

## THE GILDED AGE: 1869-1889

Themes of the Gilded Age:

1. *Industrialism*: U.S. became the world's most powerful economy by 1890s: railroads, steel, oil, electricity, banking – America was transformed from an agrarian nation to an urban nation between 1865 and 1920.
2. *Politics*: hard vs. soft money ('70s & '90s); tariff ('80s); corruption due to greed, patronage & trusts (throughout late 19th c.)
3. *Urbanization*: millions of "New Immigrants" came from Southern and Eastern Europe, mostly to work in factories.
  - a. Unions and Reform movements sought to curb the injustices of industrialism.
  - b. Farmers increasingly lost ground in the new industrial economy and eventually organized (Populism)
4. *The "Last West"*: farming, mining, & cattle raising
5. By 1900 society had become more stratified into classes than any time before or since.

## INDUSTRIALISM: 1865-1900

### I. Major Ideas

- A. By 1900 the U.S. exceeded the combined output of Germany and Great Britain
  1. U.S. borrowed heavily from Europe
  2. after WWI, U.S. emerged as largest creditor.
  3. Technological innovations:
    - a. steel: railroads, skyscrapers, engines
    - b. oil: internal combustible engine, cars, subways, street railroads
    - c. Electricity: lights, power, refrigerated railroad cars
    - d. Advances in business: telephone, typewriter, cash register, adding machines
    - e. Mass popular culture (early 20th century): Cameras, phonographs, bicycles, moving pictures, amusement parks, professional sports
    - f. Contrasts 1st Industrial Revolution: textiles, coal, iron, early railroads.
  4. In 1880, about 50% of Americans worked in agriculture; only 25% by 1920
  5. Class divisions became most pronounced in US history during this period
  6. Farmers lost ground
    - a. In 1880, 25% of those who farmed did not own their land.
    - b. African Americans
      - i. 90% lived in the South
      - ii. 75% were tenants or sharecroppers
  7. Depressions and recessions led to unrest
    - a. 1873-1879; 1882-1885; 1893-1897; 1907-1908; 1913-1915

### II. Railroad building

- A. By 1900, 192,556 miles of track; 35,000 in 1865 alone (more than all Europe combined)
  1. Gov't subsidized transcontinental railroad building since unpopulated areas were initially unprofitable
  2. Railroad companies given 155.5 million acres along RR lines
  3. Gov't received low rates for postal service and military traffic in return
  4. Cities flourished where lines were laid while bypassed cities became "ghost towns"
- B. The Transcontinental Railroad (completed in 1869)
  1. Pacific Railway Act (1862):
    - a. Passed by Republican Congress during Civil War
    - b. Connecting the Pacific states seen as urgent to security
  2. Union Pacific Railroad appointed by Congress to build west from Omaha, NE
    - a. Company granted 20 square miles for each mile of track constructed
    - b. Company also granted federal loans for each mile:

- i. \$16,000 for flat land
      - ii. \$32,000 for hilly country
      - iii. \$48,000 for mountainous country
    - c. Construction began in 1865
    - d. Irish "paddies" who fought in the Union armies worked at a frantic pace.
    - e. Workers fended off attacks from hostile Indians; scores lost their lives
    - f. "Hell on wheels": tented towns sprang up at rail's end; drinking, prostitution
    - g. Insiders of the Credit Mobilier construction company pocketed \$73 million for some \$50 million worth of work – Bribed congressmen looked the other way
  - 3. Central Pacific Railroad pushed east from Sacramento over Sierra Nevada
    - a. Led by the "Big Four"
      - i. Leland Stanford – ex-governor of CA & future Senator
      - ii. Collis P. Huntington – VP; managed enterprise on day-to-day basis.
    - b. CP ran a relatively clean operation compared to Union Pacific (Credit Mobilier)
    - c. Gov't provided same subsidies as to Union Pacific
    - d. 10,000 Chinese laborers:
      - i. "coolies," worked as cheap, efficient and docile labor
      - ii. Hundreds lost their lives in premature explosions & other mishaps
    - e. Sierra Nevada became a major challenge as workers could only chip through a few inches a day through rocky tunnels
  - 4. Railroad completed at Promontory Point, Utah on May 10, 1869
    - a. Union Pacific built 1,086 miles of line
    - b. Central Pacific built 689 miles
  - 5. Significance:
    - a. Linked the entire continent via railroad and by telegraph
    - b. Paved the way for incredible growth of the Great West
    - c. Facilitated a burgeoning trade with the Orient
    - d. Seen by Americans at the time as a monumental achievement along with the Declaration of Independence and the freeing of the slaves
  - 6. Other Transcontinental lines
    - a. No subsequent RR received gov't loans but all received generous land grants
    - b. Northern Pacific Railroad completed in 1883 (Lake Superior to Puget Sound)
    - c. Atchison, Topeka, and Santa Fe RR completed in 1884 – Connected those cities through the southwestern deserts to California.
    - d. Southern Pacific: New Orleans to San Francisco via Los Angeles (1884)
    - e. Great Northern Railroad: Duluth, Minn. to Seattle; completed in 1893
      - i. Created by James G. Hill, probably the greatest of all the railroad builder – Believed prosperity of railroad depends on prosperity of area it serves
      - ii. Hill ran agricultural demonstration trains along his lines and imported bulls from England which he distributed to farmers
- C. Railroad Consolidation and Mechanization
- 1. Cornelius Vanderbilt (1794-1877)
    - a. Popularized the steel rail
      - i. replaced the old iron tracks of the NY Central RR
      - ii. Steel safer & more economical since it could carry a heavier load
    - b. Amassed a fortune of \$100 million dollars
  - 2. Jay Gould & Russell Sage by 1880 controlled much of RR traffic in West
    - a. Gutted their railroads by stock watering and pocketing profits rather than reinvest
    - b. Gould had earlier tried to corner the gold market during Grant's presidency
  - 3. Significant improvements in railroad building:
    - a. Steel, standard gauge of track width, Westinghouse air brake
    - b. Pullman Palace Cars afforded luxurious travel, introduced in 1860s
- D. Significance of America's railroad network
- 1. Spurred the industrialization of the post-Civil War years (especially steel)

2. Sprawling nation became united physically.
  3. Created enormous domestic market for US raw materials and manufactured goods – Probably the largest integrated market in the world.
  4. Stimulated creation of 3 Western frontiers:
    - a. Mining
    - b. Agriculture
    - c. Ranching
  5. Railroad led to great cityward movement of late 19th c
  6. RRs could feed huge numbers of people; supply raw materials & markets
  7. Facilitated large influx of immigrants
  8. Advertised in Europe free travel to new farms in the American West
  9. Spurred investment from abroad
  10. Concept of time altered with creation of distinct "time zones" from coast to coast
  11. Maker of millionaires; a new railroad aristocracy emerged
  12. Native Americans displaced and herded into ever-shrinking reservations
- E. Railroad corruption by the "Robber Barons"
1. Employed Selfish, Ruthless Biz Methods
  2. Exploited Workers
  3. Killed Competition
  4. Jay Gould: Forced prices of stocks to boom and bust on some of his lines
  5. stock watering:
    - a. Railroad stock promoters grossly inflated value of railroad stock
    - b. Railroad managers
      - i. forced to charge high rates
      - ii. waged ruthless competition to pay off the exaggerated financial obligations
  6. Railroad tycoons, for a time, became the most powerful people in America
    - a. Bribed judges and legislatures, employed effective lobbyists, and elected their own men to office
    - b. Gave free passes to journalists and politicians
  7. Eventually ruled as an oligarchy instead of cutthroat competition
    - a. "Pools"
      - i. Formed defensive alliances to protect their profits
      - ii. Competing firms agreed to divide the market, establish prices, place profits in a common fund, and pro-rate profits
    - b. Some gave secret rebates or kickbacks to large corporations
    - c. Slashed rates on competing lines but made up difference on other lines
    - d. Hurt farmers with long-haul, short-haul practices
  8. Cornelius Vanderbilt:
    - a. "Law! What do I care about the Law? Hain't I got the power?"
    - b. Ruined opponents rather than sue them legally
- F. Government regulation of the "Robber Baron" railroad tycoons
1. Initially, Americans slow to react to the excesses of the railroad plutocracy
    - a. Jeffersonian ideals hostile to gov't interference with business
    - b. Dedicated to free enterprise & to principle that competition fuels trade
  2. Believed anyone could become a millionaire: the "American dream"
    - a. Adam Smith:
      - i. The Wealth of Nations (1776)
      - ii. "bible" of capitalism
  3. Supreme Court decisions
    - a. Depression of 1870s inspired farmers to protest against being forced into bankruptcy by unfair railroad policies
    - b. Organized agrarian groups such as the Grange (Patrons of Husbandry) pressured many Midwestern legislatures to regulate the railroad monopoly
    - c. Slaughterhouse Cases, 1873
      - i. molded Court's interpretation of 14th Amendment for decades

