenview, III: Pearson Education, 2011.