

The Industrial Revolution

The causes of radical changes in nineteenth century England and in the western world



Mediaeval regulations

SUBSTITUTION



Competition



KEYNOTE

Growth of two great system of thought

- Economic science
- Socialism

Four English economists

- ADAM SMITH: *Wealth of nations*
- MALTHUS: *Essay on Population*
- RICARDO: *Principles of political Economy and Taxation*
- JOHN STUART MILL: *Principles of Political Economy*

FACTS OF THE INDUSTRIAL REVOLUTION

1) Growth of population

2) Decline in the agricultural population

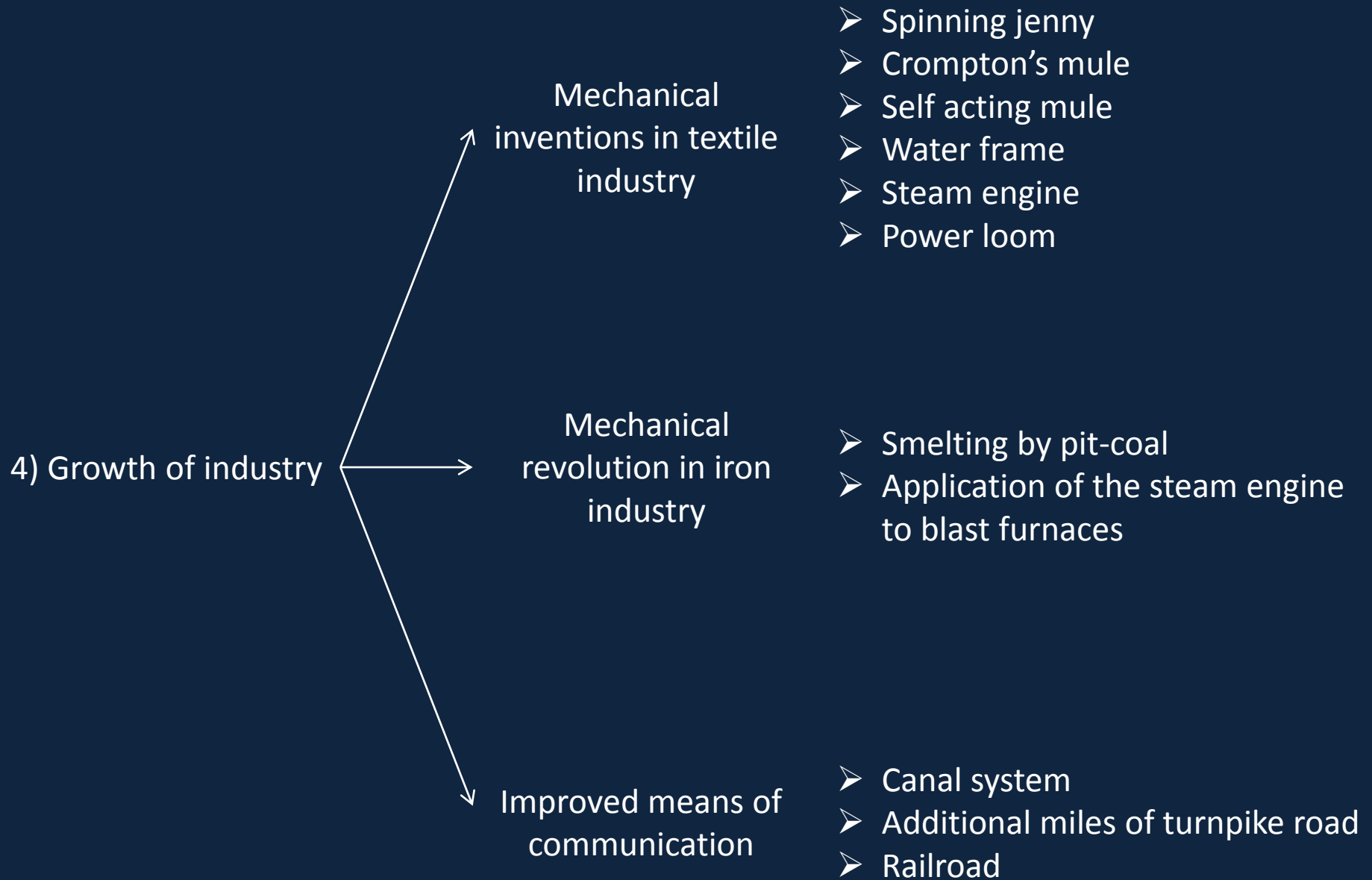
```
graph LR; A[2) Decline in the agricultural population] --> B[Destruction of common field system of cultivation]; A --> C[Enclosure]; A --> D[Consolidation of small farms into large];
```

- Destruction of common field system of cultivation
- Enclosure
- Consolidation of small farms into large

3) Agricultural advance

```
graph LR; A[3) Agricultural advance] --> B[Breed of cattle]; A --> C[Rotation of crops]; A --> D[Steam plough]; A --> E[Agricultural societies];
```

- Breed of cattle
- Rotation of crops
- Steam plough
- Agricultural societies



RESULTS OF THE INDUSTRIAL REVOLUTION

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

1) Increase in commerce

2) Substitution of factory system for domestic system

3) Rise in rents $\xrightarrow{\text{caused by}}$

- Money invested in improvements
- Enclosure system
- Consolidation of farms
- High price of corn

4) Social changes in manufacturing world: capitalists made great fortunes, the old relations between masters and men disappeared, a “cash nexus was substituted for the human tie, growth of class conflict.

5) Misery of working people $\xrightarrow{\text{caused by}}$

- Conditions of labour under the factory system
- Rise of prices
- Fluctuations of trade

Rising of new industrial countries ———> Competition ———> Exploitation of Indian raw material

Effect: OVER PRODUCTION ———> DISTANT MARKET ———> COLONIZATION