- ii. Court ruled protection of "labor" was not a federal responsibility under the 14th Amendment but a state responsibility
    - iii. Significance: Protected businesses from federal regulation if they engaged only in intrastate commerce
  - d. Munn v. Illinois, 1877
    - i. One of so-called farmer "Granger Laws"
    - ii. Decision: Public always has the right to regulate business operations in which the public has an interest
    - iii. ruled against railroads
  - e. Wabash case, 1886
    - i. Significance: Supreme Court ruled that individual states had no power to regulate interstate commerce;
    - ii. responsibility rested with the federal gov't.
    - iii. In effect, overturned Munn v Illinois
    - iv. Illinois law had prohibited short haul & long haul practices
    - v. Stimulated push for Interstate Commerce Act of 1887
  - f. 1886, Court ruled a corporation was a "person" under the 14th Amendment
    - i. Thus, extremely difficult for federal gov't to regulate corporations especially since Court justices and many gov't officials often sided with corporations
    - ii. Railroad companies in particular hid behind the decision
- 4. Interstate Commerce Act passed in 1887
  - a. Passed despite Cleveland's disapproval
  - b. Set up Interstate Commerce Commission (ICC) (most important provision) to enforce and administer the new legislation
  - c. Prohibited rebates and pools and required railroads to publish their rates openly
  - d. Forbade unfair discrimination against shippers and outlawed charging more for short haul than long haul over the same line
  - e. Positive result: provided an orderly forum where competing business interests could resolve their conflicts in peaceful ways
  - f. Yet, ICC didn't effectively regulate the railroads
  - g. more of a panacea to public
  - h. 1st large-scale attempt by gov't to regulate business in the interest of society
  - i. Precedent for future regulatory commissions in 20th century

### III. Industrialism and Mechanization

- A. Civil War profiteering created huge fortunes and a class of millionaires now eager to invest.
- B. Natural resources fed industrial growth.
  - 1. Mesabi Range deposits in Minnesota-Lake Superior region yielded huge tracts of iron ore for steel industry
  - 2. Unskilled labor, both domestic and foreign, was now cheap and abundant
- C. Whitney's interchangeable parts concept now perfected by industry
  - 1. Cash register, stock ticker, and typewriter facilitated business operations
  - 2. Women increasingly entered the workplace to run these machines
  - 3. Patents increased significantly between 1860-1890
  - 4. Urbanization spurred by the refrigerator car, electric dynamo, & the electric railway
- D. Alexander Graham Bell's telephone (1876)
  - 1. Telephone network created nation-wide within a few years
  - 2. Young women (usually middle class) worked as operators
  - 3. Office positions still within "Cult of Domesticity" parameters
- E. Thomas A. Edison
  - 1. Electric light (most famous), phonograph, mimeograph, Dictaphone, moving pictures
  - 2. "Genius is 1% inspiration and 99% perspiration"
  - 3. Electricity became another cornerstone of the industrial revolution
  - 4. Cities illuminated, electric railcars, etc.

#### IV. The Trust emerges – destruction of competition

- A. "Vertical integration"
  - 1. controlling every aspect of the production process
  - 2. Pioneered by Andrew Carnegie:
    - a. steel co. mined ore in Mesabi Range (leased from Rockefeller)
    - b. shipped ore to the Great Lakes
    - c. railroaded to steel factories in Pittsburgh
  - 3. Goal is to improve efficiency by making supplies more reliable, controlling the quality of the product at all stages of production, and eliminate middlemen's fees
  - 4. Not as detrimental as horizontal consolidation
- B. "Horizontal integration"
  - 1. Consolidating with competitors to monopolize a given market
  - 2. John D. Rockefeller: Pioneered the "trust" in 1882 as a means of controlling his competition through the Standard Oil Company
  - 3. Trust: Stockholders in various smaller oil companies sold their stock and authority to the board of directors of Rockefeller's Standard Oil Company
    - a. Stockholders receive trust certificates and the board of trustees exercises full control of the business
    - b. Trust consolidated operations of previously competing enterprises
    - c. Standard Oil eventually cornered the world petroleum market
    - d. Was worth about \$900 million upon his retirement in 1897
    - e. Incredible considering auto industry not born yet
- C. "Interlocking directorates" mastered by J. P. Morgan
  - 1. Depression of 1890s drove many struggling businessmen into Morgan's arms
  - 2. Sought to consolidate rival enterprises and ensure future harmony by placing officers of his own banking syndicate on their various boards of directors
  - 3. Eventually, holding companies, came to thwart anti-trust legislation
    - a. Bought controlling shares of stock in member companies instead of purchasing companies outright
    - b. While the "held" companies remained separate businesses on paper, in reality, the holding company controlled them
    - c. Holding Companies made trusts unnecessary and permitted actual mergers
- D. Concentration of financial power enhanced economic growth, paved the way for large-scale mass production, and stimulated new markets

#### V. The Steel Industry emerges

- A. Cornerstone of the 2nd American Industrial Revolution
  - 1. Held together skyscrapers, coal scuttles, railroad tracks.
  - 2. Typified "heavy industry" which concentrated on making "capital goods" rather than consumer goods
  - 3. By 1900, U.S. was producing as much steel as Britain and Germany combined
- B. Bessemer process -1850s
  - 1. Turned iron into steel
  - 2. Steel could now be readily produced for locomotives, steel rails, and the heavy girders used in building construction
- C. Andrew Carnegie
  - 1. Brought to US from Scotland as a boy by impoverished parents in 1848
  - 2. Disliked monopolistic trusts
    - a. His organization was a partnership that involved about 40 "Pittsburgh Millionaires" at one point.
    - b. Henry Clay Frick – his general manager and partner
  - 3. By 1890, Carnegie was producing about 1/4 of the nation's Bessemer steel
  - 4. Eventually sold his company to J. P. Morgan for over \$400 million
  - 5. Spent rest of life giving money away to the public: libraries, pensions for professors, etc.
  - 6. in all, gave away about \$350 million
- D. J. Pierpont Morgan

1. Owned a Wall Street banking house
2. financed the reorganization of railroads, insurance companies, and banks
3. Reputation for integrity; did not believe "money power" was dangerous unless it was in the wrong hands
4. In 1901, he launched the enlarged United States Steel Corporation
  - a. Combination of Carnegie's holdings and others, and stock watering
  - b. Corporation capitalized at \$1.4 billion making it America's first billion-dollar corporation (greater than sum of entire nation in 1800!)
  - c. However, half of stock's worth was water
  - d. Elbert H. Gary, a co-leader of USX
5. Charles Schwab also important in shaping steel industry (Bethlehem Steel)

#### VI. The Petroleum industry and other trusts

- A. First well in PA in 1859 started U.S. petroleum industry overnight
  1. Oil would dwarf the wealth generated by all the gold extracted in West
  2. Kerosene emerged as standard for lamps, crippling old whale-oil business
- B. John D. Rockefeller
  1. Came from modest background & became a successful businessman at 19
  2. In 1870, organized the Standard Oil Co. of Ohio
  3. By 1877, Rockefeller controlled 95% of oil refineries in U.S
  4. Pursued a policy of rule or ruin; ruthless in his business tactics
  5. Believed he was obeying law of nature – survival of the fittest.
  6. Standard Oil produced a quality product at a cheap price which fueled important economies home and abroad
    - a. Large-scale methods of production and distribution
    - b. Consolidation proved more profitable than ruinous price wars
- C. Gustavus F. Swift & Philip Armour became kings of the meat industry
  1. Enormous profits from western herds
- D. Andrew Mellon
  1. Financier who became one of America's greatest venture capitalists
  2. Expert ability to select, back, and acquire shares of promising business ventures such as Aluminum Co. of America, Gulf Oil Corporation, and the Pittsburgh Coal Company

