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**The Impact of the Development of the U.S. Railroad System on the U.S. Economy**

The railroad system has a positive impact on the American economy. It not only benefits the producers but the common people are also getting advantages of the railroad system. The basic reason for this enormous impact is the linkage of America with the entire continent east to west in the 1860s. Rail history is vast in America which started from the railroads that were horse-drawn. Later on, the steam engine made the railroad system more efficient and productive. During 1832-1837, over twelve hundred miles of railroad track were made. The first and most prominent impact of the railroad was the revolution of communication for America with the new territories.

Nations got more opportunities by making easy and reliable travels to different regions. Work became easier and travel time decreased. American investors, shareholders, and producers started to move to the regions where they could earn more profit. In other words, railroads allowed individuals to change their places for the sake of economic interaction and to improve their livelihood. The market of goods gradually expanded as more producers, and investors joined it. For instance, an item produced in New York could easily be sold in the west and to further distant regions. It resulted in a two-sided impact on the economy (Khaled et al.). First, producers got a new market to sell their goods and services to the large population of the consumer which increased the supply in the economy. Second, consumers got more goods and services to purchase as huge variety maintained the price level that was suitable for the consumers. This is how railroads put this great impact on the economy of America and made it smoother and growing.

The second great impact of the railroads was the social changes that ultimately affected the economy. Society of America starts changing with the improvement in the railroad system. People from different regions moved to other places for jobs and settlement. For instance, during 1868, Davis settlement near the University of California was started. In addition, transcontinental railroad construction helped European settlements of the west to move near Native Americans living in the plain’s states. This impacted the Native American culture and diversity increased. It results in the need for more markets and economic activities to fulfill the demands of the people (Chopra and Khanna). The increase in settlements and usage of railroads increased the demand for new jobs and opportunities. Linking businesses of America with other territories, freight railroads have played a vital role in the economic development of the nation for almost 190 years.

Railroads became the reason for money-saving in America. Every year, billions of dollars are saved in the economy by the consumption of railroads for business and domestic use. In 2018, inflation-adjusted revenue per ton-mile that is average U.S. freight rail rates is 44% less than it was during the 1980s. This is because goods and services that individuals use every day are transferred through railroads. For instance, millions of carloads of sugar, birdseed, chickens, animal feeds, flour, beer, and various other food products are transferred to other places for selling in the nation (Donaldson and Hornbeck). Chemicals that package our food, clean our water, protect our health, build our cars and homes, and improve individuals' livelihood is expanded through railroads. Besides, other goods like coal, intermodal, vehicles, lumber, paper, and other metallic products are reached to different markets to increase selling through railroads. Therefore, the American economy grows by increasing selling in less time through the development of railroads.

In a nutshell, the development of railroads has a great impact on the economy of America. It helped to develop new settlements and markets. Producers, as well as buyers, got more opportunities to increase their economic activities. These changes resulted in the positive growth of the American economy.

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