

**Chapter 11 Lecture: Pages 433 to 443**  
**Economic Trends 1815 to 1848 / Industrial Revolution in**  
**Britain**

start with the overhead on "Europe at a Crossroad- 1815"

1. 4 basic trends (further explained in pages 436 - 451: The "Isms")
2. these trends, in very simple terms, relate to all facets of life
3. these trends will battle it out for philosophical and political supremacy

Basic focus today will be on economic trends and the industrial revolution in Britain

Beginning in the mid to late 1700s- basically two, separate, independent revolutions  
(historians will forever argue which one was most important)

the FIRST was represented by the French rev. and Napoleon: in which the main issues included

- a. governmental organization, political power and authority,
- b. public finance, taxation, administration, laws, rights, and government administration
- c. and various diplomatic and military issues between nations

the SECOND was represented by the Eco. Revolution in England: in which the main issues included

- a. the production of wealth
- b. manufacturing techniques
- c. the exploitation of natural resources (including human)
- d. the formation of capital and the distribution of products

2

These revolutions were somewhat independent of each other until 1815. However, by 1815, with the defeat of Napoleon, the two revolutions could no longer be kept apart.

The economic AND political institutions of European society could not be separated in any historical analysis of modern times: Fundamentally, a free market economy would come to correspond with a free political system.

Ironically enough, even though Conservative ideals won with the defeat of Napoleon and served as a reaction against "French enlightened thought, the reality, and the point of connection, is that the accelerating processes of industrialization would come to work against conservatism economically, politically, socially, culturally and internationally.

As examples of this clash between conservatism and the new, more liberal economic forces we can note that

1. the business and wage earning classes grew- at the expense of the landed gentry
2. which then made it more difficult for monarchs and aristocrats to maintain control over public political, economic, and social power, and
3. that, ultimately, industrial development changed the face of international relations and the politics between the European nation-states, both old and new

Before discussing the actual industrial revolution in Britain, it is necessary to first establish the relationship between **industrialism** and **capitalism**. First and foremost, it must be understood that industrialism and capitalism are NOT necessarily the same and in fact, there are significant differences between them.

First: in the 19th century, industrialism arose within the system of capitalism whereas in the 20th century- industrial societies were created in which capitalism was vehemently rejected

Second: Even though all industrial societies use "capital" (wealth that is used to produce more wealth) the differences between capitalist and non-capitalist societies relate to the people who control the capital and own the means of production.

And Third: With regard to the 19th century, in which there WAS an inherent relationship between capitalism and industrialism, it must be understood that the concept of private property, in relation to political issues, had been developing since the Middle Ages and in fact there had long been the attempt to protect private property from the demands of the state:

Indeed, the possession of property was the basis of personal independence and political liberty in the face of state power, and the concept of commercial capitalism went back to the 16th century (Locke)

4

In fact, the expectation of keeping future profits from the government gained from property ownership, actually inspired many property owners to commit their capital to new and uncertain ventures and made possible the entrepreneurial spirit so necessary for the advent of industrial development. (L/F)

Bottom Line: The relationship between eco and pol. trends can be seen in that the Ind. Rev. favored the liberal and modernizing principles which had been established by the French Revolution. (quite different from today: corp world = conservative)

The evolution of Industrialism in Britain must be understood within the context of the basic definition of industrialism as the process of shifting from hand tools to power machinery. Britain was profoundly affected by this shift in the 50 years after 1780, but the **preconditions** for industrial development, as discussed in your supplemental readings by Rostow and Heibroner, had long been in place in England much earlier than the 1780s.

First, the concept of private property as already discussed had been the basis of feudalism

Second, even though was basically conservative in nature, relative to other nations, there was a high degree of social mobility

Third, England had previously undergone an agricultural revolution, without which the industrial revolution would have been impossible (get details)

Fourth, England was in the process of developing an empire, overseas markets, a merchant marine and strong navy

Fifth, there was the presence within the British lawmaking bodies of wealthy landowners and merchants who passed laws favorable for development of capital such as the Enclosure Acts of 1801.

Sixth, the English were very cognizant of the profit motive. As a prime example, it was believed and understood that the market for cotton was endless if only more cotton could be produced. Thus, capital was made available through banking and credit, and stock companies to fund...

Seventh, specific inventions in the textile industry (mid 1700s) spinning jenny, flying shuttle, water frame, steam engine, RR

At the same that there were extraordinarily significant economic and political consequences from the aforementioned developments, there were equally significant Social Consequences including population growth and urbanization and the realities of the living and working conditions of a rapidly changing society.

Overall, the population in England, from 1750 to 1850 increased from 10 to 30 million

In 1785 there were 3 cities with more than 50,000. In 1855 there were 31 cities with more than 50,000

Manchester serves as an example: 1772: 25,000 pop. / 1851: 455,000

6

Living and working conditions: realities of factory life in the big city: 14 hour days, 6 days a week, not earning a living wage, child labor, no protections from the dangerous conditions or the unrelenting profit motive, and of course, little to no government involvement.

From this, developed a whole new set of economic theories, philosophies of life, and conceptions of human nature. The so-called Classical Economists (Manchester School) included Adam Smith and the concept of the "invisible hand" and the natural laws of supply and demand, Thomas Malthus and his views of population and food supply, David Ricardo and his views of the Iron Law of Wages, and of course, Herbert Spencer and his views of social darwinism.

At the same time, there would be the eventual development of opposing views to the capitalist / L-F approach to things by people like Karl Marx, about whom we will learn at a later time.