#### VII. "Nouveau Riche" – arrogant class of "new rich" after Civil War

- A. Older American aristocracy of successful merchants and professionals highly resentful and concerned about the change in the order of society
  1. Patrician families losing power and prestige in the face of the "new rich"
  2. Economic liberty and community involvement being overshadowed by monopoly and political machines
- B. Antitrust crusaders generally led by the "best men"
  1. genteel old-family do-gooders who were conservative defenders of their own vanishing influence
  2. Roosevelts, Wilson, Mugwumps
- C. Despite plutocracy and deep class divisions, the captains of industry provided material progress
- D. Social Darwinism
  1. Charles Darwin – Origin of the Species
  2. "survival of the fittest" theory
  3. Although Darwin's work was rooted in biology, others used his theory as the foundation for promoting the virtues of free-market capitalism
  4. Herbert Spencer – advocated idea of Social Darwinism
    - a. Applied Darwin's theory of natural selection to human competition
    - b. Established sociology as a respected discipline in the U.S.
  5. "Millionaires a product of natural selection" – William Graham Sumner
- E. Some argued that Divine Providence was responsible for winners and losers in society
  1. God had granted wealth as He had given grace for material and spiritual salvation of the select few – John D. Rockefeller: "The good Lord gave me my money"

2. Resembled "Divine Right of Kings" in justifying power
3. Identity-of-interest idea held that existing hierarchy was just & decreed by God
4. Those who stayed poor must be lazy and lacking in enterprise
  - a. Many of the new rich had succeeded from modest beginnings (Carnegie)
  - b. Rev. Russell Conwell:
    - i. "Acres of Diamonds" lectures made him rich
    - ii. "There is not a poor person in the U.S. who was not made poor by his own shortcomings."

F. The Gospel of Wealth

1. justified uneven distribution of wealth by industrialists
2. Andrew Carnegie: The Gospel of Wealth synthesized prevailing attitudes of wealth and survival of the fittest
3. Wealth was God's will
4. Stated money should be give away for the public good but not to individuals in want (Rockefeller gave away \$550 million by his death at age 97).
5. Believed in the long run extreme disparities of wealth were good for the "race," because the wealthy added to civilization
6. Believed alternative to inequities of wealth was universal squalor
7. Identity-of-interest argument

G. By 1890, value of all property in U.S. estimated at \$65 billion

H. \$25 billion of which was represented in the assets of corporations

VIII. Government regulation of trusts

A. Sherman Anti-Trust Act of 1890

1. Created in response to public demand for curbing excesses of trusts
2. Provisions:
  - a. Forbade combinations in restraint of trade in interstate commerce
  - b. no distinction between "good" trusts and "bad" trusts
  - c. provided fines & imprisonment for violators
  - d. Prescribed 3-fold damages in court to any person proving he had been injured by competition of business monopoly
3. Largely ineffective as it had no significant enforcement mechanism
  - a. First 7 of 8 decisions presented by atty general shot down by Court
  - b. U.S. v. E.C. Knight, Co. 1895 – Court ruled sugar refining was manufacturing and not trade or commerce
  - c. More trusts formed in 1890s under President McKinley than during any other like period
  - d. Not until 1914 (Clayton Anti-Trust Act) was Sherman Act given teeth
4. Ironically, used by corporations to curb labor unions or labor combinations that were deemed to be restraining trade

B. Public interests now eclipsing private enterprise in political power due to such acts as the Interstate Commerce Act of 1887 and the Sherman Anti-Trust Act

C. Revolutionary in the sense that public was shifting toward government protection

IX. The "New South"

A. The Changing South after the Civil War

1. Politics: for Southern whites, Democratic party only viable political organization
2. To ensure its control, each southern state passed legislation taking voting rights away from blacks (e.g., literacy tests, poll taxes, and "grandfather clauses.")
3. Social: White leadership adopted Jim Crow laws that required racial separation of public facilities Most political/economic power remained in hands of powerful white aristocracy.
4. "Redeemers" and "Bourbons": Powerful conservative oligarchy that controlled every Southern state government after the end of Reconstruction
5. Although at times similar to antebellum planter class, it also included merchants, industrialists, railroad developers, or financiers.

- B. "New South"
    - 1. Some gains made in textile industry but by 1900, South still produced a smaller % of nation's manufactured goods than it had before the Civil War
    - 2. Henry W. Grady, editor of the Atlanta Constitution, most famous of southerners who urged the South to out-produce the North commercially and industrially
    - 3. Mill towns: Most visible signs of Southern industrial expansion after Reconstruction
      - a. Textile factories encouraged by Southern conservative governments, which could offer low taxes, a cheap labor supply, and an abundance of water power
      - b. Mill towns controlled their workers' lives. While providing community and solidarity among workers, mill towns prevented union organization
  - C. The Tobacco Trust
    - 1. Tobacco industry grew dramatically after 1880 when machine-made cigarettes replaced hitherto practice of rolling one's own
    - 2. James Buchanan Duke & family: mass-produced slim cigarettes: American Tobacco Co.
  - D. Industrialism partially impaired by high railroad rates traveling northward
  - E. Agriculture still dominated; South remained rural, industrialism slow to take hold
    - 1. Plantation system degenerated into a pattern of absentee land ownership among both with and black sharecroppers
    - 2. Crop-lien system was at the core of Southern agriculture – Sharecropping
      - a. A farmer mortgaged his ungrown crop in return for use of land and to acquire supplies from the owner of a local store selling tools or seed
      - b. Since merchants seldom had competitors, farmers paid inflated prices for goods purchased on credit as well as high interest
      - c. Often, a farmer's harvest was given away in its entirety to the merchant but the farmers still remained in debt
      - d. Indebtedness tended to increase annually resulting in the eventual loss of land for the farmer.
      - e. This system of economic tyranny contributed in increase in cash crop growth as they were seen as a more profitable way of paying off debts
  - F. The "Lost Cause" and "Redemption"
    - 1. Southerners remained proud of their defiance in defense of states' rights during the Civil War
    - 2. After Reconstruction ended, "Redemption" resulted in Confederate memorials and cemeteries commemorating the "Lost Cause."
    - 3. Joel Chandler Harris: Uncle Remus (1880)
      - a. Harris' tales depicted antebellum slave society as a harmonious world
      - b. Nostalgic tales popular & showed the role & power of Southern past
- X. Impact of the Second Industrial Revolution on America
- A. Standard of living rose sharply as well-fed American workers enjoyed more physical comforts than any other nation
  - B. Urban centers mushroomed as factories increasingly demanded more labor
  - C. American agriculture eclipsed by industrialism: railroads, steel, oil, electricity
  - D. Free-enterprise eclipsed by monopoly
  - E. The work-place became regimented and impersonal
  - F. Women achieved social and economic independence as careers in typing, stenography, and switchboard operators became available
  - G. Marriages delayed, smaller families resulted
  - H. Social stratification most pronounced in US history
    - 1. By 1900, about 10% controlled 90% of the nation's wealth
    - 2. Lower classes envious and resentful of the nouveau riche
  - I. Foreign trade developed as high US productivity threatened to flood US market
- XI. Rise of the Labor Movement
- A. Conditions for workers in the 2nd industrial revolution were precarious
    - 1. Low-skilled jobs make workers expendable as number of workers abundant

