

The Gilded Age: 1869 – 1900

Themes of the Gilded Age

1. Politics
 - a. Corruption due to greed, patronage, & trusts
 - b. Bimetallism: Hard v. Soft Money (1870s & 1890s)
 - c. The Tariff (1880s)
2. Industrialism
 - a. U.S. became the world's most powerful economy by 1890s
 - i. railroads, steel, oil, electricity, banking
 - b. By 1920, America was transformed from an agrarian nation to an urban nation
3. Urbanization
 - a. Millions of "New Immigrants"
 - i. came from Southern and Eastern Europe
 - ii. mostly to work in factories
 - b. Unions and Reform movements sought to curb the injustices of industrialism
 - c. Farmers increasingly lost ground in the new industrial economy and eventually organized (Populism)
4. The "Last West"
 - a. farming, mining, & cattle raising
 - b. The End of the Frontier?

Politics: The Era of Good Stealings

1. Ulysses S. Grant (R, 1869 - 1877)
 - a. Most popular figure to emerge from Civil War
 - i. People eager for a change from politics-as usual
 - ii. Grant appeared to be non-political
 - iii. Grant received and accepted many gifts
 1. such as houses and large sums of money
 2. as if the country owed him for winning the war
 - iv. Grant presided over an era of unprecedented growth and corruption
 - v. Considered one of worst presidents in US history due to
 1. much corruption in his administration
 2. his reluctance to try to end graft in other areas
 - b. Scandals
 - i. "Jubilee Jim" Fiske and Jay Gould attempted to corner gold market in 1869
 1. Persuaded Grant to make the federal Treasury refrain from selling gold
 2. "Black Friday," September 24, 1869
 - a. Fiske & Gould then purchase gold, bidding the price upward
 - b. Overspeculation caused inflated gold values
 - c. Planned to then sell it for a profit
 - d. Treasury finally released gold and the bubble burst
 - e. "Panic of 1869" ensued
 3. Congressional probe found:
 - a. Grant did nothing illegal
 - b. but acted recklessly
 - ii. Credit Mobilier scandal, 1872
 1. Railroad construction company formed by insiders of Union Pacific Railway
 2. Hired themselves to build the railroad
 - a. paid themselves huge fees by inflating prices

3. Earned high stock dividends
 - a. Paid dividends of 348% in one year
 4. Distributed shares of stock to congressmen
 - a. paid to stay quiet about the illicit business
 - b. to avoid interference
 5. NY newspaper exposed scandal in 1872
 - a. charges confirmed by subsequent Congressional investigation
 - b. Results: 2 members of Congress & VP censured
 6. Grant's reputation tarnished further
 - iii. The Whiskey Ring, 1875
 1. Whisky Ring had robbed millions in excise-tax revenues
 2. Grant: "Let no man escape"
 3. Secretary of War Belknap
 - a. Part of the Ring
 - b. pocketed \$24,000
 - c. sold the privilege of disbursing supplies to Indians
 - d. supplies were often worthless
 4. Grant persuaded the jury not to convict Belknap
 5. House voted to impeach Belknap and he resigned the same day
 6. Grant accepted resignation "with great regret"
2. Panic of 1873 and the Long Depression (1873-1879)
 - a. Causes – same old, same old
 - i. Overproduction of railroads, mines, factories, and farm products
 - ii. Bankers made too many risky loans to finance growth
 1. Many loans went unpaid and the banking system collapsed
 2. 15,000 businesses went bankrupt
 - b. The Greenback Issue
 - i. Inflation soon depreciated the value of the Greenback
 1. Due to popular mistrust of illegitimate dealings in the government
 2. Depreciation of Greenbacks resulted in hard-money advocates seeking to increase dollar's value
 - a. Treasury withdrew \$100 million
 - b. decreasing money available to \$350 million
 - c. Hard-money advocates pleased
 - d. Soft-money advocates dismayed
 - ii. The Resumption Act of 1875
 1. Conservatives feared
 - a. uncontrolled growth of money supply
 - b. inflation
 2. The Fed Gov't withdrew more Greenbacks from circulation
 3. Redemption of all paper currency in gold (not silver) at face value beginning in 1879
 - iii. The Result:
 1. Deflation due to less money in circulation
 2. Deflation: A persistent price decline of goods and services - the inverse to inflation.
 - a. Deflation usually occurs during a recession and is characterized by supply exceeding demand,
 - b. while there is increased buying power, the amount of currency in circulation is greatly reduced
 - c. Marked deflation generally affects production and employment negatively
 3. Deflation should not be confused with disinflation, which is a result of a slow down in the rate that prices increase
 - iv. Worsened impact of depression
 - v. Yet, boosted nation's credit rating

- vi. Brought Greenbacks up to full face value
 - c. Debtors push for silver
 - i. Debtors sought to cause inflation
 - 1. that would increase money supply
 - 2. making it easier to pay debts.
 - ii. Treasury in early 1870s
 - 1. claimed silver was only 1/16 value of gold
 - 2. although silver although prices were higher in the market
 - 3. Silver producers stopped offering silver for sale to federal mints
 - 4. Miners received more money selling silver elsewhere
 - 5. Congress stopped coinage of silver dollars in 1873
 - 6. U.S. now off bimetall standard
 - iii. Silver values hurt further by new mines in West that drove downward silver prices
 - iv. The "Crime of 1873"
 - 1. Westerners cried that the downward trend in silver prices was a "Crime"
 - 2. Silver mining states demanded return to earlier silver prices in order to boost inflation
 - v. Republicans refused and Grant maintained hard-money policy
 - 1. The GOP hard-money policy had a political backlash
 - 2. helped to elect a Democratic House of Representatives in 1874
 - vi. Bland-Allison Act of 1878
 - 1. Compromise where gov't would buy and coin between \$2-4 million silver per month
 - 2. Gov't stuck to the legal minimum and inflation did not occur
 - 3. Although economy grew, currency in circulation didn't keep pace
 - 4. Resulting in lower prices
 - vii. Greenback Labor Party
 - 1. Formed in 1878
 - 2. Seeking soft-money
 - 3. Elected 14 members to Congress
 - 4. Greenback Party fades away:
 - a. Depression ended in 1879
 - b. Currency issue did not come back to center stage until 1890s
3. Grover Cleveland (D, 1885 - 1889)
- a. Preceded by forgettable Presidents: Hayes, Garfield, & Arthur
 - b. Staunch believer in laissez faire
 - c. Tariffs became the major issue separating the two parties in the 1880s
 - i. Republicans favored a high tariff
 - ii. Democrats hated it
 - iii. Republicans (esp. William McKinley) argued that Tariffs
 - 1. stimulated American industry
 - 2. thus, enriched all Americans (like "trickle down")
 - iv. High tariffs since the Civil War
 - 1. created a treasury surplus annually by 1881
 - 2. amounting to \$145 million
 - v. Tariffs stifled American foreign trade
 - 1. 75 to 80% of exports were agricultural
 - 2. Pushed costs for farm production higher
 - 3. Farmers were double victims as both producers and consumers
 - 4. Workers' wages did not increase nearly at the rate tariffs increased prices
 - vi. Cleveland sought lower tariffs
 - 1. Believed lower tariffs equaled
 - a. lower prices for consumers
 - b. less protection for monopolies
 - 2. Would also end embarrassing treasury surplus

