

## The Panic & Depression of 1893 – 1897

### I. Impact

- 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 percent

### II. 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

### III. 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."

*Jacob Coxey's Address on Behalf of the Industrial Army*

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.

IV. 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

V. President McKinley

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