

**CHAPTER 25** Section 4 (pages 734–741)

# Reforming the Industrial World

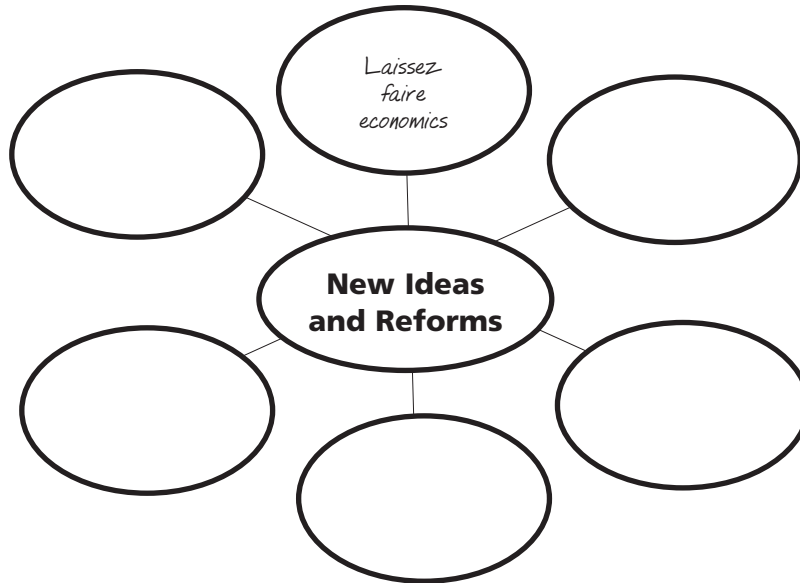
## BEFORE YOU READ

In the last section, you saw how industrialization spread to different nations.

In this section, you will learn about new ideas and reforms.

## AS YOU READ

Fill in the web below with the major ideas and changes you read about.



### TERMS AND NAMES

**laissez faire** Economic theory that argues that governments should not interfere with business affairs

**Adam Smith** Philosopher who defended laissez faire economics

**capitalism** Economic system in which people invest money to make a profit

**utilitarianism** Belief that an idea is only as good as it is useful

**socialism** Belief that businesses should be owned by society as a whole

**Karl Marx** Economic thinker who wrote about a radical form of socialism

**communism** Form of socialism in which all production is owned by the people

**union** Organized groups of workers that bargain with business owners to get better pay and working conditions

**strike** Organized refusal to work

## The Philosophers of Industrialization (pages 734–735)

### *What is capitalism?*

Industrialization led to new ways of thinking about society. Some economists thought that the government should leave business owners alone. Their view is called **laissez faire**.

**Adam Smith** argued that governments should not put limits on business. He believed this freedom would help a nation's economy grow. He and others, including British economists Thomas

Malthus and David Ricardo, supported a system called **capitalism**. In a capitalist economy, people invest their money in businesses to make a profit. Smith and the others believed that society would benefit over time from this system. Supporters of laissez faire opposed laws to protect workers.

#### 1. How does capitalism work?

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## Rise of Socialism; Marxism; Radical Socialism (pages 735–738)

### What is socialism?

Other thinkers challenged capitalist ideas. One group was called the utilitarians. According to **utilitarianism**, an idea or practice is good only if it is useful. The utilitarians thought it was unfair that workers should work so hard for such little pay and live in such poor conditions. They thought the government should work to end great differences in wealth among people.

Some thinkers wanted society as a whole to own businesses. This way a few people would not grow wealthy at the expense of everyone else. Instead, all people would enjoy the benefits of increased production. This view—called **socialism**—grew out of a belief in progress and a concern for justice and fairness.

A German thinker named **Karl Marx** proposed a form of socialism that became known as *Marxism*. He said that factory owners and workers would struggle for power. Over time, he said, the capitalist system would destroy itself. The great mass of workers would rebel against the wealthy few.

Marx wrote *The Communist Manifesto*. It described **communism**, a form of socialism in which production is controlled by the people. In the early 1900s, these ideas would bring revolution.

### 2. How are capitalism and socialism different?

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## Labor Unions and Reform Laws

(pages 738–739)

### How did workers take action to improve their lives?

While thinkers discussed these different ideas, workers fought to improve their lives. Many workers joined **unions**. A union is a group of workers that tries to bargain with employers for better pay and better working conditions.

When employers *resisted* these efforts, the workers went on **strike**, or refused to work. British and American workers struggled for a long time to win the right to form unions. By the late 1800s, workers in both countries had made some progress.

The British Parliament and reformers in the United States also tried to fix other social problems. Britain passed laws to limit how much work women and children could do. Groups in the United States pushed for similar laws.

### 3. How did both the government and workers themselves try to improve workers' lives?

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## The Reform Movement Spreads

(pages 739–740)

### What other reforms were taking place at this time?

Another major reform movement of the 1800s was the effort to *abolish* slavery. The British Parliament ended the slave trade in 1807. It then abolished slavery throughout British territories in 1833.

Slavery was finally abolished in the United States in 1865, after the Civil War. Spain ended slavery in Puerto Rico in 1873 and in Cuba in 1886. In 1888 Brazil became the last country to *ban* slavery.

Women were active in many reform movements. As they fought for the end of slavery, many women began to fight for equal rights for women. The movement for equality began in the United States in 1848. In 1888, women from around the world formed a group dedicated to this cause.

Reformers took on other projects as well. Some pushed for—and won—improved education. Others tried to improve conditions in prisons.

### 4. Name two major reform movements of the 1800s.

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