- a. Automation created short-term losses of jobs; better in long-run
- b. Before mechanization, most manufacturing done by skilled craft workers
- 2. earliest unions were trade unions, such as shoemakers, saddle-makers, etc.
  - a. Working conditions often dismal and impersonal
  - b. Recourse minimal the face of the vast power of industrialists
    - i. Strikes often nullified by the use of "scab" workers
    - ii. Conservative federal courts often ruled in favor of corporations
    - iii. Corporations could also ask states to call in troops.
    - iv. Employers could lock-out rebellious workers & starve them into submission.
    - v. Forced to many to sign "ironclad oaths" or "yellow dog contracts" which were agreements not to join a labor union.
    - vi. Also blacklisted noncompliant workers.
  - c. Corporations sometimes owned a "company town" where high priced grocery stores, easy credit, and sometimes rent deductions created a cycle debt.
  - d. Public grew tired of frequent strikes; often unsympathetic to the workers' plight
  - e. Strike seemed to many foreign and socialistic and thus, unpatriotic
- 3. Labor's goals of currency reform, greenback currency, and opposition to national banks alarmed conservatives for the rest of the century
- 4. Yet, US wages were perhaps the highest in the world
- B. Civil War boosted labor unions
  - 1. Drain of human resources put more value on labor
  - 2. Mounting cost of living created urgent incentive to unionization
  - 3. By 1872, several hundred thousand organized workers and 32 national unions existed including crafts as bricklayers, typesetters, and shoemakers.
  - 4. Collective bargaining emerged as standard union practice.
- C. National Labor Union organized in 1866
  - 1. led by William Sylvis
  - 2. Major boost to the union movement
  - 3. Designed to bring together skilled craft unions into one large one
  - 4. Lasted 6 years; attracted about 600,000 workers inc. skilled & unskilled farmers
  - 5. Focused on social reform such as abolition of the wage system
  - 6. but also fought for goals such as 8-hr. work-day and arbitration of industrial disputes
  - 7. Succeeded in getting 8-hr day for gov't workers but laws had no means of enforcement and provisions were not implemented.
  - 8. Blacks formed their own national labor union in 1869 when they were no longer welcome in the NLU
  - 9. NLU killed by depression of 1870s
- D. Molly Maguires
  - 1. formed in 1875 by Irish anthracite-coal miners in Pennsylvania
  - 2. Members were part of an Irish American secret fraternal organization (Ancient Order of Hibernians)
  - 3. Mollies used intimidation, arson, and violence to protest owners' denial of their right to unionize.
  - 4. President of Reading Railroad called in Pinkerton detective agency for help
  - 5. Mollies infiltrated and incriminating evidence was gathered
  - 6. Mollies destroyed and twenty of its members hanged in 1877
  - 7. The Mollies became martyrs for labor and a symbol for violence among conservatives.
- E. Great Railroad Strike (1877)
  - 1. Several railroads informed workers wages to be cut by 10% for 2nd time since 1873.
  - 2. First nationwide strike
  - 3. Paralyzed railroads throughout the East and Midwest and idled some 100,000 workers.
    - a. Later, farmers, coal miners, craft workers, & the unemployed joined in
    - b. Involved 14 states and ten railroads.
  - 4. President Hayes sanctioned use of federal troops in PA
    - a. set precedent for future federal intervention

- b. Led to over 100 deaths and terrified propertied classes.
  - 5. The strike inspired support for the Greenback-Labor party in 1878 and Workingmen's parties in the 1880s.
- F. Knights of Labor seized the torch of the defunct NLU
  - 1. Background
    - a. Led by Terence Powderly – a moderate; not a radical
    - b. Founded in 1869 as a secret society (like the Masons and others)
  - 2. Officially known as The Noble and Holy Order of the Knights of Labor
    - a. Secrecy continued through to 1881 to forestall possible reprisals by employers
    - b. Used republican imagery associated with Lincoln that each man should have a say in the political & economic issues that affected him
    - c. Much of leadership and membership was Irish
  - 3. Sought to include all workers in "one big union" including blacks & women
    - a. Excluded only liquor dealers, gamblers, lawyers, bankers, and stockbrokers
    - b. Industrial unionism idea was ahead of its time (not seen until 1930s)
    - c. Most 19th c. unions were trade unions with skilled workers
  - 4. Campaigned for economic and social reform
    - a. Producers' cooperatives and codes for safety and health
    - b. end to child labor
      - i. Cooperative idea paralleled the Grange in the west
      - ii. Sought to replace wage system with all workers owning factories
    - c. Fought for
      - i. an 8-hr workday through winning a number of strikes,
      - ii. higher pay and equal pay for women.
      - iii. Government regulation of railroads
      - iv. postal savings banks
      - v. gov't paper currency
      - vi. Sought arbitration rather than industrial warfare.
      - vii. Discouraged strikes and violence as a means for change
      - viii. Powderly's ban on strikes would be ignored and lead to the Knight's demise
    - d. Won major strike in 1885 against Gould's struggling railroads
    - e. Victory increased Knight's membership to more than 700,000 in 1886.
  - 5. Demise due to the Great Upheaval (1886)
    - a. 1,400 strikes involving 500k workers.
    - b. Knights seen as huge organization that could throw econ. into chaos
    - c. Involvement in a number of May Day strikes in 1886 resulted in 50% failure
    - d. Haymarket Square Bombing in Chicago
      - i. May 4, 1886, Chicago police advanced on a meeting called to protest alleged brutalities by the authorities in May Day strikes
      - ii. Alleged German anarchists present who advocated a violent overthrow of gov't
      - iii. A dynamite bomb was thrown in the crowd that killed 8 police; 60 officers injured by police fire; 7 or 8 civilians killed; 30-40 wounded
      - iv. Resulted in the first full-blown red scare in Chicago for 2 months.
      - v. Five anarchists sentenced to death and three others given stiff prison sentences although nobody could prove they had anything to do with the bombing
      - vi. In 1892, Gov. John P. Altgeld, a German-born Democrat pardoned the 3 survivors after exhaustive study of the Haymarket case
      - vii. Defeated for reelection probably due to a conservative backlash.
    - e. The rise of Workingmen's parties in various cities scared conservatives who blacklisted members through employers' associations
    - f. Employees had to sign "yellow dog" contracts or take "iron clad" oaths
    - g. Knights of Labor became mistakenly associated with anarchists
    - h. 8-hr movement suffered and subsequent strikes met with many failures



- iii. Strike crushed and 150,000 ARU destroyed.
  - e. Debs and his lieutenants sentenced to 6 mos. jail time for contempt of court
  - f. Debs used his time to read radical literature which laid a philosophical foundation for his later leadership of the Socialist movement in U.S.
  - g. First time gov't used an injunction to break a strike
    - i. The gov't made striking, an activity not previously defined as illegal, a crime
    - ii. Labor cried "gov't by injunction"
    - iii. Laborites held in contempt of court could be imprisoned w/o jury trial.
    - iv. Populists & other debtors concerned as Pullman episode proof of an alliance between big business and the courts
- 3. Between 1881-1900, 23,000 strikes occurred involving 6.6 million workers.
  - a. Biggest weakness: only represented about 3% of all working people.
  - b. Public finally began to accept workers' right to organize, bargain collectively, and strike
  - c. Labor Day made a legal holiday by Congress in 1894.
- I. Labor movement by the early 20th century
  - 1. Lochner v. New York, 1905 – Supreme Court overturned a New York law limiting New York bakers to 60/hr weeks
  - 2. Danbury Hatters case, 1908 in CT had assessed more than \$250K on striking hatmakers who were striking
    - a. workers were to lose savings and homes.
    - b. Supreme Court had ruled trade union had violated Sherman Act by interfering with interstate commerce
  - 3. Supreme Court in 1908 upheld use of broadest injunctions and did much to destroy organized labor
  - 4. In 1910 membership had been reduced to 1.5 million, down from 2 million in 1904; 250k in 1897; 870k in 1900
  - 5. AFL vigorously entered national politics in 1908 and endorsed Democratic party
  - 6. Clayton Anti-Trust Act, 1913
    - a. exempted unions from Sherman Antitrust provisions
    - b. Hailed by Gompers as "the Magna Carta of labor."
    - c. By 1917 AFL membership reached 3 million
  - 7. "Red Scare" after WWI led to crackdowns on labor and the movement declined significantly until New Deal in the 1930s

## ***POLITICS***

- I. Ulysses S. Grant as president
  - A. Most popular figure to emerge from Civil War
    - 1. People eager for a change from politics-as usual; Grant appeared to be non-political
    - 2. Grant received and accepted many gifts such as houses and large sums of money as if the country owed him for winning the war.
  - B. Scandals
    - 1. Grant presided over an era of unprecedented growth and corruption
    - 2. Considered one of worst presidents in US history due to
      - a. much corruption in his administration
      - b. his reluctance to try to end graft in other areas
    - 3. "Jubilee Jim" Fiske and Jay Gould attempted to corner gold market in 1869
      - a. Persuaded Grant to make the federal Treasury refrain from selling gold.
      - b. Fiske and Gould then bid price of gold upward.
      - c. Treasury finally released gold and the bubble burst ("Panic of 1869")
      - d. Like the Crash of 1929 with overspeculation and inflated stock values.
      - e. Congressional probe found Grant did nothing illegal but acted recklessly.
    - 4. Credit Mobilier scandal

- a. Railroad construction company formed by insiders of Union Pacific Railway
- b. Hired themselves to build the railroad and paid themselves huge fees.
  - i. Paid dividends of 348% in one year
  - ii. Distributed shares of stock to congressmen to avoid interference.
- c. NY newspaper exposed scandal in 1872 & charges confirmed by subsequent Congressional investigation that censured 2 members & VP
- d. Grant's reputation tarnished although most corruption before his presidency.
- 5. Whiskey Ring
  - a. 1875, public discovered Whiskey Ring had robbed millions in excise-tax revenues.
  - b. Grant: "Let no man escape"
  - c. Yet, one of Grant's own cabinet members part of the scam.
  - d. Grant persuaded the jury not to convict.
  - e. Secretary of War Belknap pocketed \$24,000 for selling the privilege of disbursing supplies to Indians; supplies often worthless.
  - f. House voted to impeach him and he resigned the same day.
  - g. Grant accepted resignation "with great regret."

