Specialization in Michigan

The manufacture of automobiles became state's most important area of specialization. This was the result of several factors including the following:

- Some people in Michigan had made lots of money in the lumbering and mining industries. They could invest this money in the automobile industry.
- Michigan was already a leader in the production of boat engines, carriages, and wagons. Knowledge of building these products was used to design and create automobiles.
- The Great Lakes were a critical resource for the automobile industry. They were used to ship needed resources to the Detroit area where most of the automobile factories were located. The lakes were also used to ship cars to places where they were sold.
- Michigan had skilled workers like machinists who were needed in the automobile factories. Michigan also had a lot of unskilled workers who needed jobs.