3. Cleveland spent entire annual address to Congress in 1887 appealing for lower tariffs
4. The lower tariff is introduced to Congress in 1887
 - a. supported by Cleveland
 - b. tremendously hurt the nation's factories and the overall economy
 - c. Cleveland lost support because of the tariff
- d. Election of 1888
 - i. The Tariff determined the Election of 1888
 - ii. Democrats grudgingly re-nominated Cleveland
 - iii. Republicans nominated Benjamin Harrison
 - iv. Harrison d. Cleveland 233-168
 - v. Cleveland had more popular votes
 - vi. Only 2nd time in U.S. history person with most popular votes lost election
 - vii. Cleveland the first sitting president to be voted out since Van Buren in 1840
 - viii. Republicans won
 1. the House (1st time in over a decade) and the Senate
 2. Saw this as a mandate for the tariff
 - ix. Tariffs subsequently increased
4. The Billion Dollar Congress
 - a. 51st US Congress
 - b. Thomas B. Reed, Speaker of the House
 - i. Took control
 - ii. Intimidated the House to his imperious will
 - c. Named for its lavish spending
 - i. Gave pensions to Civil War Veterans
 - ii. Increased Gov't silver purchases
 - iii. Passed McKinley Tariff Act (1890)
 1. Raised tariffs again
 2. Hurt Farmers
 - a. Farmers forced to pay higher prices for manufactured goods
 - b. While selling their agricultural products in highly competitive world markets
 3. Caused GOP to lose support
 4. GOP loses the Congress in the 1890 Election
5. Grover Cleveland & The Panic & Depression of 1893 - 1897
 - a. Worst economic downturn in 19th Century
 - i. The shock hit Wall Street and urban areas in 1893
 - ii. Part of a massive worldwide economic crisis
 - iii. Was on a par with the Great Depression
 - iv. A quarter of the nation's railroads went bankrupt
 - v. In some cities, unemployment exceeded 20 - 25 %
 - b. Economic Causes:
 - i. Overspeculation
 - ii. Overbuilding
 - iii. Labor disorders
 - iv. The ongoing agricultural depression
 1. deep agricultural crisis
 2. hit Southern cotton-growing regions in the late 1880s
 3. hit the Great Plains in the late 1880s
 - c. Political Causes:
 - i. The Sherman Silver Purchase Act of 1890
 1. Created by the administration of Benjamin Harrison
 2. Purpose was to increase the amount of silver in circulation

3. Drastic rise in silver caused the people to believe that the less expensive silver was going to replace gold as the main form of currency
 4. People began to withdraw their assets in gold, depleting the Treasury's gold supply
 5. Cleveland was forced to repeal the Sherman Silver Act Purchase in 1893
 6. J.P. Morgan lent \$65 million in gold in order to increase the Treasury's reserve
 - ii. Wilson Gorman Tariff Act of 1894
 1. Lowered tariffs
 2. Contained a 2% tax on incomes over \$4,000
 3. Only 2% of US population affected
 4. *Pollock v. Farmers' Loan and Trust Co. (1895)*
 - a. Supreme Court ruled (5-3) income taxes unconstitutional
 - b. Chief Justice Melville Fuller stated that
 - i. income tax on real estate was a direct tax and therefore unconstitutional
 - ii. there was a possibility of some taxes, like wages, being constitutional
 - d. Depression costs Cleveland the Dem Nomination & the Election of 1896
6. President McKinley (R, 1897 - 1901)
- a. Election of 1896
 - i. William McKinley v. William Jennings Bryan
 - ii. Inflation through silver was the heart of Bryan's campaign
 - iii. Wage earners in the East voted for their jobs and had no reason to favor inflation
 - iv. Many of McKinley votes came from the East
 - v. Many of Bryan's votes came from the debt-stricken South and the trans-Mississippi West
 - b. McKinley's election ushered in a new character to the American political system:
 - i. Diminishing voter participation in elections
 - ii. The weakening of party organizations
 - iii. Issues like the money question and civil-service reform faded from prominence
 - iv. Replaced by the concern for industrial regulation and the welfare of labor
 - c. The Dingley Tariff Bill (1897)
 - i. Proposed new high tariff rates to generate revenue
 - ii. To cover the annual Treasury deficits
 - d. The Gold Standard Act of 1900 provided that paper currency be redeemed freely in gold
 - e. The panic of 1893 had passed and Republican politicians claimed credit for bringing prosperity to the nation.
 - a. Imperialism - Spanish American War 1898
 - b. Wins reelection in 1900, Assassinated 1901

Industrialism: Industry Comes of Age

1. The Rise of the Rails
 - a. Due to the expansion of the country, many new railroads were built
 - b. Two significant improvements benefited the railroads:
 - i. the steel rail that was much stronger and safer than the traditional iron rails
 - ii. standard gauge of track width
 - c. Transcontinental railroad construction was so costly and risky
 - d. Congress began to advance liberal money loans to 2 favored cross-continent companies in 1862
 - i. The Union Pacific Railroad
 1. was commissioned by Congress in 1862 to build a transcontinental railroad starting in Omaha, Nebraska.
 2. Many railroad workers, including Irish "Paddies", were forced to pick up their rifles and fight when Indians attempted to defend their lands.
 - ii. The Central Pacific Railroad
 1. Began at the California end of the railroad

