At sunrise on July 4, 1817, a cannon blast from the United States arsenal in Rome, New York, announced the groundbreaking for the Erie Canal. With visiting dignitaries and local residents in attendance, Samuel Young opened the ceremony.

"We have assembled to commence the excavation of the Erie Canal. This work when accomplished will connect our western inland seas with the Atlantic Ocean. . . . By this great highway, unborn millions will easily transport their surplus productions to the shores of the Atlantic, procure their supplies, and hold a useful and profitable intercourse with all the maritime nations of the earth. . . . Let us proceed then to the work, animated by the prospect of its speedy accomplishment, and cheered with the anticipated benedictions of a grateful posterity."

—quoted in Erie Water West

When the canal was completed, it stretched 363 miles from Albany, New York, to Lake Erie. The human-made waterway ushered in a new era, in which technology and improved transportation sent new products to markets across the United States.

The Market Revolution

Changes like those brought by the Erie Canal contributed to vast economic changes in the first half of the 19th century in the United States. In this period, known as the market revolution, people increasingly bought and sold goods rather than make them for themselves.
U.S. MARKETS EXPAND  Over a few decades, buying and selling multiplied while incomes rose. In the 1840s alone, the national economy grew more than it had in the first 40 years of the century. The quickening pace of U.S. economic growth coincided with the growth of free enterprise—the freedom of private businesses to operate competitively for profit with little government regulation. In their pursuit of profit, businessmen called entrepreneurs, from a French word that means “to undertake,” invested their own money in new industries. In doing this, entrepreneurs risked losing their investment if a venture failed, but they also stood to earn huge profits if it succeeded.

INVENTIONS AND IMPROVEMENTS  Inventor-entrepreneurs began to develop goods to make life more comfortable for more people. While some inventions simply made life more enjoyable, others fueled the economic revolution and transformed manufacturing, transportation, and communication.

New communication links began to put people into instant contact with one another. In 1837, Samuel F. B. Morse, a New England artist, patented the telegraph, which sent messages in code over a wire in a matter of seconds. Businesses used the new communication device to transmit orders and relay up-to-date information on prices and sales. The new railroads employed the telegraph to keep trains moving regularly and to warn engineers of safety hazards. By 1854, 23,000 miles of telegraph wire crossed the country. Meanwhile, better transportation systems improved the movement of people and goods. In 1807, Pennsylvanian Robert Fulton had ushered in the steamboat era when his boat, the Clermont, made the 150-mile trip up the Hudson River from New York City to Albany in 32 hours, a remarkable speed for that era. By 1830, 200 steamboats traveled the nation’s western rivers that flowed into the Mississippi River. Steamboats slashed freight rates as well as voyage times.

Water transport was particularly important in moving raw materials such as lead, copper, and heavy...
machinery. Where waterways didn’t exist, Americans made them by building canals. By the 1840s, America boasted more than 3,300 miles of canals.

Canals, however, soon gave way to railroads, which offered the important advantage of speed as well as winter travel. Developed in England in the early 1800s, steam-powered locomotives began operating in the United States in the 1830s. By 1850, over 9,000 miles of track had been laid across the United States.

**THE MARKET REVOLUTION TRANSFORMS THE NATION** Although most Americans during the early 1800s still lived in rural areas and only 14 percent of workers had manufacturing jobs, these workers produced more and better goods at lower prices than ever before. Many of these goods became affordable for ordinary Americans, and improvements in transportation allowed people to purchase items manufactured in distant places.

By the 1840s, improved transportation and communication also made America’s regions more interdependent. Steamboats went up as well as down the Mississippi, linking North to South. The Erie Canal, and eventually railroads and telegraph wires, soon linked the East and the West.