## II. Panic of 1873 and the subsequent depression (1873-1879)

- A. Causes – same old, same old
  - 1. Overproduction of railroads, mines, factories and farm products.
  - 2. Bankers made too many risky loans to finance growth.
    - a. Many loans went unpaid and the banking system collapsed
    - b. 15,000 businesses went bankrupt.
  - 3. Depreciation of Greenbacks resulted in hard-money advocates seeking to increase dollar's value
    - a. Treasury withdrew \$100 million decreasing money available to \$350 million
    - b. Hard-money advocates pleased; soft-money advocates dismayed.
- B. Greenback Issue
  - 1. Contraction
    - a. 1874, to stimulate economic growth Congressional Democrats sought inflation by printing more Greenbacks into circulation.
    - b. Grant persuaded by hard money folks to veto bill to print more paper \$
  - 2. Conservatives feared uncontrolled growth of money supply and inflation.
  - 3. Specie Resumption Act of 1875
    - a. Further withdrawal of Greenbacks
    - b. Redemption of all paper currency in gold (not silver) at face value in 1879.
  - 4. Deflation resulted due to less money in circulation.
    - a. Deflation: A persistent price decline of goods and services - the inverse to inflation. Deflation usually occurs during a recession and is characterized by supply exceeding demand, and while there is increased buying power, the amount of currency in circulation is greatly reduced. Marked deflation generally affects production and employment negatively.
    - b. Deflation should not be confused with disinflation, which is a result of a slow down in the rate that prices increase
  - 5. Worsened impact of depression
  - 6. Yet, boosted nation's credit rating
  - 7. Brought Greenbacks up to full face value.
- C. Debtors push for silver
  - 1. Debtors sought to cause inflation that would increase money supply, making it easier to pay debts.
  - 2. Treasury in early 1870s claimed silver was only 1/16 value of gold although silver although prices were higher in the market.
  - 3. Silver producers stopped offering silver for sale to federal mints and Congress stopped coinage of silver dollars in 1873 – U.S. now off bimetal standard.
  - 4. Silver values hurt further by new mines in West that drove downward silver prices.
  - 5. Westerners cried that the downward trend in silver prices was the "crime of 1873"

- a. Silver mining states demanded return to earlier silver prices in order to boost inflation.
- b. Republicans refused and Grant maintained hard-money policy.
- 6. Bland-Allison Act of 1878
  - a. Compromise where gov't would buy and coin between \$2-4 million silver per month.
  - b. Yet, gov't stuck to legal minimum and inflation did not occur.
  - c. Although economy grew, currency in circulation didn't keep pace
  - d. Resulting in lower prices.
- D. Greenback Labor Party
  - 1. Formed in 1878
  - 2. Seeking soft-money
  - 3. Elected 14 members to Congress while polling over a million votes.
  - 4. After depression ended in 1879, the currency issue did not come back to center stage until 1890s.

### III. Cleveland's Presidency

- 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.
  - 1. Republicans favored a high tariff
  - 2. Democrats hated it
  - 3. Republicans (esp. William McKinley) argued that it stimulated American industry and enriched all Americans (like "trickle down")
  - 4. labor supported McKinley somewhat
  - 5. High tariffs since the Civil War created a treasury surplus annually by 1881 amounting to \$145 million.
  - 6. Tariffs stifled American foreign trade, 75 to 80% of which was agricultural
    - a. Pushed costs for farm production higher
    - b. As producers and consumers, farmers were double victims
    - c. Workers' wages did not increase nearly at the rate tariffs increased prices
  - 7. Cleveland sought lower tariffs
    - a. Believed lower tariffs = lower prices for consumers & less protection for monopolies.
    - b. Would also end embarrassing treasury surplus
    - c. In 1887 annual address to Congress, Cleveland spent entire speech appealing for lower tariffs
    - d. The tariff determined the election of 1888
- D. Landmarks during Cleveland's term (though not necessarily supported by Cleveland)
  - 1. Dawes Act - designed to control Indians
  - 2. Interstate Commerce Act - designed to curb railroads
  - 3. Retrieved 81 million acres of public domain in the West
    - a. land that had been improperly acquired
    - b. by "cattle barons" or the railroads

### IV. Election of 1888 – Tariff primary issue

- A. Democrats grudgingly renominated Cleveland.
- B. Republicans nominated Benjamin Harrison
- C. Harrison d. Cleveland 233-168
- D. Cleveland had more popular votes
- E. Only 2nd time in U.S. history person with most popular votes lost election
- F. Cleveland the first sitting president to be voted out since Van Buren in 1840.
- G. Republicans interpreted victories in House (1st time in over a decade) and the Senate as a mandate for the tariff
- H. Tariffs subsequently increased

#### V. The Panic & Depression of 1893 – 1897

- A. Depression of the 1890s was on a par with the Great Depression
- B. In some places it began before 1890
  - a. deep agricultural crisis
  - b. hit Southern cotton-growing regions in the late 1880s
  - c. hit the Great Plains in the late 1880s
- C. The shock hit Wall Street and urban areas in 1893
- D. Part of a massive worldwide economic crisis
- E. A quarter of the nation's railroads went bankrupt
- F. In some cities, unemployment exceeded 20 – 25 %

#### VI. Differing American Experiences

- A. The Poor
  - a. Some poor families starved and others became wanderers
  - b. Unemployed "tramps" crisscrossed the countryside
  - c. Many poor pleading for work or food
  - d. Some of the unemployed blamed themselves
  - e. Stories of despair and suicide ran almost daily in many newspapers
- B. The Middle Class
  - a. many Americans blamed those who could not find work
  - b. accused them of laziness or begging
- C. The Upper Class
  - a. Many in the comfortable classes feared violence and anarchy
  - b. bitter labor conflicts occurred
    - i. the Homestead strike at the Carnegie Steel Works
    - ii. the Pullman strike in Chicago
    - iii. captured the nation's attention
  - c. Many upper class blamed violence on the strikers
  - d. others sympathized with the plight of the underpaid and unemployed

#### VII. The Rise of Populism

- A. Farmers in the West
- B. Organized Populist Party in 1892
- C. Frustrated with
  - a. laissez faire attitude of Fed Gov't
  - b. cycle of falling prices
  - c. scarce money
  - d. debt
- D. Platform Goals:
  - a. Tariff Reduction
  - b. Graduated Income Tax
  - c. Public Ownership of Railroads
  - d. Popular Election of Senators
  - e. Currency Reform – Unlimited Coinage of Silver
- E. Populism gained strength due to Depression of 1890s

#### VIII. Jacob Coxey

- A. Ohio businessman
- B. founded the newspaper *Sound Money*
- C. In 1894, organized an "Industrial Army" – Coxey's Army
- D. protest the federal government's inaction in the face of economic crisis.
- E. Coxey proposed many programs that would later win acceptance during the New Deal
- F. considered extremely radical in the 1890s
- G. advocated the creation of government jobs for unemployed men
  - a. could improve the nation's roads
  - b. build public works,

- c. in order to support their families
- H. Programs financed through the issue of government bonds.
- I. marched on Washington
- J. picked up allies along the way
- K. also stirred panic among those who feared an insurrection of the unemployed
- L. the Army was driven from the Capitol lawn
- M. Coxey was jailed for trespassing on the Capitol steps
- N. His allies later read his speech into the Congressional Record
- O. ran for U.S. Representative from Ohio in 1894 (he lost to a Republican)
- P. served as a delegate to the 1896 Populist convention
- Q. many commentators associated Populism with "Coxeyism."
- R. Jacob Coxey's Address on Behalf of the Industrial Army:
  - a. The Constitution of the United States guarantees to all citizens the right to peaceably assemble and petition for redress of grievances, and furthermore declares that the right of free speech shall not be abridged. We stand here to-day to test these guaranties of our Constitution. We choose this place of assemblage because it is the property of the people. . . . Here rather than at any other spot upon the continent it is fitting that we should come to mourn over our dead liberties and by our protest arouse the imperiled nation to such action as shall rescue the Constitution and resurrect our liberties. Upon these steps where we stand has been spread a carpet for the royal feet of a foreign princess, the cost of whose lavish entertainment was taken from the public Treasury without the consent or the approval of the people. Up these steps the lobbyists of trusts and corporations have passed unchallenged on their way to committee rooms, access to which we, the representatives of the toiling wealth-producers, have been denied. We stand here to-day in behalf of millions of toilers whose petitions have been buried in committee rooms, whose prayers have been unresponded to, and whose opportunities for honest, remunerative, productive labor have been taken from them by unjust legislation, which protects idlers, speculators, and gamblers: we come to remind the Congress here assembled of the declaration of a United States Senator, "that for a quarter of a century the rich have been growing richer, the poor poorer and that by the close of the present century the middle class will have disappeared as the struggle for existence becomes fierce and relentless." (- Jacob S. Coxey, "Address of Protest" on the steps of the Capitol, from the Congressional Record, 53<sup>rd</sup> Congress, 2nd Session (9 May 1894), 4512.)

