**Exercises**

•  (par. 1) The Industrial Revolution

... brought radical changes in nineteenth century England and in the western world and...

... led to growth of two systems of thought:

1) Economic science                      2) Socialism

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| a) Adam Smith |
| b) Malthus |
| c) Ricardo |
| d) John Stuart Mill |

 • (par. 2-3) Facts of Industrial Revolution.

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| 1) Growth of population |
| 2) Agrarian Revolution  |

• (par. 4) Decrease in rural population.

causes:     1)  Destruction of common-field system

     2)  Conversation of avaible field to pasture

     3)  Consolidation of small farms into large

• (par. 5) Agricultural advance.

cause — more scientific approach:

e.g.

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|  Improving of breed of cattle |
|  Introduction of rotation of crops |
|  Invention of steam-plough |
| agricultural societies |

• (par. 6-7) Growth of industry.

causes;

1) mechanical inventions in textile industry

e.g.

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|  Spinning-Jenny  |
|  Water-Frame  |
|  Power loom |
|  Self-acting Mule  |

most important:

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| steam engine |
|  Powder-Loom |

2) mechanical revolution in iron industry

e.g.

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|  Smelting by pit-coal |
|  Application of steam-engine to blast furnaces |

3) improved means of communication

e.g.

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|  canal system |
|  roads |
| railroad |

results:    1)  alternation between periods of over-production and of depression.

     2) substitution of factory system for domestic system.

• (par. 8) Revolution in distribution of wealth:

rise in rents caused by

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| 1) Investments in improvements |
| 2) Enclosure system |
| 3) Consolidation of farms |
| 4) high price of corn |

social changes in country life:

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| 1. Farmers became a social class
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| 1. Labourer had lower wages, higher prices and no more common-rights.
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| 1. Alienation between farmer and labourer
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• (par. 9) Social changes in manufacturing world: the new class of great capitalists employers made enormous fortunes

consequences:

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| 1. The old relation between master and worker disappeared
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| 1. Workers had ever less importance
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| 1. Class conflict
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• (par. 10) Misery of working people often caused by detriment of labourers and workers.

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| 1) Fall in wages |
| 2) Bad conditions of labour under the factory system |
| 3) Rise of the prices |
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Conclusion:

The effects of the Industrial Revolution prove that free competition may produce wealth without producing well-being.