2. Chinese Immigrant workers
 - iii. The 4 chief financial backers of the enterprise (the Big Four) included Leland Stanford and Collis P. Huntington. They operated through 2 construction companies.
 - iv. The Union Pacific Railroad and the Central Pacific Railroad companies both received monetary aid from the government.
 - e. Transcontinental railroad was completed in 1869
 - i. increasing trade with Asia
 - ii. opening up the West for expansion.
 - f. There was a total of 5 transcontinental railroads built:
 - i. The Main UP & CP line, from Sacramento, CA to Council Bluffs, IA (1869)
 - ii. The Northern Pacific Railroad, from Chicago to Seattle (1883)
 - iii. The Atchison, Santa Fe & Topeka, from Topeka, KS to Deming, NM to Los Angeles (1884)
 - iv. The Southern Pacific, from New Orleans to Los Angeles to San Francisco (1884)
 - v. The Great Northern, from Duluth, MN to Seattle (1893)
 - g. Land disputes erupt
 - i. RR land grants were given over a broad path through the proposed route
 - ii. Growing railroads took up more land than they were allotted
 - iii. The railroad owners would then choose the route to build on
 - iv. Many sold the land near the RR at a premium
 - v. President Cleveland ended the land dispute in 1887
 - vi. Cleveland opened all unclaimed public portions of the grants to the public
 - h. Two significant improvements benefited the railroads:
 - i. the steel rail that was much stronger and safer than the traditional iron rails
 - ii. standard gauge of track width
 - i. The railroad stimulated the industrialization of the country in the post-Civil War years
 - i. It created an enormous domestic market for both
 1. American raw materials
 2. American manufactured goods
 - ii. Railroad companies also stimulated immigration.
 - j. Time Zones (1883)
 - i. Every town in the United States had its own local time
 - ii. In order to keep schedules and avoid wrecks, the major rail lines divided the continent into 4 times zones
 - k. The railroad was Cornelius Vanderbilt's enterprise
2. Railroad Wrongdoings
- a. With great wealth and prosperity came much corruption.
 - b. Railroaders:
 - i. felt they were above the law
 - ii. abused the public by bribing judges and legislatures
 - iii. manipulated a huge natural monopoly
 - iv. exercised too much direct control over the lives of people
 - c. Stock Watering
 - i. employed in order to increase the weight of cows
 - ii. It entailed forcing a cow to bloat itself with water before it was weighed for sale
 - iii. This technique enabled railroad stock promoters to:
 1. inflate their claims about a given line's assets and profitability
 2. sell stocks and bonds in excess of the railroad's actual value
 - d. Many rail barons granted rebates or kickbacks (bribes) to powerful shippers in return for steady traffic.
 - e. Railroad companies combined with other companies in order to protect their profits
 - f. Pools
 - i. agreements to divide the business in a given area and share the profits
 - ii. were the earliest form of combinations

3. Government Reaction to Railroads
 - a. Farmers begin to protest against the railroads
 - i. With the onset of the depression of the 1870s
 - ii. railroaders ran the farmers into bankruptcy
 - b. Many Midwestern legislatures tried to regulate the railroad monopoly
 - c. Supreme Court ruled in the *Wabash* case (1886) that individual states had no power to regulate interstate commerce
 - d. Congress passed the Interstate Commerce Act (1887)
 - i. prohibited rebates and pools
 - ii. required the railroads to publish their rates openly
 - iii. forbade unfair discrimination against shippers
 - iv. outlawed charging more for a short trip than for a long one over the same line
 - v. Created the Interstate Commerce Commission (ICC)
 1. to administer and enforce the new legislation
 - vi. The new laws provided an orderly forum where competing business interests could resolve their conflicts in peaceful ways
 - vii. The laws tended to stabilize the existing railroad business
 - viii. Laid the foundation for Government regulation over industry
4. The Age of Invention
 - a. Alexander Graham Bell
 - i. The telephone was created in 1876
 - ii. This invention revolutionized the way Americans communicated
 - b. Thomas Alva Edison
 - i. invented numerous devices
 - ii. the most well-known is his perfection of the electric light bulb in 1879
5. The Trust Emerges
 - a. New Capitalist Tycoons emerge
 - i. Cornelius Vanderbilt, the railroad magnate
 - ii. Andrew Carnegie, the steel king
 - iii. John D. Rockefeller, the oil baron
 - iv. J. Pierpont Morgan, the bankers' banker
 - b. Circumvented their competition
 - c. Vertical Integration
 - i. combine all phases of manufacturing into one organization
 - ii. Carnegie used this tactic
 - iii. He and his business controlled every aspect of production, from mining to marketing
 - iv. Goal was to improve efficiency
 - d. Horizontal Integration
 - i. entailed allying with competitors to monopolize a given market
 - ii. Rockefeller used this tactic
6. Steel Industry
 - a. Steel was "king" during the industrialization era
 - b. Nearly every aspect of society used it
 - c. The United States
 - i. outdistanced all foreign competitors
 - ii. was producing 1/3 of the world's steel supply
 - d. The Bessemer Process
 - i. involved blowing cold air on red-hot iron in order to ignite the carbon and eliminate impurities
 - ii. allowed for its production to be done with relative ease
 - iii. allowed for the price of steel to drop dramatically
 - e. Andrew Carnegie