#### IX. Depression & the Election of 1896

- A. The depression remained severe in 1896
- B. economic conditions a crucial issue of the campaign
- C. Pres. Grover Cleveland (D) was wildly unpopular
  - a. because of the depression
  - b. fostered a deep rift in the Democratic party
- D. Bryan's (D) campaign was an uphill battle from the start
  - a. Co-opted many Populist ideals
  - b. "Cross of Gold Speech"
- E. McKinley (R) outspends WJB 20 to 1
- F. Results:
  - a. W. McKinley – 271 / 7.1 m
  - b. W.J. Bryan – 176 / 6.5 m

#### X. President McKinley

- A. the nation returned to prosperity
- B. new issues come to the forefront
- C. Imperialism – Spanish American War 1898
- D. Wins reelection in 1900
- E. Assassinated

## *URBANIZATION: 1865-1900*

### I. The Rise of Urban America

- A. Population in 1900 doubled to about 80 million since the census of 1870
- B. 105 million by 1920
  - 1. Population in cities tripled; by 1900 40% of Americans lived in cities.
  - 2. By 1900, New York had 3.5 million people; 2nd largest in world
    - a. Chicago and Philadelphia had over 1 million people.
    - b. No American city had 1 million people in 1860.
- C. Skyscrapers emerged as steel allowed for taller buildings and elevators were perfected.
  - 1. Louis Sullivan (1856-1924) – "form follows function" when making buildings.
  - 2. Brooklyn Bridge (John A. Roebling) linked 1st & 3rd largest cities in U.S.
- D. Commuting increased due to mass-transit e.g. electric trolleys – streetcar suburbs emerged
- E. Megalopolis emerged divided into distinctly different districts for business, industry, and residences; segregated by race, ethnicity, and social class.
- F. Economic and social opportunities lured people to the city; rural America could not compete
  - 1. Commercial districts mushroomed, with department stores emerging
  - 2. Also lure of entertainment, amenities such as electricity, indoor plumbing, and telephones
  - 3. City a new frontier of opportunity for women
    - a. over 1 million new workers in 1890s
    - b. Social workers, secretaries, store clerks, seamstresses, telephone operators, bookkeepers.
    - c. Many worked in deplorable conditions (such as sweat shops)
    - d. Middle and upper-class women usually did not work – not acceptable.
  - 4. Teaching and nursing were among few acceptable vocations.
    - a. By 1900, over 5 million women worked for wages
      - i. 18% worked in clothing & garment trades or textile mills
      - ii. Nearly 40% were domestic servants.
      - iii. Others were farm laborers, teachers, and salesclerks.
    - b. Most workingwomen were young, poor, and unmarried.
    - c. Castes emerged among women workers
      - i. Clerking open to mainly "American" girls – WASP; respectable work
      - ii. Factory work did not gain instant respectability
        - ◆ Usually farm girls or working-class girls
        - ◆ These workers could be accepted by those higher on social ladder
        - ◆ Women's Trade Union League & other female unions active in this class.
      - iii. Domestic servants considered on the bottom class
        - ◆ Usually foreign-born (usually Irish) or black
        - ◆ Often worked 12/hrs per day, 6 days a week
        - ◆ Had no organizations to improve their situations
- G. Class distinctions became most pronounced in America history by 1900
  - 1. New class of super-wealthy: the nouveau riche
    - a. 1890: Wealthiest 1% of families owned 51% of real and personal property
    - b. Meanwhile, 44% of families at the bottom owned 1.2% of all property.
    - c. Wealthy (incl. nouveau riche) and well-to-do = 12% of families; 86% of wealth
    - d. Poorer & middle classes = 88% of families but owned only 14% of wealth.
    - e. Traveled to Europe as children, attended colleges or academies, owned more than one house, boats, carriages, and automobiles.
    - f. Employed several servants.
    - g. Believed in identify-of-interest idea of social order.
  - 2. Middle class
    - a. Lower end: salesmen, clerks and government workers; teachers
    - b. Upper end: lawyers and doctors

- c. Mostly WASP (but poorer in South, West, and Midwest)
- d. Usually lived in relatively large homes; employed at least one domestic servant.
- e. "Respectable" women didn't debate public issues; didn't attract attention to themselves
- f. No middle ground existed between purity and immorality.
- 3. Working class
  - a. Usually Catholic (esp. Irish), foreign (esp. E & S Europe), or black
  - b. Between 23% and 30% of work force out of work for some period every year
  - c. In 1900, nearly 20% of children under 15 worked in non-agricultural work
  - d. About 20% of women worked, most were young—between school & marriage
- H. Cities had deplorable conditions.
  - 1. Rampant crime: prostitution, cocaine, gambling, violent crime.
  - 2. Unsanitary conditions persisted as cities could not keep up with growth
  - 3. Perfection of "dumbbell" tenement in 1879
    - a. 7 or 8 stories high with little ventilation
    - b. families were crammed into each floor
    - c. 50% of New York City housing

## II. "New Immigration" occurred after 1880

- A. Between 1850 & 1880, over 6 million immigrants came to US (part of "Old Immigration")
  - 1. Most Anglo-Saxon who came from Britain & Western Europe (Germany, Scandinavia)
  - 2. Most were literate and easily adapted to American society
  - 3. Before 1880 the stereotype of immigration was German and Irish
    - a. Germans seen as sturdy, hardworking, serious people
      - i. Constituted largest number of immigrants in 19th century.
      - ii. After upheavals of late 19th c., seen as socialists, anarchists, and communists.
      - iii. Germans could be Protestant, Catholic or Jewish.
      - iv. Some joined Republican party and gained respectability among WASPs
    - b. Irish seen as dirty, drunk, immoral, Catholic, and violent
      - i. 2nd in numbers to German immigrants by end of century (though largest in number between 1840-1860)
      - ii. Became America's first proletariat; could not afford land.
      - iii. Climbed to middle-class through politics.
      - iv. Most were Democrats and gained political stereotypes:
        - ◆ bossism, herd voting, corruption (although it was widespread in both parties)
        - ◆ Civil service reform largely a nativist, class reaction against Irish.
- B. "New Immigration"
  - 1. Between 1880 & 1920 about 27 million immigrants came to the US
  - 2. about 11 million went back
  - 3. Most came from Eastern and Southern Europe (Italians, Jews, Poles, Greeks, Hungarians, Croat/Slovenian, Slovaks, Bulgarian, Czech, Serbian/Montenegrin)
  - 4. By 1910 1/3 of Americans either foreign born or had one parent foreign born. (only 19% in 1890).
    - a. Most came through Ellis Island in New York harbor from 1882-1954
    - b. Others came through Boston, Philadelphia, Baltimore, Charleston, Galveston, Mobile, New Orleans, and West Coast ports
    - c. Came to live in enclaves in NY & Chicago where their numbers were larger than their Old World cities
  - 5. Many were Orthodox Christians or Jewish (from Eastern Europe)
  - 6. Came from countries with little democracy
  - 7. Heavily illiterate
- C. Struggled to maintain their cultures in America

