A Growing Economy

Chapter 7

Lesson 1
Developing Industry

- Alabama had everything it needed to develop industry, or the production of goods.
- We had good raw materials, people to work in factories, people with good ideas, and money to start and run new businesses.
Alabama’s Three Main Raw Materials

- Coal
- Iron Ore
- Limestone
Iron Ore

- Iron ore is a rock containing enough iron to be mined for a profit. Alabama became the center of coal and iron production in the South.
Pig Iron

- Pig Iron is iron produced in a blast furnace heated by powdered coal.
- Levin Goodrich ran a company that produced pig iron.
Henry DeBardeleben

- Henry DeBardeleben started several coal and iron companies in Alabama.
New Transportation

- Railroad construction began to boom in the 1880’s. Many people wanted to travel by train too. Railroads helped trade expand.
- Many companies built their own rail lines to transport their goods.
- By 1900, Alabama was connected by rail lines. Alabama was also connected to other states by rail. Birmingham became Alabama’s transportation hub, or center.
Imports and Exports

- An **import** is a good **brought into** a country from another country.

- An **export** is a good **sent** to one country by another country.

- Pig iron was one of Alabama’s most important exports. Birmingham produced 75% of all pig iron exports in the United States.

- Cotton trade slowed down. Europe began to buy more cotton from other countries instead of Alabama.
New Cities and Towns

- Industry caused the growth of urban areas, or larger towns and cities, in Alabama.
- Birmingham became Alabama’s second largest city.
- Coal, iron, and lumber companies built towns for their workers.
- Anniston was started by an iron company.
- Bessemer was founded by Henry DeBardeleben as a center for steel production.