- i. Not a monopolist
 - ii. Actually disliked monopolistic trusts
 - iii. Entered the steel business in the Pittsburgh area
 - iv. Created an organization with about 40 "Pittsburg millionaires."
 - v. By 1900, he was producing $\frac{1}{4}$ of the nation's Bessemer steel
 - vi. In 1900, Carnegie was eager to sell his holdings in his company
 - f. J. P. Morgan
 - i. financed the reorganization of railroads, insurance companies, and banks
 - ii. in 1900, Morgan was starting to manufacture steel pipe tubing
 - iii. Carnegie threatened to ruin Morgan by invading the same business if Morgan did not buy him out his steel company
 - iv. Morgan agreed to buy out Carnegie for \$400 million
 - v. Morgan expanded his industrial empire
 - 1. Created the United States Steel Corporation in 1901
 - 2. It was America's first billion-dollar corporation
 - vi. Carnegie dedicated the rest of his life to donating the rest of his money to charities.
- 7. Oil Industry
 - a. Kerosene was the first major product of the oil industry
 - b. Invention of the light bulb rendered kerosene obsolete
 - c. Gasoline-burning Internal Combustion Engine had beaten out its rivals as the primary means of automobile propulsion by 1900
 - d. Birth of the automobile gave a great lift to the oil industry
 - e. John D. Rockefeller
 - i. Organized the Standard Oil Company of Ohio in 1870
 - ii. Attempted to eliminate the middlemen and knock out his competitors
 - iii. By 1877, he controlled 95% of all the oil refineries in the nation
 - iv. Rockefeller grew to such a great power by eliminating his competitors
- 8. Other Trusts Emerged
 - a. Sugar Trust
 - b. Tobacco Trust
 - c. Leather Trust
 - d. Harvester Trust
- 9. Ideologies & Laws Used to Defend Monopolies
 - a. Laissez Faire
 - i. Individual as moral and economic ideal
 - ii. Individuals should compete freely in the marketplace
 - iii. No room for government in the market
 - b. Social Darwinism
 - i. Herbert Spencer
 - 1. British Economist
 - 2. Adapted Darwin's Theory and applied it to human competition
 - ii. William Graham Sumner
 - 1. American Sociologist
 - 2. Individuals must have absolute freedom to struggle, succeed, or fail
 - 3. State intervention to reward society & the economy is futile
 - 4. Millionaires are a product of natural selection
 - c. The Gospel of Wealth
 - i. The wealthy proclaimed that they were justified by God to have so much wealth
 - ii. They claimed that God gave them their money or they were a product of natural selection
 - d. Interstate Commerce Clause
 - i. gave Congress sole jurisdiction over the interstate commerce

- ii. was a bonus for the monopolists
- iii. they used their lawyers to thwart controls by state legislatures
- e. 14th Amendment
 - i. Large trusts also sought safety behind it
 - ii. Arguing that corporations were actually legal "people"
 - iii. Plutocracy, government controlled by the wealthy, took control of the Constitution

10. Sherman Anti-Trust Act (1890)

- a. Congress passed the Sherman Anti-Trust Act of 1890
- b. Hailing to public demand
- c. The Act forbade combinations in restraint of trade
- d. No distinction between "good" trusts and "bad" trusts
- e. The law proved ineffective because:
 - i. it contained legal loopholes
 - ii. it made all large trusts suffer, not just bad ones
- f. Used against Labor Unions

11. The South Industrializes (finally)

- a. South still produced a smaller percentage of the nation's manufactured goods
- b. Southern agriculture received a boost in the 1880s when machine-made cigarettes replaced earlier methods of producing cigarettes
- c. This caused tobacco consumption to increase
- d. James Buchanan Duke
 - i. took advantage of the growing tobacco business
 - ii. formed the American Tobacco Company in 1890
 - iii. Tobacco Trust
- e. Obstacles of southern industrialization
 - i. Northern-dominated railroad companies charged lower rates on manufactured goods moving southward from the North
 - ii. but higher rates when raw materials were shipped from the South to the North
 - iii. The "Pittsburgh Plus" pricing system
 - 1. economic discrimination against the South in the steel industry
 - 2. Rich deposits of coal and iron ore were discovered in Birmingham, AL
 - 3. The steel lords of Pittsburgh put pressure on railroads
 - 4. As a result, Birmingham steel was charged a fictional fee, no matter where it was shipped
- f. Textile Mills
 - i. The South strived in manufacturing cotton textiles
 - ii. By 1880, northern capital had created cotton mills in the South
 - iii. Those who worked the cotton mills were in perpetual debt and were paid extremely low wages

12. Impacts of Industrialization

- a. Economic growth increased the standard of living in the United States
- b. Social stratification most pronounced in US history
 - i. By 1900, about 10% controlled 90% of the nation's wealth
 - ii. Lower classes envious and resentful of the nouveau riche
- c. The industry of agriculture declined to manufacturing
 - i. The nation of farmers and independent producers was becoming a nation of wage earners
 - ii. By early 1900s, vast majority of the nation's population earned wages
- d. Urban centers mushroomed as factories increasingly demanded more labor
- e. The work-place became regimented and impersonal
- f. Foreign trade developed as high US productivity threatened to flood US market
- g. Free-enterprise eclipsed by monopoly
- h. Women were most affected by the new industrial age

- i. Women found jobs as inventions arose
- ii. typewriter and the telephone switchboard gave women new economic and social opportunities
- iii. Expanded the roles of women within Cult of Domesticity
- iv. Marriages delayed, smaller families resulted

13. The Rise of Labor Unions

- a. Increase in wage-earners in factories
- b. Owners of the factories did not have any relationship with their employees
- c. New machines displaced employees but in the long run, more jobs were created than destroyed
- d. Factory workers eventually began to go on strike complaining of their wages
- e. Yellow-dog Contracts or Ironclad Oaths
 - i. Corporations sometimes compelled their workers to sign
 - ii. Saying that the workers would not join a labor union
- f. Company Towns
 - i. Some corporations owned them
 - ii. Increasing the prices of basic living so that the company could gain wealth
- g. The new middle-class public
 - i. grew tired of constant strikes
 - ii. knowing that American wages were of the highest in the world
- h. The Civil War, which put a premium on human labor, gave a boost to labor unions
- i. The National Labor Union
 - i. organized in 1866, lasted 6 years and attracted 600,000 members
 - ii. Colored National Labor Union
 - 1. Formed by Black workers
 - 2. Didn't work with NLU due to:
 - a. CNLU's support for the Republican Party
 - b. Racism of white unionists prevented it
 - iii. National Labor Union died out in 1877
- j. Knights of Labor
 - i. Noble and Holy Order of the Knights of Labor formed in 1869
 - ii. A secret society
 - iii. Remained secret until 1881
 - iv. Led by Terence V. Powderly
 - v. Sought to include all workers in one big union
 - vi. Campaigned for
 - 1. economic and social reform
 - 2. including and codes for safety and health
 - vii. Demise of KoL
 - 1. Haymarket Square, Chicago
 - a. May 4, 1886
 - b. Police advanced on a meeting called to protest alleged brutalities by authorities
 - c. A dynamite bomb was thrown and killed dozens of people
 - d. 8 anarchists were tried and convicted
 - e. 5 were sentenced to death while the other 3 were sent to jail
 - f. In 1892, the governor of Illinois, John P. Altgeld, pardoned the 3 who were in prison
 - g. The Knights of Labor were blamed
 - h. as a result, it lost public support
 - 2. Membership
 - a. Inclusion of both skilled and unskilled workers
 - b. When unskilled workers went on strike, they were just replaced
 - c. AFL took skilled workers away from KoL
- k. American Federation of Labor
 - i. Founded in 1886 and was led by Samuel Gompers