1. Many Catholic parochial schools & Jewish Hebrew schools established
  2. Foreign-language newspapers, theaters, food stores, restaurants, parishes, social clubs.
  3. 1st generation Americans often rejected culture of parents and became mainstreamed
- D. Why immigration from Eastern & Southern Europe?
1. Overpopulation in Europe and rapid industrialization left many with either nowhere to go or forced many to change their customary occupations.
  2. America seen as a land of opportunity (conditions in Europe dismal)
    - a. Statue of Liberty erected in NY harbor, a gift from the French
    - b. "Give us your tired, your poor/ Your huddled masses yearning to breath free" – Emma Lazarus
  3. Industrialists sought low-wage labor, railroads sought buyers for their land grants, states wanted more population, & steamship lines wanted more business
  4. Persecution of minorities in Europe
    - a. Jews savagely persecuted in Russia in 1880s esp. in Polish areas
      - i. Most fled to NY.
      - ii. Resented by German Jews who had arrived decades earlier as well as WASPs
      - iii. Most had lived in cities in Europe as tailors or shopkeepers
      - iv. Difficult to assimilate since they lived together in slum enclaves.
    - b. Ethnic & religious minorities in Europe faced conscription, economic hardship and persecution.
  5. About 25% of 20 million who came between 1820 & 1900 went back to Europe.
    - a. Earned enough money to improve their lives in the Old World
    - b. Had no intentions of Americanizing.
- E. Chinese immigration (not considered part of "New Immigration")
1. Burlingame Treaty
    - a. in 1868 between U.S. and China
    - b. allowed unrestricted immigration to work on the transcontinental RR
    - c. Sec. of State Seward hoped to open Chinese markets to U.S. goods.
    - d. By 1870, accounted for 9% of California population; 75,000
  2. Chinese in America
    - a. Came to work gold fields and build the transcontinental railroad.
    - b. Highest percentage of immigrants in America who returned home.
    - c. Chinatowns developed with mostly all single men
    - d. The few Chinese women who came were turned into prostitutes
    - e. Most worked as cooks, laundrymen, or domestic servants.
  3. After railroad completed, Chinese immigration continued causing intense friction with white workers in California, esp. Irish led by Denis Kearney in San Francisco.
    - a. Bad economic times stemming from 1873 Panic a major cause
    - b. Employers used Chinese workers as a hedge against unionization
    - c. "Coolies" terrorized in streets: many killed, others had pigtails sheared off
    - d. Also persecuted in mining towns in Colorado
  4. Workingmen's Party of California
    - a. led by Kearney
    - b. Formed in 1877 called for exclusion of Chinese from CA and the US
      - i. Emerged into large party
      - ii. earlier helped draft California constitution in late-1840s
      - iii. Claimed Chinese were taking jobs from US workers.
    - c. California Constitution denied Chinese jobs on public works projects and stated they could not work for companies in the state.
    - d. Influenced national policy.
  5. Chinese Exclusion Act (1882)
    - a. Ended Chinese immigration
    - b. lasted until 1943

### III. Reform & The Press

- A. Newspapers
  - 1. Editorials akin to Greeley were diminishing
  - 2. Sensationalism was climbing as public thirsted for sex, scandal, and other human-interest stories.
  - 3. Joseph Pulitzer: Yellow Journalism attributed to his newspapers
  - 4. William Randolph Hearst also built up a powerful chain of newspapers
    - a. Like Pulitzer extremely sensationalistic in his editing for increased circulation.
  - 5. Syndicated news such as the emerging Associated Press helped check sensationalism.
- B. Reform Press (some sought panaceas, others focused on specific reform)
  - 1. *The Nation*, founded by Edwin L. Godkin in 1865
    - a. became era's most influential journal.
    - b. Liberal and highly intellectual, read largely by professors, preachers, and publicists.
    - c. Advocated civil service reform, honesty in gov't, and a moderate tariff.
  - 2. Henry George: *Progress and Poverty* (1879)
    - a. Utopian Economics
    - b. Though available land still plentiful, increased demand increased property values, making land speculators rich.
    - c. A single tax of 100% on those with land appreciation would eliminate speculation
      - i. Everyone would be able to buy land.
      - ii. Workers would become farmers; resulting labor shortage would increase wages and end unemployment.
      - iii. Poverty and crime would end
      - iv. His ideas horrified the wealthy
  - 3. Edward Bellamy: *Looking Backward* (1888)
    - a. Utopian/Socialistic novel: hero, falling into a hypnotic sleep, awakens in 2000.
    - b. "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.
      - i. Money abolished
      - ii. no more unemployment, strikes, violence, etc.
    - c. Bellamy clubs (Nationalist clubs) emerged to discuss his mild utopian socialism
    - d. Heavily influenced Populist movement.
  - 4. Henry Demarest Lloyd: *Wealth against Commonwealth* (1894)
    - a. Utopian Ideology
    - b. One of first anti-big business tracts to come from a member of the elite.
    - c. Influential model of investigative journalism
    - d. grew into muckraking in 20th century
    - e. Criticized Standard Oil for corrupting the political system.
    - f. His remedy was socialism gained through peaceful means.
  - 5. Thorstein Veblen: *The Theory of the Leisure Class* (1899)
    - a. Assailed the nouveau riche
  - 6. Jacob A. Riis: *How the Other Half Lives* (1890)
    - a. Exposed the dirt, disease, vice, and misery of the rat-infested New York slums
    - b. Heavily influenced Theodore Roosevelt
  - 7. Charlotte Perkins Gilman: *Woman and Economics* (1898)
    - a. Considered a classic masterwork of feminist literature.
    - b. Called on women to abandon their dependent status and contribute to the larger life of the community through productive involvement in the economy.
    - c. Advocated centralized nurseries and cooperative kitchens to facilitate women's participation in the work force
    - d. Anticipated day-care centers & convenience-food services of a half-century later.
  - 8. Coin Harvey's Financial School advocated silver standard/soft money
  - 9. By century's end, sweeping panaceas had lost appeal
  - 10. reformers worked to solve specific problems thus leading to Progressive Movement

## ***SETTLING THE WEST: 1865-1890***

Frederick Jackson Turner: *Significance of the Frontier in American History* (1893)

- A. "Up to our own day American history has been in a large degree the history of the colonization of the Great West. The existence of an area of free land, its continuous recession, and the advance of American settlement westward, explain American development."
  - 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.

### I. "The Great West" or the "Great American Desert"

- A. From the Great Plains in the east to the California desert in the west.
- B. Flood of whites into area after Civil War
  - 1. 1865, no white people in area
  - 2. exception: Mormons in Utah & scattered Mexican settlements in SW
- C. Area inhabited by
  - 1. Plains Indians: Sioux & Comanche
  - 2. SW Indians: Apache & Navajo
  - 3. NW Indians: Nez Perce & Shoshoni
- D. By 1890, entire area carved into states except for four territories
  - 1. Pioneers poured into the vast area in one of the most rapid settlements of such a vast area in all history.
  - 2. Expansion spurred by the Homestead Act of 1862
- E. Homestead Acts
  - 1. Set in motion a program of public land grants to small farmers
  - 2. Southern states, pre-Civil War, voted against homestead legislation
    - a. the law would hasten the settlement of western territory
    - b. ultimately adding to the number and political influence of the free states
    - c. This exacerbated sectional conflicts.
    - d. A homestead bill passed the House in 1858 but was defeated by one vote in the Senate
    - e. the next year, a similar bill passed both houses but was vetoed by President James Buchanan
    - f. In 1860, the Republican platform included a plank advocating homestead legislation.
    - g. After the southern states had seceded, homestead legislation was high on the Republican agenda
  - 3. The Homestead Act of 1862 provided:
    - a. that any adult citizen (or person intending to become a citizen)
    - b. who headed a family
    - c. could qualify for a grant of 160 acres of public land
    - d. by paying a small registration fee and living on the land continuously for five years
    - e. If the settler was willing to pay \$1.25 an acre, he could obtain the land after only six months' residence.
    - f. By the end of the Civil War, fifteen thousand homestead claims had been established
    - g. more followed in the postwar years
    - h. But the law did not provide the new beginning for urban slum dwellers that some had hoped
    - i. few such families had the resources to start farming, even on free land
    - j. The grants did give new opportunities to many impoverished farmers from the East and Midwest
    - k. much of the land granted under the Homestead Act fell quickly into the hands of speculators
    - l. Also, over time, the growing mechanization of American agriculture led to the replacement of individual homesteads with a smaller number of much larger farms

- F. Native Americans stood in the way of expansion on two fronts:
  1. westward from the trans-Mississippi East
  2. eastward from the Pacific Coast
  3. epic clash inevitable
- G. African-Americans
  1. 18% of California population by 1890
  2. Many involved in fur trade in 1820s and 1840s.
  3. Over 500,000 lived west of Mississippi; many came west as slaves
  4. After 1877, about 200,000 blacks moved west, many homesteading in Kansas or Oklahoma.
  5. As many as 1 in 4 cowboys were black