Heavy investment in canals and railroads transformed the Northeast into the center of American commerce. As the Northeast began to industrialize, many people then moved away to farm the fertile soil of the Midwest. They employed new machines, such as the John Deere steel plow, for cultivating the tough prairie sod, and Cyrus McCormick’s reaper, for harvesting grain. Meanwhile, most of the South remained agricultural and relied on such crops as cotton, tobacco, and rice.

### Changing Workplaces

The new market economy in the United States did not only affect what people bought and sold, it also changed the ways Americans worked. Moving production from the home to the factory split families, created new communities, and transformed relationships between employers and employees.

By the mid-19th century, new machines allowed unskilled workers to perform tasks that once had taken the effort of trained artisans. To do this work, though, workers needed factories.
THE LOWELL TEXTILE MILLS  In the 1820s, a group of entrepreneurs built several large textile mills in Lowell, Massachusetts. The Lowell textile mills soon became booming enterprises. Thousands of people, mostly women, left family farms to find work in Lowell.

Mill owners sought female employees because women provided an abundant source of labor and owners could pay lower wages to women than men. To the girls in the mills, though, textile work offered better pay than their main alternatives: teaching, sewing, and domestic work. In letters written in 1846 to her father in New Hampshire, 16-year-old Mary Paul expressed her satisfaction with her situation at Lowell.

A PERSONAL VOICE  MARY PAUL

“I have a very good boarding place, have enough to eat. . . . The girls are all kind and obliging. . . . I think that the factory is the best place for me and if any girl wants employment, I advise them to come to Lowell.”

—quoted in Women and the American Experience

Before long, however, work conditions deteriorated. The workday at Lowell was more than 12 hours long. In addition, mills often were dark, hot, and cramped. Factory owners often showed little sympathy for the plight of workers. In the mid-1840s one mill manager said, “I regard my workpeople just as I regard my machinery. So long as they can do my work for what I choose to pay them, I keep them, getting out of them all I can.”

Workers Seek Better Conditions

As industry grew, strikes began to break out when workers protested poor working conditions and low wages.

WORKERS STRIKE  In 1834, when the Lowell mills announced a 15 percent wage cut, 800 mill girls organized a strike, a work stoppage to force an employer to respond to demands. Criticized by the Lowell press and clergy, most of the strikers agreed to return to work at reduced wages. The mill owners fired the strike leader. In 1836, Lowell mill workers struck again, but as in 1834, the company won, and most of the strikers returned to their jobs.

Although only 1 or 2 percent of workers in the United States were organized, the 1830s and 1840s saw dozens of strikes—many for higher wages, but some for shorter hours. Employers defeated most of these strikes because they could easily replace unskilled workers with people recently arrived from Europe who desperately needed jobs.

IMMIGRATION INCREASES  European immigration, leaving one country and settling in another, rose dramatically in the United States between 1830 and 1860. Between 1845 and 1854 alone, nearly 3 million immigrants were added to the population. More than 1 million were Irish immigrants, who fled their homeland after a disease on potatoes caused the Great Potato Famine and led to mass starvation.

Irish immigrants faced prejudice, both because they were Roman Catholic and because they were poor. Frightened by allegations of a Catholic conspiracy to take over the country, Protestant mobs in big cities constantly harassed them. Other workers resented the Irish for their willingness to work as cheap labor, a willingness that made them more desirable to employers.
NATIONAL TRADES’ UNION  Amid the growing labor unrest in the 1830s, the trade unions in different towns began to join together to expand their power. Journeymen’s organizations from several industries united in 1834 to form the National Trades’ Union. The national trade union movement faced fierce opposition from bankers and owners. In addition, workers’ efforts to organize were at first hampered by court decisions declaring strikes illegal. In 1842, however, the Massachusetts Supreme Court supported the workers’ right to strike in the case of Commonwealth v. Hunt.

The workplace was not the only area of American life that experienced unrest in the mid-19th century. Indeed, a series of religious and social reform movements went hand in hand with these economic changes.

European immigrants arriving in New York City (from a colored engraving made in 1858)