- ii. Included skilled workers only
- iii. Federation consisted of an association of self-governing national unions
- iv. Each of which kept its own independence
- v. It sought for better wages, hours, and working conditions
- vi. Federation's main weapons were the walkout and the boycott
- l. Greatest weakness of organized labor was that it still embraced only a small minority of all working people
- m. Labor Day was created by Congress in 1894

Urbanization: America Moves to the City

1. The Rise of the Urban Frontier
 - a. By 1890, New York, Chicago, and Philadelphia all had a population greater than 1 million
 - b. Skyscraper
 - i. Louis Sullivan
 1. Architect, father of the skyscraper
 2. Form follows function
 - ii. Cities grew up and out
 - c. City limits were extended outward by electric trolleys, commuting increased
 - d. People were attracted to the cities by
 - i. Economic opportunity
 - ii. Commercial districts, with department stores emerging
 - iii. Amenities such as electricity, indoor plumbing, and telephones
 - iv. Entertainment, sports, amusements
 - e. Megalopolis emerged
 - i. Divided into distinctly different districts for business, industry, and residences
 - ii. Segregated by race, ethnicity, and social class
 - f. Problems due to City growth
 - i. Rampant crime: prostitution, cocaine, gambling, violent crime
 - ii. Trash became a large problem in cities due to throwaway bottles, boxes, bags, and cans
 - iii. Overcrowding
 - iv. Perfection of "dumbbell" tenement in 1879
 1. 7 or 8 stories high with little ventilation
 2. families were crammed into each floor
 3. 50% of New York City housing
2. The New Immigration
 - a. Between 1850 & 1880, over 6 million immigrants came to US (part of "Old Immigration")
 - i. Most Anglo-Saxon who came from Britain & Western Europe
 - ii. Most were literate and easily adapted to American society
 - b. Between 1880 & 1920 about 27 million immigrants came to the US (part of "New Immigration")
 - i. Came from southern and eastern Europe
 - ii. Came from countries
 1. with little history of democratic government
 2. where people had grown accustomed to harsh living conditions
 - iii. Some Americans feared that the New Immigrants would not assimilate to life in their new land
 - iv. They began asking if the nation had become a melting pot or a dumping ground
 - v. Immigrants left their native countries because
 1. Europe had no room for them
 - a. The population of Europe nearly doubled in the century after 1800
 - b. due to abundant supplies of fish and grain from America
 - c. and widespread cultivation of Europe
 2. "America fever" caught on in Europe
 - a. United States was portrayed as a land of great opportunities

- b. Conditions in Europe often dismal
- 3. Persecutions of minorities in Europe sent many fleeing immigrants to the United States
 - vi. Many immigrants never intended to stay in America forever
 - vii. Many returned home with money earned in America
 - viii. Immigrants who stayed in the United States struggled to preserve their traditional culture
- 3. Chinese Immigration
 - a. Not considered part of the "New Immigration"
 - b. Burlingame Treaty (1868)
 - i. Between U.S. and China
 - ii. Allowed unrestricted immigration to work on the transcontinental RR
 - iii. Sec. of State Seward hoped to open Chinese markets to U.S. goods
 - iv. By 1870, accounted for 9% of California population
 - c. Chinese in America
 - i. Came to work gold fields and build the transcontinental railroad
 - ii. Highest percentage of immigrants in America who returned home
 - iii. Chinatowns developed with mostly all single men
 - iv. The few Chinese women who came were turned into prostitutes
 - v. Most worked as cooks, laundrymen, or domestic servants
 - d. After railroad completed, Chinese immigration continued causing intense friction with white workers in California, esp. Irish
 - i. Bad economic times stemming from 1873 Panic a major cause
 - ii. Employers used Chinese workers as a hedge against unionization
 - iii. Terrorized in streets: many killed, others had pigtailed sheared off
 - iv. Also persecuted in mining towns in Colorado
- 4. Reactions to the New Immigration, the Chinese, & Nativism
 - a. Antiforeignism, or nativism, arose in the 1880s with intensity
 - b. Nativists worried that the original Anglo-Saxon population would soon be outnumbered and outvoted
 - c. Nativists considered eastern and southern European immigrants inferior to themselves
 - d. Blamed the immigrants for the dreadful conditions of urban government
 - e. American Protective Association (APA)
 - i. Antiforeigner organizations formed in 1887
 - ii. Urged to vote against Roman Catholic candidates for office
 - f. Organized labor was quick to show its negative attitude towards immigrants
 - i. Immigrants were frequently used as strike-breakers
 - ii. Unionists attacked the immigrants for their willingness to work for small wages
 - g. Congress passed the first restrictive law against immigrants
 - i. In 1882
 - ii. It forced paupers, criminals, and convicts back to their home countries
 - h. In 1885, Congress prohibited the importation of foreign workers under contract-usually for substandard wages
 - i. Chinese Exclusion Act (1882)
 - i. Congress barred the Chinese completely from immigrating to the United States
 - ii. Lasted until 1943
- 5. Reformers & The Press
 - a. The Library of Congress
 - i. Founded in 1897
 - ii. From the donations of Andrew Carnegie
 - b. The invention of the Linotype in 1885 increased the production of texts.
 - c. Newspapers
 - i. Editorials akin to Horace Greeley were diminishing
 - 1. Horace Greeley was

