A REVOLUTIONARY AGE:
POLITICS AND EARLY AMERICAN INDUSTRIALIZATION
  c. 1783-1815

I.  How revolutionary is the industrial revolution?

II. Political timeline:
1620s-1770s – the “colonial period” of American history
1763 – French & Indian War ends; Britain at peak of its
    colonial power but deeply in debt
1760s-70s – post-war time of troubles as American colonies
    protest British taxation without representation
1775 – 1st shot fired at Lexington-Concord
1776 – Declaration of Independence
1776-1781 – Revolutionary war years
1781 – Articles of Confederation = 1st U.S. constitution
1783 – Treaty of Paris: Britain acknowledges U.S.
    independence
1783-88 – Social and political turmoil: recession, rebellion,
    reaction
1787 – Constitutional convention at Philadelphia
1788 – U.S. Constitution adopted by 9th state (N.H.),
    thus putting the new U.S. government in motion
1789 – George Washington inaugurated as 1st president of
    the U.S.

III. Question: How did the U.S. go about weaning itself from the British
Empire and solidifying its independence?
  Political independence intimately connected with economic
  independence

IV. Two sources of economic growth
a.  Government policy
   i.  Inventing the corporation, 1780s
       1.  Example: The Potowmack Company (1784)

   ii. Federal government policy:
       1.  U.S. Patent Office established (1790)
       2.  U.S. Post Office established (1792)
       3.  Alexander Hamilton’s three reports (1790-91)
           a.  Funding the national debt and assuming state
debts
b. Establishing a national bank (1791)
c. Subsidizing home manufacturing (Dec. 1791)


Note the implication: under Hamilton and Gallatin, the federal government was fully prepared to underwrite new industries and construct a national transportation system. In doing so, they establish an important precedent that involves the federal government as an early venture capitalist, an investor and developer of new technologies.

GOVERNMENT IN/GOVERNMENT OUT

b. Another important source of economic growth in the new republic was, of course, private enterprise and the technological innovations that spring from it.

Examples:

1784 – American merchants and the China trade
1786 – Oliver Evans’ automated mill
1789 – Samuel Slater’s textile spinning mill at Pawtucket, R.I.
1794 – Eli Whitney’s cotton gin
1807 – the Embargo Act and its implications
1813 – Francis Cabot Lowell, the “Boston Associates” and the Boston Manufacturing Co. at Waltham, MA.