## II. Impact of the Transcontinental Railroad on the Frontier

- A. Established three western frontiers
  1. Mining
  2. Cattle
  3. Farming (largely made possible by homesteading or land purchases from railroads)
- B. Towns sprang up along railroad routes
  1. Railroads given alternating square miles of territory 3 miles wide on each side of the track
  2. Railroads sold much land to settlers

## III. Mining in the West (first of three frontiers)

- A. Mineral-rich areas of the West were the first to extensively settled.
  1. Following prospectors & commercial miners, ranchers & farmers followed
  2. Copper, lead, tin, quartz, & zinc more profitable than gold or silver in the long term
- B. Pike's Peak, Colorado
  1. Gold discovered in 1858 and thousands of "Pike's Peakers" rushed west.
  2. Though only a few of the 100,000 "59-ers" profited
  3. thousands stayed in region to mine silver or farm grain.
- C. Comstock Lode
  1. discovered in Nevada in 1859 (gold and silver)
  2. Big population influx resulted in statehood in 1864
  3. gave Lincoln 3 electoral votes
- D. Copper mining
  1. Colorado, Montana, Wyoming
  2. Increased demand for copper
  3. due to increased use of telegraph wires, electric wires, and telephone wires
- E. Boom towns to ghost towns occurred when mines petered out and towns abandoned
- F. Corporations gradually came to dominate mining (need large capitalization)
- G. Significance of mining
  1. Attracted population and wealth to the Wild West
  2. Helped finance the Civil War
  3. Facilitated building of the railroads.
  4. Intensified conflict between whites and Indians.
  5. Enabled gov't to resume specie payments in 1879
  6. Introduced the silver issue into American politics.
  7. Added to American folklore and literature e.g. Bret Harte & Mark Twain.

## IV. Cattle Raising (second of three frontiers)

- A. Transcontinental railroad facilitated transportation of meat from long-horned cattle to cities.
  1. Cattle now driven to stockyards (e.g. Kansas City & Chicago)
  2. Beef tycoons like the Swifts and Armours emerged
  3. Refrigerator cars allowed transportation of fresh meat from stockyards to East
- B. "Long Drive"

1. Mexican ranchers had developed ranching techniques later used by Texans, then by Great Plains cattlemen and cowboys
  2. Spanish words: rodeo, bronco, lasso
  3. Texas cowboys included former Confederate soldiers, northern whites, blacks, and Mexicans.
  4. Cowboys drove herds through the plains until they reached a RR terminal – e.g. Abilene (KA), Dodge City, Ogallala (NB), & Cheyenne (WY)
- C. Challenges to the "long drive"
1. Homesteaders brought out by trans-continental railroad built barbed-wire (invented by Joseph Glidden) fences that were too numerous to be cut down by the Cowboys.
  2. Terrible winter 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.

#### V. Farming (the third western frontier)

- A. Homestead Act of 1862
1. Settler could acquire as much as 160 acres of land by living on it 5 yrs, improving it, and paying a nominal fee averaging about \$30 (as low as \$10)
  2. Residency on land required for ownership
  3. As an alternative, land might be acquired after only 6 months' residence at \$1.25/acre.
- B. Departure from previous federal land policy (selling land for revenue)
- C. Now, given away to encourage settlement of West and stimulus to the family farm
- D. 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. 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.
  4. Perhaps 10X more of public domain ended up belonging to promoters, not farmers
  5. Corporations used "dummy" homesteaders to grab the best properties containing lumber, minerals, and oil.
  6. Federal trend of "free land" lasted until 1934
- E. Development of the Great American Desert
1. Black sod of the prairies (e.g. Kansas) could now be developed with special plows
  2. Land became extremely fruitful and shattered the myth of the Great American Desert
  3. Railroads played a role in taming the West
    - a. Profitable marketing of crops.
    - b. Inducing Americans & European immigrants to buy cheap lands earlier granted by gov't.
  4. Improved irrigation techniques helped deserts to bloom (e.g. Mormons in UT)
  5. Tough strains of wheat resistant to cold imported from Russia.
  6. Flour-milling process by John S. Pillsbury of Minneapolis, increased demand for grain.
  7. Barbed-wire invented by Joseph F. Glidden in 1874
    - a. By 1883, his company using his patent was making 600 miles of wire each day.
    - b. Gave farmer greater protection against trespassing cattle

#### VI. End of the Frontier

- A. Incredible growth from 1870s to 1890s
1. New states:
    - a. Colorado (1876)
    - b. 1888-1889: Republican Congress admitted six new States as they sought more Republican electoral votes: ND, SD, MT, WA, ID, WY
    - c. Utah admitted in 1896 after it banned polygamy in 1890
    - d. Oklahoma Land Rush, April 22, 1889

- i. U.S. made available to settlers vast stretches of land formerly occupied by the Creeks and Seminoles in the district of Oklahoma
    - ii. Nearly 100, 000 "boomers" or "eighty-niners" poured in from the OK border.
    - iii. By the end, nearly 2 million acres had been settled.
    - iv. "Sooners" – landgrabbers who claimed land illegally before land rush began
    - v. By years end, OK had 60,000 inhabitants and Congress made it a territory.
    - vi. In 1907, it became "the Sooner State."
- B. In 1890, the superintendent of the census announced that for the first time in U.S. History, a frontier line was no longer discernible.
  - 1. All unsettled areas now broken into by isolated bodies of settlement.
  - 2. Yet, more millions of acres taken up after 1890 than between 1862 & 1890.
  - 3. Once frontier was gone, farmers could not move west in significant numbers
  - 4. Had to stay and fight to improve their lot by organizing for political purposes.
- C. "Safety valve" theory
  - 1. Supposedly, when hard times came, city unemployed moved west to farm and prospered.
  - 2. In reality, few city folk in populous eastern centers migrated to frontier during depressions.
    - a. Did not know how to farm or could not raise necessary \$ for transportation, livestock, and machinery.
    - b. Most settlers who moved west came from farms on older frontier.
    - c. In fact, near century's end, many farmers moved to the city.
  - 3. Free acreage did lure immigrant farmers who would otherwise have stayed in eastern cities further increasing the perils of the slums.
  - 4. Frontier did lure restless and adventurous spirits, mostly young, who wanted to achieve the "American Dream"
  - 5. Frontier did have a psychological impact on easterners who could, if they desired, flee to the frontier
  - 6. May have had an impact in wage increases for eastern workers.

## VII. The Farm Becomes a Factory

- A. Mississippi region experienced somewhat of an agricultural revolution after the Civil War.
  - 1. Farmers concentrated on a single cash-crop such as wheat or corn.
    - a. America became the world's breadbasket and meat producer.
    - b. Farm attained status of a factory.
  - 2. Massive migration of white & black Americans out of Southern Cotton Belt
  - 3. Largest population shift in American history (most of whom were white).
  - 4. Large-scale commercial agriculture under auspices of entrepreneurial capitalists of the New South spread beyond plantations into predominantly white small farming regions
- B. For farmers, represented one of most wrenching changes in American history.
  - 1. "Crop lien" system was the basis of the commercialization of southern agriculture.
    - a. A planter or merchant extended a line of credit (at exorbitant interest rates) to a moneyless farmer.
      - i. Impossible for farmer to get out of debt.
      - ii. Resulted in many poor white and black farmers becoming landless tenant farmers or sharecroppers.
    - b. Credit merchants who came to power in post-Reconstruction South acquired much land at the expense of small farmers.
      - i. 1870s: 20% of Southern farmers were tenants, mostly freed slaves.
      - ii. 1910s: 50% of farmers were tenants, many were newly landless whites.
  - 2. Some small-scale farmers, unskilled in business, often blamed banks and railroads rather than their own shortcomings for their losses.
  - 3. Gave rise to Populist movement of victimized farmers.

- C. Economic problems plaguing farmers
  - 1. Deflated currency and low food prices were the chief worries among farmers.
  - 2. Natural disasters: freezing temperatures, insects, diseases
  - 3. Government-added woes
    - a. Farmers' land often over assessed making property taxes higher.
    - b. Protective tariffs hurt the South as manufactured product prices increased
    - c. Farmers products unprotected in competitive world market.
  - 4. Agricultural-related trusts soaked farmers: barbed-wire trust, fertilizer trust, harvester trust, and railroad trust (freight rates)
  - 5. Farmers underrepresented politically and poorly organized

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