- a. American newspaper editor
 - b. Founder of the Liberal Republican Party
 - c. Reformer, a politician, and an outspoken opponent of slavery
- ii. Sensationalism was climbing as public thirsted for sex, scandal, and other human-interest stories.
- iii. Joseph Pulitzer: Yellow Journalism attributed to his newspapers
- iv. William Randolph Hearst also built up a powerful chain of newspapers
 - 1. Like Pulitzer extremely sensationalistic in his editing for increased circulation.
- d. The Associated Press
 - i. Syndicated news agency
 - ii. Founded in the 1840s
 - iii. Was gaining strength and wealth
 - iv. Kept the growing sensationalism in check
- e. Reform Press (some sought panaceas, others focused on specific reform)
 - i. *The Nation*
 - 1. Founded by Edwin L. Godkin in 1865
 - 2. Became era's most influential journal
 - 3. Liberal and highly intellectual, read largely by professors, preachers, and publicists.
 - 4. Advocated civil service reform, honesty in gov't, and a moderate tariff
 - ii. Henry George: *Progress and Poverty* (1879)
 - 1. Utopian Economics
 - 2. Though available land still plentiful, increased demand increased property values, making land speculators rich.
 - 3. A single tax of 100% on those with land appreciation would eliminate speculation
 - a. Everyone would be able to buy land.
 - b. Workers would become farmers; resulting labor shortage would increase wages and end unemployment.
 - c. Poverty and crime would end
 - 4. His ideas horrified the wealthy
 - iii. Edward Bellamy: *Looking Backward* (1888)
 - 1. Utopian/Socialistic novel: hero, falling into a hypnotic sleep, awakens in 2000.
 - 2. "Looks backward" and finds social and economic injustices of 1887 have been erased under an idyllic gov't, which has nationalized big business to serve the public interest.
 - a. Money abolished
 - b. no more unemployment, strikes, violence, etc.
 - 3. Bellamy clubs (Nationalist clubs) emerged to discuss his mild utopian socialism
 - 4. Heavily influenced Populist movement.
 - iv. Henry Demarest Lloyd: *Wealth against Commonwealth* (1894)
 - 1. Utopian Ideology
 - 2. One of first anti-big business tracts to come from a member of the elite.
 - 3. Influential model of investigative journalism
 - 4. grew into muckraking in 20th century
 - 5. Criticized Standard Oil for corrupting the political system.
 - 6. His remedy was socialism gained through peaceful means.
 - v. Thorstein Veblen: *The Theory of the Leisure Class* (1899)
 - 1. Assailed the nouveau riche
 - 2. More widely read in the 1920s
 - vi. Jacob A. Riis: *How the Other Half Lives* (1890)
 - 1. Exposed the dirt, disease, vice, and misery of the rat-infested New York slums
 - 2. Heavily influenced Theodore Roosevelt
 - vii. Charlotte Perkins Gilman: *Woman and Economics* (1898)
 - 1. Considered a classic masterwork of feminist literature.
 - 2. Called on women to abandon their dependent status and contribute to the larger life of the community through productive involvement in the economy.

3. Advocated centralized nurseries and cooperative kitchens to facilitate women's participation in the work force
 4. Anticipated day-care centers & convenience-food services of a half-century later.
 - viii. By century's end, sweeping panaceas had lost appeal
 - ix. Reformers worked to solve specific problems thus leading to Progressive Movement
 - f. Reformers
 - i. The nation's social conscience gradually awakened to the troubles of cities
 - ii. Walter Rauschenbusch and Washington Gladden
 1. Protestant clergymen
 2. Sought to apply the lessons of Christianity to the slums and factories
 - iii. Jane Addams
 1. Established Hull House
 - a. Founded 1889
 - b. Most prominent American settlement house
 - c. Chicago, IL
 2. Addams condemned war as well as poverty
 3. Hull House offered
 - a. Instruction in English
 - b. Counseling to help immigrants deal with American big-city life
 - c. Childcare services for working mothers
 - d. Cultural activities for neighborhood residents
 - iv. Lillian Wald established Henry Street Settlement in New York in 1893
 - v. The settlement houses became centers of women's activism and of social reform
 - vi. Florence Kelley was a lifelong battler for the welfare of women, children, blacks, and consumers
6. The Business of Amusement
 - a. The Circus emerged in the 1880s
 - b. Baseball
 - i. Emerging as the national pastime
 - ii. 1870s a professional league was formed
 - c. Football exemplified the move to spectator sports
 - d. Basketball was invented in 1891

The Last West: The End of Frontier America

1. The Clash of Cultures on the Plains
 - a. White soldiers spread alcohol, cholera, typhoid, and smallpox to the Indians
 - b. Railroads encroached on territory
 - c. Bison driven to near extinction
 - i. After the Civil War, over 15 million bison grazed the western plains
 - ii. By 1885, fewer than 1000 were left
 - iii. Bison had been slaughtered for their tongues, hides, or for amusement
 - iv. Whites also put pressure on the shrinking bison population by hunting and grazing their own livestock on the prairie grasses
 - v. Way to control Indians
 - d. West inhabited by
 - i. Plains Indians: Sioux & Comanche
 - ii. SW Indians: Apache & Navajo
 - iii. NW Indians: Nez Perce & Shoshoni
 - e. Treaties:
 - i. Fort Laramie in 1851
 - ii. Fort Atkinson in 1853
 - iii. Treaties marked the beginning of the reservation system by the 1860s

1. Great Sioux Reservation in Dakota Territory
 2. Indian Territory in Oklahoma Territory
 - f. Massacres
 - i. Sand Creek, Colorado
 1. 1864
 2. Colonel J. M. Chivington's militia massacred 400 Indians
 3. Indians had posed no threat.
 - ii. Little Big Horn, Wyoming
 1. 1866
 2. Sioux war party attempted to block construction of the Bozeman Trail to the Montana goldfields
 3. Left no survivors when they ambushed Captain William J. Fetterman
 4. 81 soldiers and civilians killed in Wyoming's Bighorn Mountains
 - iii. Little Big Horn, Wyoming
 1. 1874
 2. Colonel George Armstrong Custer's Seventh Cavalry set out to suppress the Indians
 3. Sioux had attacked settlers who were searching for gold in the Great Sioux Reservation
 4. His cavalry was instead slaughtered
 - iv. The Nez Percé Indians
 1. Forced to surrender
 2. Deceived into being sent to a reservation in Kansas in 1877.
 - g. Reaction
 - i. By the 1880s, the nation began to realize the horrors it had committed upon the Indians
 - ii. *A Century of Dishonor* (1881)
 1. Helen Hunt Jackson
 2. Told of the record of government ruthlessness in dealing with the Indians
 3. She also wrote *Ramona* in 1884 which told of injustice to the California Indians
 - iii. The Dawes Severalty Act of 1887
 1. Dissolved many tribes as legal entities
 2. Wiped out tribal ownership of land
 3. Set up individual Indian family heads with 160 free acres
 4. If the Indians behaved like "good white settlers" then they would get full title to their holdings as well as citizenship
 5. Attempted to assimilate the Indians with the white men.
 6. Remained the government's official Indian policy until the Indian Reorganization Act of 1934
2. Impact of the Transcontinental Railroad on the Frontier
 - a. Established three western frontiers
 - i. Mining
 - ii. Cattle
 - iii. Farming (largely made possible by homesteading or land purchases from railroads)
 - b. Towns sprang up along railroad routes
 - i. Railroads given alternating square miles of territory 3 miles wide on each side of the track
 - ii. Railroads sold much land to settlers
3. Mining in the West (first of three frontiers)
 - a. Mineral-rich areas of the West were the first to extensively settled.
 - i. Following prospectors & commercial miners, ranchers & farmers followed
 - ii. Copper, lead, tin, quartz, & zinc more profitable than gold or silver in the long term
 - b. Pike's Peak, Colorado
 - i. Gold discovered in the Rockies 1858
 - ii. Thousands of "Pike's Peakers" or "fifty-niners" rushed west
 - iii. Only a few of the 100,000 "59-ers" profited

