The Market Revolution in America:

Definition

Imagine if, instead of paying for products you wanted with money, you traded or bartered for them. Also imagine if you lived on a farm and produced most of what you needed to live yourself. If the market revolution never took place, most of us might still be living on farms and trading with acquaintances for a few products we could not produce ourselves. The **market revolution** changed all this.

Happening roughly between 1800 and the 1840s, the market revolution was a series of gradual transformations that began the process where the majority of Americans no longer lived in the countryside and worked as small yeoman farmers or skilled artisan workers, but instead lived in cities and worked in factories. No one person was responsible for this change. Instead, the market revolution occurred as a result of sweeping economic, cultural, and political changes that took place between the American Revolution and the Civil War and affects how we live today. In this lesson, you will explore why the market revolution took place and two examples of how it changed the lives of Americans.

Background

You’re probably asking yourself, ‘Why did the market revolution take place?’ Great question! In 1815, 8.4 million people lived in the U.S., a 58% increase from 1800. This dramatic population growth, coupled with the country’s expanding territory, led the Republican Party to believe the federal government needed to play a larger role in regulating the nation’s trade, money and expansion of infrastructure. The focus on infrastructure – or internal improvements in the language of the time – led to two other important revolutions which accompanied and made the market revolution possible: the**transportation and technological revolutions**.

Why are these two other revolutions important and how did they serve as a catalyst for the market revolution? First, the increase in roads, canals, and railroads allowed Americans to move goods and people much faster and farther than ever before. Farmers in western states could now sell their goods to people in eastern cities. Second, new technologies gave farmers and industrial workers the tools to produce much more than before. Lastly, with advances in transportation and technology, work in America became increasingly mechanized, regimented, and subject to the clock. These changes transformed the economy from one of local exchanges to one governed by capital and capitalists. Let’s take a look at two examples.

The Market Revolution And Farmers

Before the market revolution, most people worked on their family farms. They worked hard and produced what their family needed for subsistence and they sold anything leftover locally. Farmers often lived in tight-knit communities where they knew and helped their neighbors and usually knew who they sold and bought goods from. However, the transportation, technological, and market revolutions changed this traditional way of life. For example, in the mid 1830s, John Deere created a new, more efficient steel that replaced the old wrought-iron plows. Wrought-iron plows allowed farmers to plow about 8 acres each season, but with the steel plow, farmers could now plow up to 80 acres in the same amount of time.

Not only could farmers now produce more – much more than just their families needed – but thanks to railroads and canals, they could now transport their produce much more quickly. The market economy was beginning to replace the **moral economy,** which was characterized by doing business in person with familiar people. While many Americans welcomed these changes, many also feared and resisted the growing and unfamiliar market. Many farmers distrusted people they did not know and worried about financial dealings with strangers. Let’s check out one more example.

The McCormick Reaper, like the John Deere steel plow, allowed farmers to cultivate more acres than ever before.

The Market Revolution And Industrial Workers

The market revolution changed the lives of industrial workers as well. America’s most famous mills in the 19th century were the**Lowell Mills** in Lowell Massachusetts named for Francis Cabot Lowell, from the Boston Manufacturing Company. Prior to the market revolution, **benevolent paternalism** guided relationships between employers and their workers. Paternalism meant that employers took care of their workers in a similar way to how they would care for their own family members. In lean times, employers would keep their workers working instead of firing them, they would overlook transgressions such as tardiness, and they would take care of workers into their old age. As the Lowell Mills exemplified, the demands of the market, however, fundamentally changed this relationship.