

Age of Jackson

HIST 4327

Take-Home exam #1

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The Market Revolution had a profound effect on the fledgling democracy called the United States. This shift in economies would change every aspect of life for everyone. To rate such change on a scale of 1 to 5 is rather tricky. To give the “revolution” a ranking of 1 or 5 is to say that the benefits were non-existent or that they were without equal, respectively. To rate it a 3 is to not make a decision or pick a side. A middle-of-the-road evaluation is one of little controversy and would include a good result for every bad and vice-versa. I would assign the Market Revolution an arbitrary rating of 4. While the overall ends were a positive thing, they were far from unequivocal.

Nay-Sayers and fundamental moralists are quick in pointing out that the ethics, morals, and love for one's fellow man were unceremoniously sacrificed for the “all mighty dollar”. All the while poverty, crime, wantonness, debauchery, and the like were all on the rise. This is the strongest argument against the revolution itself. I think that the levels seen during the economic change of the Market revolution were already there, they were just, for the first time, brought together in new urban centers that would become the basis for cities. These cities that were created would become the training grounds for pickpockets, thieves, and everything horrible in the world. Emotions and social commentary aside, the effects of the Market revolution may have led to the cohesion of a country called America.

The Market revolution allowed, through competing merchants, for prices of goods and services to fall. This competition would lead to the hiring of new workers from a newly developed labor force. For the first time in America children were leaving the farm and working in factories, workshops, or craft mills. Every successful business allowed for others to prosper, allowing them to hire more workers as well. As the flour

mills of Rochester flourished so did the coopers of the town. To make the barrels for the flour the coopers needed lumber and metal bands; lumbermen and blacksmiths now had steady work. The key to this competition was the steadiness of the work involved. No longer was work seasonal, to be competitive you have to work all year. For each business to remain successful the others had to as well. If the flour mills failed who would buy the coopers barrels? If the coopers went under, how would the flour be stored or shipped?

This economic growth from agrarian subsistence to for-profit surplus aided in the expansion of the United States. As workers moved in a businesses grew, so did towns. Once a stronghold was held in a town, others looking to be competitive moved out into the rural areas to establish their own trades. Cheaper land meant more capital saved, which meant more to invest in the business. Squabbling over the funding of “internal improvements” would strain a young congress almost to the breaking point. With the approval of the funds roads and railways started to connect the sparsely settled wilderness. If the local flour discussed earlier failed, with these new networks the coopers could sell to flour mills down the road, canal, or railway. If the local cooper moved or died, the flour mills could order barrels from other cities. Competition grows with every newly connected city. With this network of byways rural areas started to fill up and grow into each other. Farmer’s who had once used an “exchange” in-kind system of goods and services with their neighbors now had too many neighbors to know or trust. Americans would have continued to expand without the market revolution there is no doubt. But if the past settling habits are any indication the areas and communities would have been settled culturally. The Dutch would settle in one area, all the Germans in another, the

French in yet another, and so on. There was no need in the pre-market world for cross cultural contamination. Everyone farmed their own place and their neighbors, who were exactly (culturally) like them, did the same. The post market world forced (for better, and sometimes worse) people together. Suddenly past heritage would sit second chair to present livelihoods. Without the Market Revolution, the “great melting pot” that is the United States of America may look more like a great tackle box with large areas divided by language, culture, and ways of life. This revolution allowed America to solidify itself as one nation even though it is a huge landmass. In the absence of such a revolution the United States may not have become so united with the states more comparable to the countries of Europe, divided by long histories of cultural existence. With a market economy everyone is reading the same book, they may not be on the same page, but it is at least the same book.

The greatest asset to the Market revolution is that, in its creation of a middle class, it sewed its own reproductive seeds. A middle class suddenly allows for fluidity between classes. For a time there were few instances of people crossing those class lines either up or down. But as the post market world settled in, second generations would take advantage of the blurred class lines. Most rags-to-riches stories include contacts with prominent men of the town. If one wants to become successful in the town of Rochester, for example, it behooves one to know the Rochester's. If someone slipped from middle to lower class, there was (and is) still hope. The now lower class person can become a day laborer, wages can be saved and through frugality and hard work, middle class can be obtained again. Back in the middle class the worker is able to sustain their middle class family. The middle class family buys goods that are produced in surplus by companies

that are competing with each other. These companies are selling goods and making a profit. Through new innovations these companies become more competitive and drive prices down further. The pattern continues with each new supplier or middle class consumer. There is a cap to how low prices can go, they will not continue spiraling down even though the market continues to do well. The cyclical nature of this type of market allows for the overall upward growth of the economy. Even during the ups and downs of daily and even yearly production, the overall trend for the economy since the Market Revolution has been a positive one.

The question of the effects of the Market Revolution on America is paradoxical at best. When viewed at the personal level there are cries of “unfair!” and the death of small, high quality craft shops. Competition leads to cheating, wealth leads to greed, greed leads to gluttony, and wanting more leads people away from home longer hours and the family suffers. When market effects are looked at on societal levels competition leads to lower prices, wealth leads to philanthropy and a funding of the arts, greed leads to franchise, and wanting more leads to harder workers and more competition. When the Market revolution is looked at on the whole, encompassing all the workers, all the businessmen, all the families, and all the immigrants it is clear that the benefits far outweigh the costs. In any good market economy, once your costs are covered, the rest is all profit.