- iv. Thousands stayed in region to mine silver or farm grain
 - c. Many "fifty-niners" or "Pike's Peakers" to rush to the mountains the following year
 - d. Comstock Lode
 - i. Discovered in Nevada in 1859 (gold and silver)
 - ii. "Fifty-niners" now rushed to Nevada too
 - iii. Big population influx resulted in statehood in 1864
 - iv. Gave Lincoln 3 electoral votes
 - e. Copper mining
 - i. Colorado, Montana, Wyoming
 - ii. Increased demand for copper
 - iii. Due to increased use of telegraph, electric, and telephone wires
 - f. Boom towns to ghost towns occurred when mines petered out and towns abandoned
 - g. Corporations gradually came to dominate mining (need large capitalization)
 - h. Significance of mining
 - i. Attracted population and wealth to the Wild West
 - ii. Helped finance the Civil War
 - iii. Facilitated building of the railroads
 - iv. Intensified conflict between whites and Indians
 - v. Enabled gov't to resume specie payments in 1879
 - vi. Introduced the silver issue into American politics
 - vii. Added to American folklore and literature e.g. Bret Harte & Mark Twain
 - viii. Women gained the right to vote long before the women of the East
 - 1. in Wyoming (1869), Utah (1870), Colorado (1893), and Idaho (1896)
- 4. Cattle Raising (second of three frontiers)
 - a. Transcontinental railroad facilitated transportation of meat from long-horned cattle to cities
 - i. Cattle now driven to stockyards (e.g. Kansas City & Chicago)
 - ii. Beef tycoons like the Swifts and Armours emerged
 - iii. Refrigerator cars allowed transportation of fresh meat from stockyards to East
 - b. The "Long Drive"
 - i. Texas cowboys driving herds of cattle
 - ii. Over unfenced plains until they reached a railroad terminal where they could be sold
 - iii. Challenges to the "Long Drive":
 - 1. Homesteaders brought out by trans-continental railroad built barbed-wire fences that were too numerous to be cut down by the Cowboys
 - 2. Terrible winters of 1885-86 & 1886-1887 followed by scorching summer killed thousands of steer
 - 3. Overgrazing and over expansion also took their toll
 - 4. Ranchers built heartier stock and fenced them into controlled lands where they could feed and water them to keep them healthy
 - c. Wyoming Stock-Growers' Association
 - i. Cattle-raisers organized the Association
 - ii. To make the cattle-raising business profitable
- 5. Farming (the third western frontier)
 - a. The Homestead Act of 1862
 - i. Allowed a settler to acquire as much as 160 acres of land by living on it for 5 years, improving it, and paying a nominal fee of about \$30 (as low as \$10)
 - ii. Public land was now being given away
 - 1. To encourage a rapid filling of empty spaces
 - 2. To provide a stimulus to the family farm
 - 3. Rather than being sold primarily for revenue
 - iii. Results
 - 1. About 500,000 families migrated to the West. (20,000 by 1865)

2. About 5X as many purchased lands from RRs, land companies, or states.
 3. Land given to the settlers usually had terrible soil and the weather included no precipitation
 4. Thousands of homesteaders, maybe 2 of 3, forced to give up in the face of inadequate 160-acre plots and drought, hail, and ravage from insects
 5. Perhaps 10X more of public land ended up belonging to promoters, not farmers
 - a. Corporations used "dummy" homesteaders to grab the best properties
 - b. Containing lumber, minerals, and oil
 6. Western migration may have actually caused urban employers to maintain wage rates high enough to discourage workers from leaving to go farm the West
 7. Federal trend of "free land" lasted until 1934
 8. 6-year devastating drought in the West in the 1880s
 - a. Destroyed farmers' crops
 - b. "Dry Farming" took root on the plains
 - c. Methods of frequent shallow cultivation were adapted to the dry western environment
 - d. Over time it depleted and dried the soil
 - e. Cause of the Dust Bowl in the 1930s
- b. Development of the Great American Desert
- i. Black sod of the prairies (e.g. Kansas) could now be developed with special plows
 - ii. Land became extremely fruitful and shattered the myth of the Great American Desert
 - iii. Federally-financed irrigation projects helped deserts bloom (e.g. Mormons in UT)
 - iv. Tough strains of wheat resistant to cold imported from Russia flourished
 - v. Flour-milling process by John S. Pillsbury of Minneapolis, increased demand for grain.
 - vi. Barbed-wire
 1. Invented by Joseph F. Glidden in 1874
 2. By 1883, his company using his patent was making 600 miles of wire each day
 3. Gave farmer greater protection against trespassing cattle
 - vii. After the devastating 6-year drought in the West in the 1880s had destroyed farmers' crops, "dry farming" took root on the plains. Its methods of frequent shallow cultivation were adapted to the dry western environment, but over time it depleted and dried the soil
- c. Once wheat was introduced to the West, it flourished. Eventually federally-financed irrigation projects caused the Great American Desert to bloom
6. The End of the Frontier
- a. Incredible population growth from 1870s to 1890s
 - i. Colorado was admitted as a state in 1876 after the Pike's Peak gold rush
 - ii. 1888-1890:
 1. Republican Congress admitted six new States: ND, SD, MT, WA, ID, WY
 2. They sought more Republican electoral votes
 - iii. Utah admitted in 1896 after it banned polygamy in 1890
 - iv. Oklahoma Land Rush
 1. Many "sooners" illegally entered the District of Oklahoma
 2. April 22, 1889 the district was opened to the public and thousands came
 3. Land formerly occupied by the Creeks and Seminoles
 4. OK admitted as the "Sooner State" in 1907
 - b. The Frontier Fades Away
 - i. Superintendent of the Census
 1. In 1890 announced that for the first time a frontier line was no longer evident
 2. All the unsettled areas were now broken up by isolated bodies of settlement
 - ii. Frederick Jackson Turner: *Significance of the Frontier in American History* (1893)
 1. Argued closing of the frontier had ended an era in American history
 2. Used census report of 1890 to explain that settlement of the frontier had provided an explanatory framework for American development

3. His work also illustrates the psychological power of the frontier in that, with its passing, Americans began to realize that revitalizing opportunities were also vanishing
 - iii. Cities of the West began to grow
 1. Failed farmers, failed miners, and unhappy easterners sought fortune in cities
 2. After 1880
 - a. Area from Rockies to Pacific Coast was the most urbanized region in America
 - b. Measured by the percentage of people living in cities
7. Farm Becomes a Factory
 - a. The speed of harvesting wheat dramatically increased
 - i. in the 1870s by the invention of the twine binder
 - ii. in the 1880s by the combine
 - b. The mechanization of farms brought about the idea that farms were "outdoor grain factories"
 - c. Western Farmers became attached to the one-crop economy
 - i. Wheat or Corn
 - ii. High prices prompted farmers to concentrate on growing single "cash" crops
 - iii. Used their profits to buy produce at the general store and manufactured goods in town
 - iv. Were in the same lot as the southern cotton farmers
 - v. Price of their product was determined in a unprotected world market by the world output
 - d. In 1870, the lack of currency in circulation forced the price of crops to decrease (deflation)
 - e. Thousands of farms had mortgages, with the mortgage rates rising ever higher
8. Farmers' Plight
 - a. The good soil of the West was becoming poor
 - b. Floods added to the problem of erosion
 - c. Series of droughts
 - i. Beginning in the summer of 1887
 - ii. Forced many people to abandon their farms and towns
 - d. Farmers forced to
 - i. sell their low-priced products in an unprotected world market
 - ii. buy high-priced manufactured goods in a tariff-protected home market
 - e. Farmers' land often over assessed making property taxes higher
 - f. Farmers were also controlled by corporations and processors
 - g. Farmers were at the mercy of
 - i. Harvester trust
 - ii. Barbed-wire trust
 - iii. Fertilizer trust
 - iv. all of which could control the output and raise prices to high levels
9. Farmers Fight
 - a. Farmers made up ½ the population in 1890
 - b. The National Grange of the Patrons of Husbandry
 - i. Also known as the Grange
 - ii. Organized in 1867
 - iii. Led by Oliver H. Kelley
 - iv. Kelley's first objective was to enhance the lives of isolated farmers through social, educational, and fraternal activities
 - v. The Grangers gradually raised their goals from individual self-improvement to improvement of the farmers' collective troubles
 - vi. They established
 1. Cooperatively owned stores for consumers
 2. Cooperatively owned grain elevators and warehouses for producers
 - c. Granger Laws
 - i. Some Grangers entered politics and made Grange Laws

- ii. Held the idea of public control of private business for the general welfare
- iii. The Grangers' influence faded after courts had reversed their laws
- d. Farmers' Alliance
 - i. Farmers formed in Texas
 - ii. Late 1870s
 - iii. Goal was
 - 1. To break the grip of the railroads and manufacturers
 - 2. Through cooperative buying and selling
 - iv. The Alliance weakened itself by excluding blacks and landless tenant farmers
 - v. The Colored Farmers' National Alliance was formed in the 1880s to attract black farmers
 - vi. Out of the Farmers' Alliances the People's Party, also known as the Populists, emerged

10. The Rise of Populism

- a. Farmers in the West
- b. Organized Populist Party in 1892
- c. Frustrated with
 - i. laissez faire attitude of Fed Gov't
 - ii. cycle of falling prices
 - iii. scarce money
 - iv. debt
- d. Platform Goals
 - i. Tariff Reduction
 - ii. Graduated Income Tax
 - iii. Public Ownership of Railroads, telephones, and telegraph
 - iv. Popular Election of Senators
 - v. Creation of a new Federal Subtreasury - a scheme to provide farmers with loans for crops stored in government-owned warehouses
 - vi. Currency Reform - Unlimited Coinage of Silver
- e. Populism gained strength due to Depression of 1890s
 - i. Panic of 1893 strengthened the Populists' stance
 - ii. Farmers and laborers were being mistreated by an oppressive economic and political system
- f. "General" Jacob S. Coxey & Coxey's Army
 - i. Ohio businessman
 - ii. Founded the newspaper *Sound Money*
 - iii. In 1894, organized an "Industrial Army" - Coxey's Army
 - iv. Protest the federal government's inaction in the face of economic crisis.
 - v. Coxey proposed many programs that would later win acceptance during the New Deal
 - vi. Considered extremely radical in the 1890s
 - vii. Advocated the creation of government jobs for unemployed men
 - 1. Could improve the nation's roads
 - 2. Build public works
 - 3. In order to support their families
 - viii. Programs financed through the issue of government bonds.
 - ix. Marched on Washington in 1894
 - x. Picked up allies along the way
 - xi. Stirred panic among those who feared an insurrection of the unemployed
 - xii. Coxey's Army was driven from the Capitol lawn
 - xiii. Coxey was jailed for trespassing on the Capitol steps
 - xiv. His allies later read his speech into the Congressional Record
 - xv. Ran for U.S. Representative from Ohio in 1894 (he lost to a Republican)
 - xvi. Served as a delegate to the 1896 Populist convention
 - xvii. Many commentators associated Populism with "Coxeyism."
 - xviii. Demanded that the government relieve unemployment by an inflationary public works program
- g. The Populist Party fell far short of winning the election in 1892

- i. One of the main reasons was that the party supported and reached out to the black community
 - ii. Its leaders, such as Thomas Edward Watson, felt that a black man had every right to vote
 - iii. The Populist Party counted on many blacks votes from the South
 - iv. Unfortunately, many Southern blacks were denied the right to vote due to literacy tests
 - v. The Southern whites voted against the party due the party's equal rights views toward blacks
- h. The Populists will greatly influence the next generation of Urban Reformers - The Progressives

Fin